

# 2009-10

DEPARTMENT  
OF  
PLANNING  
**ANNUAL  
REPORT**

INCORPORATES THE ANNUAL REPORTS OF THE HERITAGE COUNCIL AND THE  
BUILDING PROFESSIONALS BOARD

## Office of the Director General

The Hon. Tony Kelly MP  
Minister for Planning  
Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000

29 October 2010

Dear Minister

I have pleasure in submitting the Annual Report of the Department of Planning for the year ended 30 June 2010, for presentation to the Parliament of New South Wales in accordance with the *Annual Reports (Departments) Act 1985*.

Yours sincerely



Sam Haddad  
Director General

## ANNUAL REPORT 2009-10

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The Department's annual report can also be found on the Department's website: [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au)

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# MINISTER'S FOREWORD



## Transparency. Efficiency. Certainty. Decisions at the most appropriate level. Creating Australia's best planning system

During 2009-10, the NSW economy faced what was arguably its greatest challenge since the Great Depression. I am pleased that the Department of Planning responded to this challenge and in doing so helped lay a solid platform for sustainable growth into the future.

A number of important amendments to State planning policies were made to support stimulus-funded affordable housing and education projects. These projects were able to be approved with little delay – while ensuring proper planning checks and balances were in place – to help NSW reap the benefits of Australian Government funding. At the same time, following discussions with the property industry, we changed the State's planning law to extend development consent periods, to give investors more time to obtain the necessary finance to begin construction.

The introduction of new joint regional planning panels in July 2009 has helped create more consistent, merit-based decision-making for regionally-significant projects. The fact such panels have helped drive down determination times has also assisted in our economic recovery. I am pleased that these panels have been welcomed by communities, practitioners and proponents. They have been one of the true success stories of our recent planning reforms.

Housing supply has been a major issue during the year. The Department introduced a range of new measures including the Affordable Rental Housing Policy and undertook major rezonings in Sydney's growth centres as well as in a number of State significant sites across New South Wales.

The Department's latest evidence shows record levels of land to meet our housing needs in greenfield areas of Sydney for the next ten years.

The Department's assessment work again showed its value, particularly during difficult economic conditions. Some \$19 billion worth of projects with the potential to create 64,000 jobs were approved. These approvals included the Cadia Gold mine, the Quakers Hill to Vineyard railway extension, several

Pacific Highway and Hume Highway bypasses and a major new obesity, diabetes and cardiovascular research centre at the University of Sydney. The Department's assessment work allowed these vital projects to proceed while at the same time ensuring their impacts could be minimised or eliminated.

There were many other major initiatives taken during the year including:

- A new LEP system for local government which better tailors complex, individual assessments and streamlines outcomes.
- The continued updating of local plans (some for the first time in 40 years) and introduction of the standard template framework to facilitate their use
- Beginning a scheduled five-year review of our Metropolitan Strategy
- Taking action on climate change and sea level rise by providing a framework for local government to tackle this issue.

I would like to thank the Department and its senior staff, particularly the Director General Sam Haddad, for their ongoing hard work creating Australia's best planning system.

A handwritten signature in blue ink that reads "Tony Kelly". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Tony Kelly

Minister for Planning

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# DIRECTOR GENERAL'S INTRODUCTION



A key challenge for planning is to deliver on sustainable growth for NSW. The State's population is expected to grow to nine million people within the next 25 years. Sydney will be home to more than six million people by 2036. This growth provides important challenges and opportunities for planning, including securing Sydney's highly-valued environment and amenity while providing for a housing mix and employment opportunities.

A high priority in managing the State's and Sydney's growth is the planning and delivery of services and infrastructure, particularly transport, as an integral part of land-use and growth.

During 2009-10, the Department substantially strengthened its strategic planning activities. A review of the 2005 Metropolitan Strategy has commenced through a discussion paper and a public consultation program. The review will deliver on three key directions for growth:

- For the first time integrating a transport blueprint into the metropolitan planning framework and delivering one integrated transport and land-use strategy
- Focusing on urban renewal and revitalisation in centres and strategic corridors, particularly in proximity to public transport nodes, and
- Creating a more efficient and transparent monitoring and governance implementation mechanism.

I am pleased to report on a number of other important achievements during 2009-10. Progress was achieved in the delivery of updated local environmental plans across NSW, in line with the standard template. The allocation by government of additional funding in this area will facilitate the completion of more than 75 plans by financial year end.

Another achievement was the rezoning and servicing for an additional 800 hectares of land in the Western Sydney Employment Area, which will provide capacity for up to 16,500 jobs, along with funding for the construction of the Erskine Park Link Road.

Significant strategic work has also been undertaken for centres and housing strategies, both in metropolitan and regional NSW, including ongoing monitoring and implementation for our regional strategies.

The Department has also allocated focused resources to strengthen its ability to strategically integrate and co-ordinate infrastructure and land-use planning. The Department is now positioned to undertake and deliver on a significant infrastructure co-ordination role.

Housing supply remains the key challenge, notwithstanding a record level of zoned and serviced land, particularly for housing. During 2009-10, significant achievements in the zoning of land were delivered. The Department is currently exceeding all benchmark targets for the delivery of zoned and serviced land.

Ongoing delivery of the planning reform agenda remains a priority. The planning reform's contribution to meeting the NSW Government's target to save \$500 million in red tape has been substantial.

In this regard, the implementation of the 'Gateway' initiative for new local environmental plans is providing much improved upfront consistency and efficiency to the rezoning process.

The NSW Housing Code is making inroads into streamlining housing approvals and we've also created a code covering industrial and commercial developments with significant benefits to the sector.

# DIRECTOR GENERAL'S INTRODUCTION

Furthermore, six joint regional planning panels have been established throughout the State, substantially strengthening the consistency and merit-based assessment of regionally significant development approvals.

There was also a continued focus on the timely and rigorous assessment of development proposals. During 2009-10, the Department assessed more than 400 proposals resulting in the approval of major development and infrastructure projects with a capital investment value of \$19 billion and the potential to generate more than 64,000 jobs.

In particular, the Department has, and will continue to, strengthen its stakeholder engagement and public consultation practices.

I want to recognise significant improvements achieved in our governance and stakeholder engagement practices, in particular the contribution of local councils in delivering planning outcomes.

The Department has a strong executive team providing high-quality leadership in administration of the planning system. I want to thank them for their contribution and, in particular, thank all staff for their professionalism, support, hard work and dedication.

On behalf of all staff, I want to particularly thank our minister, Tony Kelly, for his support and guidance of the Department. I also want to recognise Premier Kristina Keneally, who served as our minister during the year, for her achievements and strong vision for the NSW planning system.



Sam Haddad  
Director General

# HIGHLIGHTS 2009-10

## Consolidating changes to deliver Australia's best planning system

- Introduced the new 'Gateway' local plan-making system which has brought greater rigour and certainty to the creation of new local environmental plans
- Established six joint regional planning panels, which have delivered consistent and independent merit-based decision-making for regionally-significant proposals and helped drive down determination times
- Launched the NSW Industrial and Commercial Code to support 10-day approvals for small-scale, low-impact retail and industrial proposals, and undertook a 12-month review of the NSW Housing Code
- Approved 12 new council-wide local environmental plans using the standard template framework to meet future housing and employment growth
- Created a single system for the accreditation of building certifiers

## Managing sustainable growth in NSW

- Commenced the Sydney Metropolitan Strategy review in conjunction with Transport NSW – for the first time properly aligning land-use and transport growth
- Approved plans to drive housing, jobs and good urban outcomes in key centres including Burwood, Bondi Junction and Gladesville in Sydney and released draft plans for Coffs Harbour and Tweed in regional NSW
- Delivered a \$179 million local infrastructure fund to construct road and stormwater projects to support housing and jobs growth
- Released the latest Metropolitan Development Program report which found there were record levels of zoned housing land on Sydney's fringe and more than 125,000 homes in the planning and construction stage in existing suburbs
- Influenced the design and construction of over 30,000 new homes and over 8,500 additions and alterations under the BASIX program
- Continued to implement our existing metropolitan and regional strategies and exhibited a draft strategy for the Murray region
- Approved rezonings for the Riverstone West, Riverstone and Alex Avenue precincts in the North West Growth Centre, supporting 12,000 jobs and 15,500 dwellings
- Added 26 items to the State Heritage Register – the highest number in five years

## Major development projects

- Continued to deliver highly credible and rigorous assessments of major development proposals with significant economic benefits
- Increased the role of the Planning Assessment Commission in determining proposals where perceived conflicts of interest existed and in providing advice on major proposals
- Met our benchmark to process all proposals within eight months
- \$19 billion worth of projects approved, generating more than 64,000 jobs

# HIGHLIGHTS 2009-10 (cont)

## Housing and jobs

- Released a State environmental planning policy to boost the supply of affordable rental housing – this policy processed the majority of stimulus-funded social housing
- Progressed blueprints for six State significant sites, generating capacity for 43,000 jobs and 12,000 dwellings
- Expanded the size of the Western Sydney Employment Area near the corner of M4 and M7 motorways to support an additional 16,500 jobs
- Approved plans for additional housing and employment at Sydney Olympic Park, the Carlton United Breweries site at Broadway and Macquarie University

## Organisation

- Transitioned to become the lead agency in the Planning Cluster
- Developed a corporate plan for 2009-2011
- Developed a code of practice in regard to communication with proponents and lobbyists
- Introduced achievement planning, to link individual performance agreements to corporate planning and the State Plan
- Won Premier's Public Sector Priority Award for infrastructure planning policy
- Introduced a new policy and guidelines to improve transparency and rigour in purchasing
- Developed a communication strategy and boosted stakeholder communication and engagement activities, particularly with local government





# OVERVIEW

# OVERVIEW

The Department of Planning is the principal government agency responsible for driving strategies and making decisions to support environmentally sustainable growth and employment in NSW.

The Department plays a critical role as lead agency advising the Minister and Government on the approval of major development and infrastructure projects of significance to the State's economy and employment.

The Department's principal governing legislation is set out in the *Environmental Planning and Assessment Act 1979*, the *Heritage Act 1977*, and the *Coastal Protection Act 1979*.

Effective 1 July 2009, the NSW Government aligned 160 agencies and offices into 13 clusters. The Department of Planning is the principal agency for the Government's planning cluster. Other bodies in the cluster include:

- Redfern-Waterloo Authority
- Barangaroo Delivery Authority
- Land and Property Management Authority, incorporating the Sydney Harbour Foreshore Authority.

## What we do

We work closely with other NSW Government agencies to:

- Develop and oversee the implementation of whole-of-government policies and strategies for development, land use and conservation
- Facilitate and guide the orderly integration of land use planning and infrastructure provision
- Deliver integrated development assessment and determinations for major development and infrastructure projects, and promote community and stakeholder consultation.

## Our priorities under the NSW State Plan

The Department is the lead agency for the following NSW State Plan targets:

### Speed up planning decisions

- Meet planning benchmarks for timely processing of major project determinations and planning proposals

### Increase the number of jobs closer to home

- Increase the percentage of the population living within 30 minutes by public transport of a city or major centre in metropolitan Sydney

### Grow cities and centres as functional and attractive places to live, work and visit

- Maintain or improve the ranking of our cities and regional towns in an international 'quality of life' survey

### Improve housing affordability

- Provide capacity for 640,000 new dwellings between 2004 and 2031, including 445,000 in existing urban areas and the remainder (195,000) in greenfield locations
- Achieve stocks of land zoned and serviced with trunk infrastructure with potential for development of 55,000 dwellings
- Provide at least 300,000 new dwellings over the next 25 years in regional areas, with an increased rate of infill development.

## Our objectives

- Sustainable growth in the right locations
- Improved investor and community confidence
- Effective management of natural, environmental and cultural resources and values
- Diverse, equitable and pleasant neighbourhoods which reflect community needs and aspirations
- Integrated delivery of regional infrastructure and government activities

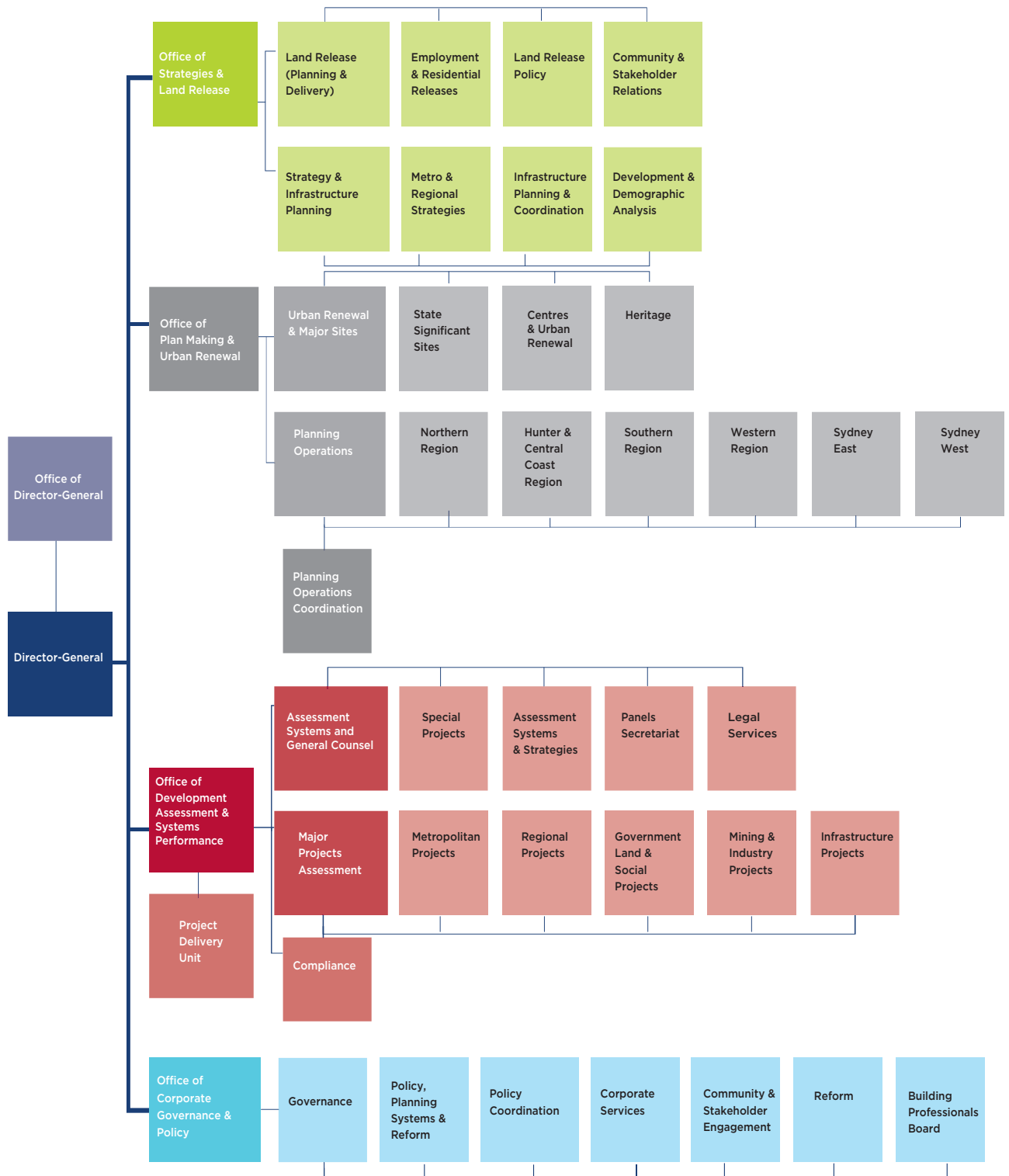
## Our structure

The Department has four offices:

- Strategies and Land Release
- Plan Making and Urban Renewal
- Development Assessment and Systems Performance
- Corporate Governance and Policy.

A new Planning Board of Management was established during 2009-10 as the principal executive, advisory and decision-making forum for the Department. Members of that board are: Director General, Sam Haddad; Deputy Director General, Ian Reynolds; Deputy Director General, Richard Pearson; Deputy Director General, Tom Gellibrand; Executive Director, Donna Rygate; and Executive Director and General Counsel, Marcus Ray.

# OUR STRUCTURE





# OUR BOARD



Director General  
Sam Haddad



Deputy Director General,  
Strategies and Land Release,  
Ian Reynolds



Deputy Director General,  
Development Assessment  
and Systems Performance,  
Richard Pearson

The Office of the Director General supports the Director General.

The Office also:

- Manages parliamentary and ministerial interactions
- Coordinates high-level representation and community engagement
- Liaises with Cabinet, colleague agencies and government central agencies.

## Strategies and Land Release

The key function of the Strategies and Land Release Office is to strategically plan the delivery of new land supply in New South Wales for housing and employment-generating development and to work with relevant agencies to ensure that the land has the appropriate infrastructure to support new residents and businesses.

The Office also:

- Prepares, monitors and updates the Metropolitan Strategy and all regional strategies
- Manages and updates the Metropolitan Development Program, the Hunter and Illawarra urban development programs, the regional growth strategies, and the employment land development program
- Prepares population projections and analyses
- Manages the precinct planning activities in Sydney's growth centres and the Western Sydney Employment Area.
- Plays a role in infrastructure provision both through strategic planning and implementation via contribution and planning agreements.

### Key divisions include:

- Strategy & Infrastructure Planning, Executive Director, Andrew Jackson
- Land Release (Planning & Delivery), Executive Director, Robert Black.

## Development Assessment and Systems Performance

The Development Assessment and Systems Performance Office assesses a wide range of major development and infrastructure projects of State significance, which are fundamental to supporting sustainable development and delivering jobs and investment.

The Office also:

- Leads the administration of environmental impact assessment and development approvals, including associated regulatory and operational aspects to drive continuous reforms and best practice
- Manages and delivers key elements of planning reforms such as the NSW Housing Code, and the Commercial and Industrial Code
- Oversees implementation of joint regional planning panels in the State.

### Key divisions include:

- Major Projects Assessment, Executive Director, Chris Wilson
- Assessment Systems & General Counsel, Executive Director, Marcus Ray.

# OF MANAGEMENT



Deputy Director General, Plan Making and Urban Renewal, Tom Gellibrand



Executive Director, Corporate Governance and Policy, Donna Rygate



Executive Director, Assessment Systems and General Counsel, Marcus Ray

## Plan Making and Urban Renewal

The Plan Making and Urban Renewal Office develops the plans and development controls used to assess projects, and it leads urban renewal projects across the State.

As part of its plan-making role, the Office:

- Delivers state-wide, local and regional planning instruments and rezoning of land
- Coordinates and implements the local environmental plans
- Maintains performance monitoring across the planning system.

In its urban renewal role, the Office:

- Delivers urban renewal and centres projects in a timely and transparent fashion
- Assesses State significant sites under Part 3A of the *Environmental Planning and Assessment Act 1979*
- Administers the Heritage Branch in support of the Heritage Council.

### Key divisions include:

- Planning Operations, Executive Director, Neil McGaffin
- Urban Renewal & Major Sites, Executive Director, Giovanni Cirillo.

## Corporate Governance and Policy

The key aim of the Office of Corporate Governance and Policy is to achieve continuous improvement across the Department and the planning system. The Office is responsible for:

- Effective external and internal communication and strengthened relationships with stakeholders
- High quality whole-of-department policies and practices
- Efficient integration of policy development and implementation, data and research, and sustainability
- Strengthened transparency and accountability by effective planning, reporting, governance, audit and risk management programs
- Strategic whole-of-government corporate services reform for the Planning Cluster
- High quality strategic corporate services – human resources, capacity building, finance, administrative and IT services
- Robust regulation of building certifiers.

## Department of Planning Executive



Left to right: Veronica Young, Neil McGaffin, Robert Black, Andrew Jackson, Marcus Ray, Chris Wilson, Sam Haddad, Richard Pearson, Donna Rygate, Tom Gellibrand, Liam McKay, Ian Reynolds, Giovanni Cirillo.







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# AFFICIENT

PLANNING PROCESS

# A MORE EFFICIENT PLANNING PROCESS

## BUILDING AUSTRALIA'S BEST PLANNING SYSTEM

During 2009-10 the Department continued to implement improvements to the NSW planning system to streamline and strengthen decision-making and consultation, increase efficiency, and improve certainty and confidence.

Across NSW each day a variety of people, from families and companies to planning professionals, come into contact with the NSW planning system.

Over the past year, the Department of Planning made ongoing refinements to simplify and improve the system so it is easier to access, more efficient to use and so that people can have confidence that decisions about land use are rigorous, transparent, fair and consistent.

### KEY ACHIEVEMENTS

- 12 new council-wide local environmental plans delivered using the standard instrument template framework to meet future housing and employment growth
- Introduced the new 'Gateway' plan-making process which has helped bring greater rigour and upfront certainty to the creation of the new local environmental plans, while at the same time driving down processing times
- Established six joint regional planning panels, which to date have provided consistent, merit-based decisions and reduced development assessment times by half
- Established an affordable rental housing framework for the more efficient delivery of a range of rental housing to provide more options for key workers and those in need of social housing
- Won the Premier's Priority Award for the role of the Infrastructure SEPP in the delivery of infrastructure through sound planning, and in making a significant contribution to the roll-out of the Australian Government's economic stimulus package
- Launched the NSW Industrial and Commercial Code to allow retail and industrial operators to have 10-day planning approvals for small-scale, low-impact developments

## POLICY INITIATIVES

The planning system can play a key role in improving investor confidence in generating employment and housing, and providing for sustainable growth in the right locations with appropriate infrastructure and services.

The Department has done a lot to simplify the planning system and to provide greater certainty in delivering important outcomes for NSW, for instance:

- The roll out of the comprehensive Local Environmental Plan (LEP) Program with a single principal LEP for each council area based on a standard instrument
- Strengthening of strategic planning to better inform planning decisions whether at the regional, sub-regional or local level
- Introduction of joint regional planning panels and the Planning Assessment Commission to strengthen and depoliticise decision making
- Further streamlining the major project Part 3A assessment processes with delivery targets
- Expanding the use of complying development to include schools, telecommunications, industrial and commercial development and additional types of housing, including affordable rental housing
- Increased use of e-Planning to make the system more interactive, transparent and efficient
- Reducing development control plan complexities
- Strengthening the certification system.



## Affordable rental housing

The new State Environmental Planning Policy (Affordable Rental Housing) 2009 commenced on 31 July 2009 to encourage public and private sector investment in new affordable rental and social housing. The policy promotes a range of residential development that is supported through planning-based tools and development incentives.

Residential development under the policy includes granny flats, low-rise development (i.e. two-storey multi-dwelling housing), residential flats, new generation boarding houses, social housing and group homes.

The policy links to priorities, targets and actions in the NSW Government's State Plan by promoting greater housing affordability for low and moderate income households. This is a result of working in partnership with the Federal Government to progress the National Affordable Housing Agreement.

A number of builders are now promoting granny flats, specifically as a result of the introduction of the policy.

The take-up of opportunities offered by the policy is being monitored by the Department with the assistance of Housing NSW through the collection of data by NSW councils.

### CASE STUDY: Affordable Housing



4-10 Kiewarra Street, Kingsgrove, within the Canterbury local government area, has been redeveloped under Division 1 of the Affordable Rental Housing State Environmental Planning Policy.

Housing NSW initiated this architecturally designed development comprising 15 dwellings over a site area of 2,418 square metres.

The project dwellings created under the policy are to be kept as affordable housing for 10 years.



## Activity centres policy

The Department has been working with stakeholders to develop an activity centres policy to provide centres that cater for the needs of business and support places where families want to live, work and shop.

The draft policy links into the priorities, targets and actions identified in the NSW Government's State Plan by promoting retail activity close to infrastructure and local labour markets, which in turn, encourages jobs growth closer to homes and reduces the need to travel. This can bring significant benefits in urban growth together with more certainty for public and private investment, fewer greenhouse gas emissions, more liveable centres and greater choice and convenience for residents.

The development of the policy draws on the recommendations of the Australian Competition and Consumer Commission Grocery Price Inquiry of 2008. These recommendations were taken into account in preparation of the draft policy, which was placed on public exhibition in April 2009.

## Economic growth and competition review

A review on promoting economic growth and competition in the planning system was co-ordinated by the Department of Planning and the Better Regulation Office. The review confirmed that while there had been many improvements to the NSW planning system, there were still some unnecessary restrictions on competition that were preventing new retailers from competing with existing businesses in some localities.

*A new affordable rental housing policy is making it easier, quicker and more attractive to build affordable rental homes in NSW...*

## Nation building projects and the Infrastructure SEPP

On 10 July 2009 the State Environmental Planning Policy (Infrastructure) 2007 was amended to simplify development approvals for new facilities at government and non-government schools, and TAFEs. This supported the rollout of the Australian Government's economic stimulus package, with the majority of schools funded under the Building the Education Revolution Program approved under the policy.

The Infrastructure SEPP also enabled more efficient approval of other items funded under the stimulus package, such as railway crossings, roadworks, and upgrades of parks and community facilities.

In 2009 the Department was awarded the Premier's Priority Award for the role of the Infrastructure SEPP in the delivery of infrastructure through sound planning. It was judged to have played a key role in providing an efficient approvals regime to facilitate the Government's \$110 billion investment in infrastructure and related jobs by 2016.

## Telecommunication facilities and broadband code

To help facilitate the rollout of a national broadband network, the Department worked with stakeholders to develop a NSW telecommunications facilities code, which will be implemented through an amendment to the State Environmental Planning Policy (Infrastructure) 2007. These provisions lead the nation and will provide for the efficient rollout of the broadband program, as well as strengthening mobile phone coverage across NSW. New classes of exempt and complying development have been developed along with guidelines for the location and design of new facilities.

## Planning for entertainment

In October 2009, the Department made a series of regulatory reforms associated with the abolition of place of public entertainment licensing. The changes mean that pubs, restaurants, registered clubs and other venues do not need development consent to provide live entertainment. This has created a wide range of opportunities for venues to introduce live music and performance into their businesses, thus helping to re-invigorate the arts sector across the State.

## Public transport facilities

On 28 August 2009 the State Environmental Planning Policy (Infrastructure) 2007 was expanded to streamline planning approvals for commuter car parks and public transport interchanges, involving any one of a combination of bus, rail or ferry, so these modes of public transport can interchange with other modes of public transport. The amendments to the policy helped to develop and deliver public transport infrastructure across the State by providing for more efficient integration of railway stations, ferry wharves and roads. A commuter carpark program guideline was also released.

## Mining

On 11 September 2009 an amendment was made to the State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 to revise the definition of underground mining to include: drill holes, gas and water drainage works and surface rehabilitation works. A new definition for open-cut mining was introduced to make it clear that it is not a type of underground mining.

On 28 May 2010 the policy was amended to prohibit extractive industries in Somersby due to the close proximity to a school and residential area. A prohibition of open-cut mining at Bickham was also introduced to prevent impacts on the Pages River and groundwater reserves.

## Air quality monitoring stations

In October 2009 the Minister for the Hunter announced a partnership between government agencies and the mining and power industries to establish the Upper Hunter Air Quality Monitoring Network. An amendment was introduced to the Infrastructure state environmental planning policy to provide for the efficient installation of monitoring stations to implement the air quality monitoring program.

## Aquaculture

State Environmental Planning Policy No. 62 (Sustainable Aquaculture) encourages sustainable aquaculture in NSW. On 18 December 2009 the policy was amended to ensure that the planning system implements the Government's comprehensive new NSW Land Based Sustainable Aquaculture Strategy across the State.

## Reducing complexity

As of 1 July 2009 regional environmental plans (REPs) are no longer part of the hierarchy of environmental planning instruments in NSW. This removal of the REP layer is intended to simplify the State's planning system. Existing REPs are deemed to be state environmental planning policies under the new Division 2, Part 3 of the *Environmental Planning and Assessment Act 1979*. The State Environmental Planning Policy (Repeal of REP Provisions) 2009 removed seven REPs and certain provisions in 13 other REPs that were redundant.

The Department is reviewing all the remaining REPs as part of the planning reforms. The repealed REPs included:

- Hunter REP 1989
- Sydney REP No 6 — Gosford Coastal Areas
- Sydney REP No 7 — (Multi-Unit Housing: Surplus Government Sites)
- Sydney REP No 10 — (Blue Mountains Regional Open Space)
- Sydney REP No 14 — Eastern Beaches
- Sydney REP No 21 — Warringah Urban Release Areas
- Sydney REP No 27 — Wollondilly Regional Open Space.



## More efficient provisions for Crown development

The new Crown development provisions in Division 4 of Part 4 of the EP&A Act and associated Regulations apply to development applications (DAs) from 1 July 2009. These provisions, which apply to council and government authority applications, set determination timeframes of 70 days. If not determined in that timeframe, the DA must be referred to the Minister or the relevant joint regional planning panel (JRPP). A consent authority cannot refuse a Crown DA or impose conditions without the agreement of the Minister or the applicant. In addition, JRPPs will determine Crown DAs lodged after 1 July 2009 for development with a capital investment value over \$5 million. These provisions are intended to provide for more efficient delivery of council or government infrastructure projects.

## Longer lapsing period

On 26 May 2010 the *Environmental Planning and Assessment Amendment (Development Consents) Act 2010* commenced. It allows up to five years for works to commence on developments approved under Part 4 of the EP&A Act – typically approvals granted by local councils. Previously, the lapsing period was generally two years. The Amending Act prevents a consent authority from reducing the lapsing period of any consent granted to less than the maximum five-year period until 1 July 2011.

### *Extending the lapsing period saves time and money and provides greater certainty*

The Amending Act was introduced as a result of public feedback, which indicated that two years may not be enough time to get finances in order to start construction, especially given the recent economic climate caused by the global financial crisis. Extending the lapsing period to five years ensures opportunities for the development are not lost and developers need not apply for the same consent again, saving them and consent authorities time, money and resources. The extension of the lapsing period provides more certainty for industry and families in the current economic climate. The changes demonstrate the Government's commitment to boosting housing supply and affordability in NSW, and removing unnecessary barriers to development.

# TRANSPARENT AND INDEPENDENT DECISION-MAKING

**In the best planning system in Australia, decisions are transparent, efficient, provide certainty and are made at their most appropriate level. The system must also be accessible so people can easily understand how to use it.**

## Planning Assessment Commission

The NSW Planning Assessment Commission (PAC) plays an important role in improving transparency and independence in the planning and decision-making process.

The PAC provides an additional level of expert scrutiny, reviewing or determining key development proposals, particularly those where a potential or perceived conflict of interest exists. It is independent of the Government, the Minister and the Department of Planning.

Although PAC members are appointed by the Minister, they are not subject to ministerial direction or control, except in relation to administrative procedures.

## Determinations

During 2009-10, an increasing number of projects were approved either by the Department or the PAC.

The number of determinations by the PAC increased from two in 2008-09 to 17 in 2009-10. This reflects the first full year of operation in which delegations by the Minister were in operation to refer determinations to the PAC.

The total capital investment value of determined PAC projects from 1 July 2009 to 30 June 2010 was \$1,478,908,343 including:

- \$311,265,000 worth of concept plans
- \$1,167,643,343 worth of project applications

The PAC had a particular role in determining project applications where reportable political donations were attached. Of its 17 determinations, some 16 of these were due to the fact that a reportable political donation had been made by either the proponent or an objector. The use of an independent expert commission to make decisions on these projects removes any suggestion of conflicts of interest in these determinations.

## PLANNING ASSESSMENT COMMISSION ACTIVITIES

Category	Project	Referred	Returned determination/ recommendation	Determination/ recommendation
For independent advice	Rippon Grange Private Hospital, Wahroonga	13/5/10	21/05/10	Approve with conditions
	Queanbeyan Local Plan 2009 (Googong)	13/11/09	1/12/09	Approve
	Draft Cessnock LEP Amendment Golden Bear	30/10/09	24/11/09	Refuse
	Eastern Creek Waste Project	23/10/09	18/11/09	Approve with conditions
	Draft Cessnock LEP Amendment 124, Kitchener	12/10/09	9/11/09	Refuse
	Draft Cessnock LEP 121, Bellbird North	28/9/09	9/11/09	Refuse
	Draft Fairfield LEP Amendment 122	16/9/09	25/09/09	Refuse
	Trinity Point, Lake Macquarie	18/8/09	27/08/09	Approve with conditions
	Honeysuckle Central	14/8/09	26/08/09	Approve with conditions
	Cronulla Marina	12/8/09	20/08/09	Approve with conditions
	Jacfin Warehouse	6/8/09	21/09/09	Requires further information
	Draft Riverstone West Precinct Plan	15/7/09	30/07/09	Approve
	Parklea Markets Concept Plan Authorisation	1/7/09	29/07/09	Refuse
	Dolphin Point subdivision	25/6/09	9/07/09	Approve with conditions
	Walker/Berry Sts Commercial Retail Hotel	22/1/10	8/02/10	Approve with conditions
	Raby, Catherine Field	27/11/09	24/12/09	Approve
	Sunbeam factory redevelopment	30/10/09	16/11/09	Refuse
	Ashington - Stamford Plaza, Double Bay	23/9/09	25/09/09	Refuse
	Sandon Point	17/9/09	16/10/09	Approve with conditions
	Riverside, Tea Gardens	10/3/09	23/07/09	Withdrawn
For expert review & public hearing	Ardmore Park Quarries	6/8/09	1/09/09	Approve with conditions
	Orange Waste Project	28/11/09	2/03/10	Approve with conditions
	Bickham Coal Project	3/11/09	3/05/10	Refuse
Determination	Bennelong Parkway, Wentworth Point	17/6/10	2/06/10	Approved with conditions
	Dick Smith, Hoxton Park	31/5/10	3/06/10	Approved with conditions
	Big W, Hoxton Park	31/5/10	3/06/10	Approved with conditions

Category	Project	Referred	Returned determination/ recommendation	Determination/ recommendation
	Stage 1 Infrastructure, Hoxton Park	31/5/10	3/06/10	Approved with conditions
	Concept Hoxton Park	31/5/10	3/06/10	Approved with conditions
	CUB mixed use block 2	20/5/10	18/06/10	Approved with conditions
	CUB commercial blocks 1 & 4	20/5/10	26/05/10	Approved with conditions
	CUB basement	20/5/10	26/05/10	Approved with conditions
	Costco Auburn	15/4/10	23/04/10	Approved with conditions
	Bonar & Loftus Sts Arncliffe residential	24/2/10	2/03/10	Approved with conditions
	CUB main park	19/1/10	22/01/10	Approved with conditions
	Newcastle Private Hospital	23/12/09	15/01/10	Approved with conditions
	Redfern RSL	15/12/09	22/12/09	Approved with conditions
	Knauf Insulation	9/11/09	14/10/09	Approved with conditions
	Breakfast Point	20/8/09	27/08/09	Approved with conditions
	Kensington student housing	28/7/09	25/09/09	Approved with conditions
	Multi-unit housing pymble	16/7/09	24/07/09	Approved with conditions

## Reviews

The PAC also undertook an important role reviewing, at the Minister's request, the proposed recommendation on some development projects. This provides an additional layer of scrutiny and independence into the planning system.

This included conducting public hearings and providing expert advice for major projects. The PAC conducted hearings for the following projects:

- Ardmore Park Quarry
- Orange Waste Project
- Bulli Seams Operations
- Bickham Coal Project.

The PAC determines project applications where:

- A reportable political donation has been lodged
- It is located within the electoral district of the Minister for Planning
- The Minister has a pecuniary interest.

The Minister may vary the current delegation by issuing a new one or a specific delegation for a project when required.

The website [www.pac.nsw.gov.au](http://www.pac.nsw.gov.au) includes details of PAC membership and a register of matters, which have been, or are currently, before the PAC.

## Joint regional planning panels

Joint regional planning panels (JRPPs) began operating in five regions of NSW on 1 July 2009 (Northern, Hunter and Central Coast, Southern, Sydney Metropolitan East and Sydney Metropolitan West), and in the Western region on 1 September 2009, supported by detailed operational procedures and a code of conduct.

There are now six JRPPs in operation. These panels include both independent State and local members and typically determine development applications worth \$10 to \$100 million, after considering an assessment by local council staff.

The role of JRPPs is to provide expertise and independence so regionally significant development applications (DAs) are determined strictly on their merits.

Within their regions the panels also provide consistent decision-making across council areas, combining state expertise with local knowledge, managing the assessment process to reduce delays and providing greater certainty, clarity and transparency.

In the first year of operation 274 DAs were lodged with 73 councils across the State for determination by panels. The panels determined 102 of these, with an average assessment time of 134 days, which compares favourably to the 2008-09 state-wide average for DAs valued over \$5 million, which was 249 days.

### JRPP regional members

#### Sydney East region:

John Roseth (Chair), David Furlong and Mary-Lynne Taylor, with Julie Savet Ward and Timothy Moore as alternates

#### Sydney West region:

Janet Thomson (Chair), Bruce McDonald and Paul Mitchell, with Lindsay Fletcher and Stuart McDonald as alternates

#### Northern region:

Garry West, John Griffin and Pamela Westing, with Bruce Clarke as an alternate

#### Hunter-Central Coast region:

Garry Fielding (Chair), Jason Perica and Kara Krason, with John Colvin and Bob McCotter as alternates

#### Southern region:

Pam Allan (Chair), Alison McCabe and Allen Grimwood

#### Western region:

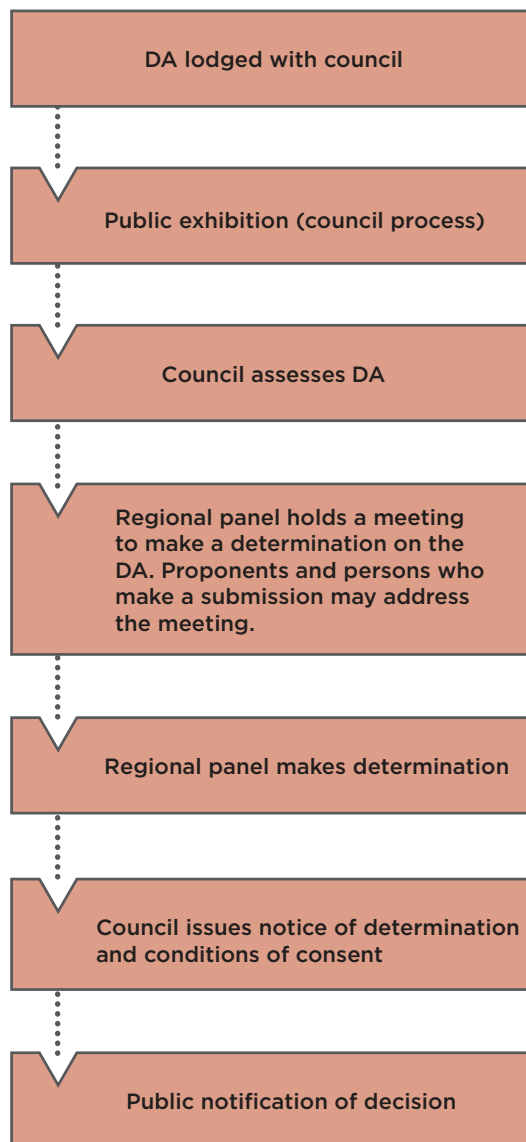
Gabrielle Kibble (Chair), Gordon Kirkby and Ruth Fagan, with Mark Grayson as an alternate

Panels approved developments worth approximately \$1.02 billion in 2009-10.

During the year, orientation and education sessions were held by the Department at 14 locations across the State for council-appointed panelists, attended by 250 people representing 116 councils.

An interim review of operations was completed in April 2010, and the JRPP Operational Procedures were revised and a complaints handling policy was developed.

### STEP-BY-STEP PROCESS



In addition, the JRPP code of conduct was strengthened, requiring members to disclose all interests that may be relevant to their panel's business. Amendments were also made to allow council employees to be panel members, provided appropriate reporting arrangements were in place that ensured no conflict in their duties.

## Applications determined 2009-10

### SUMMARY OF DECISIONS AND ASSESSMENT TIMES BY APPLICATION TYPE

Application type	Approved	Refused	Total applications determined	Average determination (days)	Capital Investment Value of approvals (CIV) (m)	Number of lots approved
CIV > \$10M	39	8	47	140	\$864.7	92
CIV > \$5M	15	-	15	119	\$102.8	-
Designated Development	8	2	10	146	\$10.7	-
Coastal Development	7	-	7	105	\$14.2	40
Wagga Interim development	13	6	19	373	\$17.6	156
S.96 modifications	3	-	3	59	-	-
Crown DA – s89 referral	1	-	1	128	\$5.0	2
<b>TOTAL</b>	<b>86</b>	<b>16</b>	<b>102</b>	<b>133.9*</b>	<b>\$1,020</b>	<b>290</b>

\* Excluding Wagga Wagga DAs, s.96 modification applications and s.89 Crown DA referrals

### SUMMARY OF DECISIONS AND ASSESSMENT TIME BY REGION

Region	Approved	Refused	Total applications determined	Average determination (days)	Capital Investment Value of approvals (CIV) (m)	Number of lots approved
Hunter & CC	6	-	6	155	\$49.6	-
Northern	12	1	13	123	\$76.0	40
Southern	12	3	15	131	\$184.6	-
Sydney East	21	5	26	124	\$303.8	2
Sydney West	16	-	16	145	\$330.2	87
Western	6	-	6	126	\$53.2	5
Wagga Wagga	13	7	20	359	\$17.6	156
<b>TOTAL</b>	<b>86</b>	<b>16</b>	<b>102</b>	<b>133.9*</b>	<b>\$1,015</b>	<b>290</b>

\* Excluding as above s.96 modification applications and s.89 Crown DA referrals

### Local development performance monitoring

The Department's Local Development Performance Monitoring Program tracks the effectiveness of the local development assessment system.

More than 90 per cent of development in NSW is processed through this system, which is administered by local councils and accredited certifiers.

In February 2010 the Department released the *Local Development Performance Monitoring Report 2008-09*. The report found that approximately 71,000 development applications and about 10,000 complying development applications were processed last year, with a total approved value of \$19.3 billion. The report found that the overall development application (DA) processing time was 74 days (similar to the previous year). It also found:

- The percentage of single dwellings determined in ten days either via the local council or NSW Housing Code had increased from 5.1 per cent to 7.2 per cent over the last three years
- Fewer councils had mean gross determination times of over 100 days for DAs – 21 councils in 2008-09 compared with 28 councils in 2007-08
- Six councils had more than 50 per cent of their determinations processed as complying development in 2008-09 compared with three councils in 2007-08
- Fewer councils had mean gross determination times over 100 days for DAs valued at less than \$100,000 – 11 councils in 2008-09 compared with 14 councils in 2007-08
- 82 per cent of councils achieved median net determination times of 40 days or less compared with 77 per cent in 2007-08.

## Political donations disclosure

The NSW Government introduced new laws in October 2008 requiring the disclosure of political donations. Individuals or organisations submitting development proposals to councils or the Government, or those lodging submissions objecting to or supporting development proposals are required by law to disclose political donations.

This legislation requires the disclosure, when making a planning application, of any political donations of \$1,000 or more (or smaller donations totalling \$1,000 or more) or gifts (as defined by the *Electoral Funding Act 1981*) made in the two years prior to the application date. This applies to development applications or proposals and requests to make environmental planning instruments or development control plans.

A key requirement of this legislation is for a register of these donations to be made available to the public. The political donations disclosure reform is a key step in implementing the Government's objective of increasing the transparency of the State's planning system and restoring the public's confidence in the system. The Department publishes all disclosure statements on its website within seven days of receipt.

All councils have been requested to provide a list of all development applications determined from 1 January 2010 to 30 June 2010, which were accompanied by a political donation and gift disclosure statement.

## SIMPLIFYING DEVELOPMENT APPROVALS

The Department continued to streamline planning and building decisions through a range of initiatives during the year.

### The Codes state environmental planning policy

The State Environmental Planning Policy (Exempt and Complying Development Codes) gives the general public, industry and business owners the benefit of a single set of statewide development standards and a quick approval process for a range of low impact developments.

The introduction of the policy was part of a broader move to simplify the planning system in NSW in order to attract and encourage development and is in line with the aims and objectives of the State Plan. The policy was developed to:

- Address housing affordability issues
- Support a strong building sector

- Contribute to jobs and economic growth by ensuring certainty of outcome and shortening development determination times for homeowners, industry and small business owners.

The policy has also allowed for some development types to proceed without the need for any approvals.

*10-day approval times for complying development certificates, simplicity in the application process, consistency across the State and cost savings to improve housing affordability.*

In 2009-10, the Department of Planning also began work to expand the policy. The overarching principles for the expansion continue to be certainty for home and business owners, timeliness with recommended 10-day approval times for complying development certificates, simplicity in the application process, consistency across the state and cost savings to improve housing affordability and support businesses.

### NSW Housing Code

The NSW Housing Code, introduced in February 2009, allows a 10 day approval for new homes and home additions if they meet the complying development criteria of the State Environmental Planning Policy (Exempt and Complying Development Codes).

While the focus of the NSW Housing Code is to streamline applications, it respects the quality of local neighbourhoods with its strict standards for privacy, setback and height restrictions. The NSW Housing Code allows owners of lots 450m<sup>2</sup> and greater to undertake residential developments with fast-track approvals by an accredited certifier.



This home at Concord, Canada Bay was approved under the NSW Housing Code.



Development types covered include:

- Detached single and double-storey dwelling houses
- Home extensions and renovations
- Other ancillary development, such as swimming pools.

The NSW Housing Code also lists 49 low-impact development types which can be built without the need for planning or construction approval (exempt development).

On 7 September 2009 an amendment to the Code introduced new exempt development types, expanded complying development, clarified existing development standards and introduced a new code covering complying development for internal alterations.

## *Removing unnecessary hurdles to development*

### NSW Commercial and Industrial Code

Launched on 7 September 2009, the NSW Commercial and Industrial Code makes it simpler to get planning approval for a change of use, minor external works and internal alterations to commercial and industrial premises.

Projects can be approved in 10 days by an accredited certifier if they meet the criteria in the State Environmental Planning Policy (Exempt and Complying Development Codes). The Commercial and Industrial Code was introduced as a quick and cost-effective alternative to the traditional development application process.

This first stage of the Code allows business owners with the following development types to undertake as complying development:

- Certain changes of use to certain commercial and industrial buildings
- Demolition and internal fit-outs of certain commercial and industrial buildings

- Some minor external alterations to certain commercial and industrial buildings. Together, the Housing and Commercial and Industrial Codes were recognised in the 2009 Premier's Public Sector Awards.

### Performance

The policy is providing simpler, cheaper and faster approvals. Preliminary data for the past year shows:

- Complying developments have increased from 11 to almost 17 per cent of all development approvals in NSW
- The average complying development certificate for a new home was approved in 11 days compared to the 61-day average for development consents - a 50-day time saving for homeowners
- The number of new houses approved under complying development almost doubled. For example, in Camden Council the percentage of new houses approved as complying development increased to 42 per cent this year, up from 26 per cent last year
- In the commercial sector, complying development certificates represented 26 per cent (2,547) of all development approvals, up from nine per cent (800) in the previous year
- In some city areas, more than 70 per cent of all complying development certificates are being issued under the policy.

### EXAMPLES OF INCREASED COMPLYING DEVELOPMENT

Council	2008-09	2009-10*	% Increase
Ashfield	5	14	280
Botany Bay	4	16	400
Canada Bay	6	15	250
Holroyd	8	17	213
Hornsby	7	19	271
Ku-ring-gai	8	23	288
Mid-Western	23	37	161
North Sydney	3	15	500
Ryde	5	35	700
Shellharbour	23	33	143

\*Based on preliminary data



## Concurrences and referrals

Released in June 2009, the Concurrence and Referral Monitoring Report for the period 1 July to 31 December 2009 showed that 90 per cent of decisions made by state agencies regarding the processing of development applications were made within 40 days.

The report for the first time outlined the performance of individual State agencies in responding to requests for their approval or comments on development applications.

During the report's period, some 9,125 development applications were processed by State agencies, with an average net processing time of 14-15 days.

This net period excludes time waiting for more information from applicants and time taken receiving, and sending, the proposal to local councils.

The Department will continue to examine ways to keep State agency decision times down.

## e-Planning

e-Planning provides access to planning and development-related information online so the general public can find out about local requirements. They can also lodge and track development applications. The aim is to support faster processing of planning decisions and reduce red tape.

In 2009-10 the Department, in partnership with the Local Government and Shires Associations (LGSA), was responsible for the work on three e-Planning initiatives; the e-Planning roadmap, the Commonwealth-funded Electronic Housing Code Pilot and a national specification for the guaranteed delivery of business messages between electronic development assessment systems, known as eDAIS.

An e-Planning roadmap was completed in June 2010, outlining a 10-year vision for e-Planning, a four-year strategic delivery plan and an ongoing 12-monthly review cycle.

The Electronic Housing Code Pilot, to be delivered early next year, will demonstrate how the investigation, preparation and lodgement of complying development applications under the State Environmental Planning Policy (Exempt and Complying Development Codes) 2008, in a state-based portal, will save the community and industry time and money in processing standard development applications.

*In 2009-10 the average LEP preparation time was 114 days.*

# LOCAL ENVIRONMENTAL PLANS

**Local environmental plans (LEPs) are the main legal instruments that councils use to control the form and location of new development. LEPs implement outcomes of metropolitan, regional and local planning strategies, creating capacity for sustainable growth by zoning land for housing and employment close to services and transport. They also protect open space and environmentally sensitive areas.**

Consultation is an important part of developing LEPs given their importance in shaping the future of communities. Planning proposals for LEPs are publicly exhibited and then approved by the Minister. They remain in force until they are reviewed or replaced.

LEPs come in many different forms and vary in complexity. It is important that the State planning system responds to changing circumstances and emerging opportunities and that planning proposals are given proper consideration within a reasonable timeframe. Benchmark timeframes for development of amending LEPs are three, six, nine or 12 months depending on their complexity.

The benchmark timeframe for development of principal or council-wide LEPs is 24 months. The total number of LEPs finalised during 2009-10 was 134, a slight increase from 121 finalised in 2008-09.

*Average time from receipt of planning proposals by the Department to Gateway determination was 24 days.*

## Gateway plan-making process

On July 1 2009, the NSW Government changed the process for developing and approving LEPs by introducing a 'Gateway' for planning proposals. This introduced an early review step to test for viability.

Other aims were to:

- Reduce time taken to produce LEPs
- Provide early, clear, public information about plans
- Gain early input from other government agencies
- Tailor assessment to complexity
- Improve alignment of local plans to long-term strategies, such as those for regional and metropolitan areas.

## PLANNING PROPOSALS SUBMITTED 2009-10

Proposals approved at Gateway	107
Proposals refused at Gateway	21
Proposals pending	25
<b>Total number of planning proposals submitted 2009-10</b>	<b>153</b>
<b>Average time from receipt of planning proposal to Gateway determination (Target = 30 days)</b>	<b>24 days</b>

## PROCESSING TIMES FOR GATEWAY DETERMINED LEPs MADE 2009-10

Department Region	Total number of approved LEPs	Number of approvals by Minister	Number of approvals by Department	Total	Average processing time
Hunter-Central Coast	3	0	3	3	147
Northern	3	1	2	3	79
Southern	2	0	2	2	94
Sydney East	9	1	8	9	123
Sydney West	1	0	1	1	83
Western	2	0	2	2	114
<b>TOTAL</b>	<b>20</b>	<b>2</b>	<b>18</b>	<b>20</b>	<b>107</b>

The average time from receipt of planning proposals by the Department to the Gateway determination was 24 days, significantly less than the target timeframe of 30 days for this part of the process.

The above tables provide an overview of the first year of operation under the Gateway system.

During 2009-10 the Department continued to work with councils to reach its aim of reducing the time it takes to prepare LEPs by 50 per cent.

In 2009-10 the average time taken for 'Gateway' determined LEPs to be made was 107 days. This is significantly less than under the previous system. In a survey of some 110 LEPs gazetted between May 2006 and April 2007 even the simplest LEPs correcting minor errors (Section 73A) took an average of 196 days to make.

### Tracking a plan

The Department's website includes an LEP tracking system, which gives free public access to:

- Information on planning proposals submitted to the Department
- Gateway determinations including reasons why proposals have been allowed to continue or refused
- Information about planning proposals returned to the Department to be finalised after exhibition
- Final determinations.

## Standard instrument LEP

Local councils in NSW are preparing new principal local environmental plans (LEPs) for their areas based on a standard instrument LEP, or template, issued by the NSW Government in 2006.

The Standard Instrument introduces a common structure, language, information and format for LEPs. Previously, there was no standard approach. Plans were difficult to understand and used diverse approaches, making the planning system unnecessarily complex. Many were very old and in serious need of review.

It is expected the template will slash the number of LEPs from about 5,500 to around 200. It has reduced the number of land-use zones from 3,100 to 34, and development definitions from 1,700 to about 250.

### Standard instrument LEPs made in 2009-10

Twelve standard instrument LEPs based on the template were completed in 2009-10 for:

- Burwood (Town Centre)
- Gloucester
- Greater Taree
- Hunters Hill Village
- Ku-ring-gai (Town Centres)
- Lane Cove
- Ryde
- Temora
- Tumbarumba
- Waverley (Bondi Junction Centre)
- Wingecarribee
- Wollongong.

Four standard instrument LEPs were previously introduced (Canada Bay, Goulburn Mulwaree, Liverpool and Muswellbrook), bringing the total number of finalised plans to 16 at 30 June 2010.

In August 2009 the ministers for Planning and Local Government wrote to councils reprioritising the Standard Instrument LEP Program and identifying 67 priority LEPs to be finalised by June 2011. However, following an announcement by the Government of an LEP acceleration fund of \$10 million over two years to help councils finalise their plans, the Department has revised those targets and aims to have SI LEPs in place in all 152 local government areas by June 2012.

### **Ongoing review**

The standard instrument will be reviewed on a regular basis to ensure it remains an effective, robust, up-to-date and relevant planning tool. A Standard Instrument options paper outlining proposed policy changes was exhibited for six weeks between March and May 2010 to ensure stakeholders had sufficient time to make considered and informed submissions.

Ten sessions were held across NSW, attended by almost 200 local government representatives. The review of more than 100 submissions received in response to the consultation is nearing completion.

### **Other support**

To assist councils to prepare their standard instrument LEPs and improve turnaround times, new model provisions, an improved land use matrix and a discussion board have been developed.

### **Model clauses**

To assist councils with the integration of natural resource matters in their local plans, a package including a draft practice note and 12 new model local clauses has been on exhibition recently and comments received are being considered prior to finalisation.

This stage has been reached after numerous meetings with relevant agencies and organisations through a natural resource management working group. The outcomes from meetings were included in the package.

In addition, a further seven model local clauses on a range of urban and environmental matters were exhibited from 29 March to 30 April 2010. The review of responses to this consultation is nearing completion prior to finalisation.

### **Land use matrix**

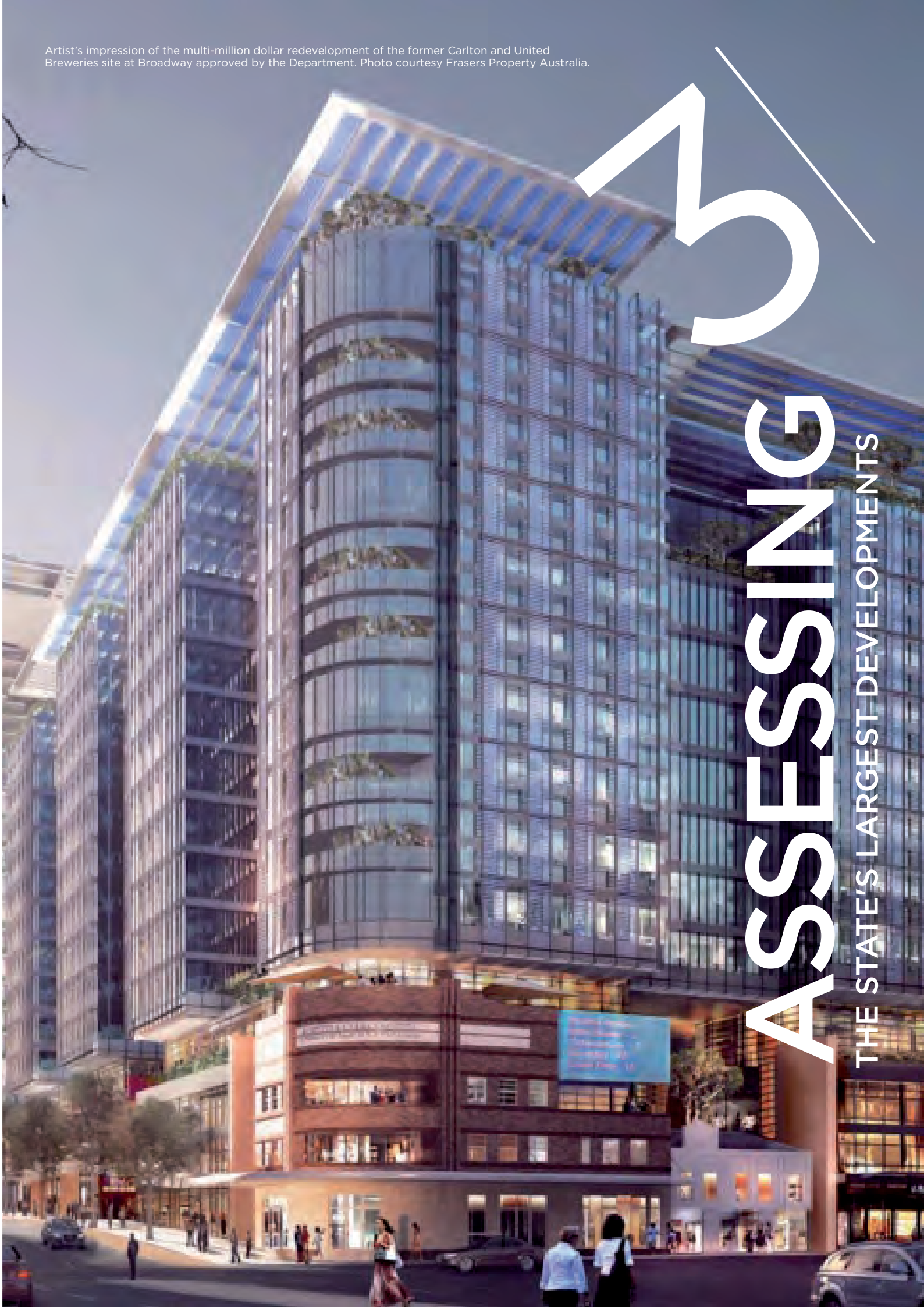
To simplify councils' checks of uses they apply to their Standard Instrument LEPs, the land use matrix was updated to make it easier to identify uses that may apply through other environmental planning instruments. The review was completed in October - November 2009 and the matrix on the website is an updated version as a result of that process.

Artist's impression of the multi-million dollar redevelopment of the former Carlton and United Breweries site at Broadway approved by the Department. Photo courtesy Frasers Property Australia.

3

# ASSESSING

THE STATE'S LARGEST DEVELOPMENTS



# ASSESSING THE STATE'S LARGEST DEVELOPMENTS

## PROMOTING RIGOROUS AND TIMELY DECISIONS

The Department is responsible for assessing major development proposals that are important to the State's economy, environment and employment. Such proposals may include mining, industrial, residential, commercial, tourism or recreation-related or infrastructure projects.

The Department principally uses the major development assessment system, Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

Projects assessed under this system have significant social, economic or environmental implications. They are often highly complex, requiring the specialist assessment skills and resources available within the Department.

Benefits and features of the major development assessment system include:

- Early identification of key issues in the assessment process
- Filtering out of inappropriate projects at an early stage
- Engagement of the community by improving consultation and transparency
- Integrated assessments where a variety of different (and sometimes competing) issues can be considered by one assessment authority.

## KEY ACHIEVEMENTS

- Continued to deliver major project approvals with significant benefits to job creation and investment in NSW
- \$19 billion worth of projects approved, generating more than 64,000 jobs
- Faster development assessment processing
- Established a major projects panel.

## Assessment time

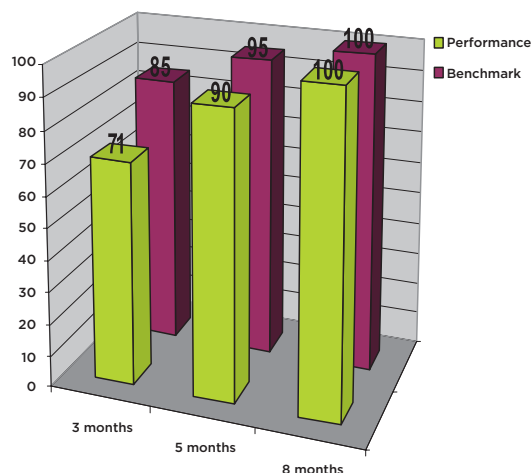
The Government introduced performance benchmarks for processing major project applications under Part 3A of the EP&A Act, in February 2009. These aim to speed up planning assessments to drive investment, support job creation and provide certainty for business. Benchmarks are:

- 85 per cent of projects determined within three months
- 95 per cent of projects determined within five months
- 100 per cent of projects determined within eight months.

Since the benchmarks were introduced, 71 per cent of projects have been finalised in three months, 90 per cent of projects were finalised in five months and all projects were finalised within eight months.

This compares with performance in 2008-09 of 53 per cent of projects finalised in three months, 79 per cent finalised in five months, 94 per cent finalised in eight months and six per cent of projects taking longer than eight months to finalise.

## PERFORMANCE AGAINST BENCHMARKS 1 FEBRUARY 2009 - 30 JUNE 2010





## Project delivery

To increase the number of projects delivered within three months, the Department has:

- Established a new project delivery unit to facilitate relationships with internal and external clients; coordinate internal project management expertise; monitor performance; manage projects; and promote a project management focus and culture
- Established a major projects panel to review all major project applications before assessment begins, determine benchmark timeframes and assign project delivery managers to priority projects
- Developed assessment guidelines and practice notes for applicants and assessment teams
- Established electronic recording, monitoring and reporting of all agency and Department of Planning concurrences and referrals
- Rolled out project management training internally.

### Project delivery managers

The Department's team of project delivery managers was established in April 2009 to facilitate timely delivery of major projects; provide a single point of contact for key infrastructure and development projects; coordinate, and where applicable, resolve regulatory requirements and; develop a project management culture and capabilities throughout the Department.

The approach taken by project delivery managers to secure the efficient delivery of major rezonings as well as major projects, is adopted throughout the Department and other relevant agencies.

Managers have been recruited who have knowledge, experience and training from both private and public sectors. They have a mix of backgrounds including legal, economics, environmental planning, town planning, engineering, project and urban estate management.

The following criteria are considered when allocating work to project delivery managers:

- Significance of the project, rezoning or strategic issue (e.g. job creation, investment value, support of State Plan priorities)
- Provision of infrastructure to support the NSW economy
- Sensitivity of the project, rezoning or strategic issue (e.g. geographic, regulatory)
- Ability of the Project Delivery Unit to add value in progressing the project, rezoning or strategic issue
- Need to secure the necessary planning and/or government approvals within a tight timeframe.

### CASE STUDY: Tracking processes and timeframes

The Department's project delivery unit led the development and implementation of a new electronic recording, monitoring and reporting system to track processes and timeframes for Departmental and agency concurrences and referrals (C&Rs).

The system includes an interagency communication program to assist in the gathering of C&R data which gives the Department the ability to:

- determine when C&Rs are received by agencies and returned to planning authorities
- target obsolete and rarely used C&R clauses
- highlight C&Rs that require extended time frames to conclude and determine reasons for delays
- assist in developing management tools to reduce C&R approval timeframes.

It also includes an electronic system which produces periodic reports on C&Rs for the Department's Local Development Performance Monitoring Report.

In May 2010, the Department released a report which for the first time outlined the performance of individual State agencies in responding to requests for their approval or comments on development applications. It found that over a six month period, 90 per cent of decisions were made within 40 days.

During the same period, 9,125 development applications were processed by State agencies, with an average net processing time of 14.15 days.

The Department continues to examine ways to reduce State agency decision times.

## CASE STUDY: Costco

The Project Delivery Unit was engaged to assist the Major Project Assessment Division during the assessment of a major project application. The unit:

- identified and reported project risks
- reported and monitored timeframes
- coordinated and resolved interagency issues.

The project delivery manager initiated the project by developing and agreeing a project plan with the assessment team. The plan assisted in the determination of where to apply resources to ensure milestones were achieved throughout the project lifecycle.

The project plan identified a high impact project risk: design compliance to the requirements of two other State Government agencies, the Roads and Traffic Authority (RTA) and the Department of Water and Energy. The project delivery manager managed this risk by applying resources early to the resolution of design issues. The manager acted as a liaison between the stakeholders to manage the expectations of the proponent, the Department and the agencies.

The Project Delivery Unit's use of targeted project documentation improved the quality and efficiency of determining and monitoring project timeframes and risks. The early engagement of stakeholders to manage project risks by attending on-site meetings, combined with an effective communication program, increased the successful amelioration of project risks.

## Planning and Approvals Chief Executive Officers Group

A Planning and Approvals CEOs Group was established in March 2009, at the request of the Premier. The group's aim is to strengthen and coordinate the planning and approval process by ensuring that whole-of-government decisions for major development and infrastructure projects and State significant sites, particularly under Part 3A, were progressed in a timely and consistent manner and to stimulate and promote employment in NSW.

The group includes the following agencies:

- Department of Premier and Cabinet
- Department of Planning
- Roads and Traffic Authority
- Department of Environment, Climate Change and Water
- Industry and Investment NSW.

The group's terms of reference were to:

- Provide a whole-of-government position for the timely determination of major development projects with consistent coordinated advice
- Provide a high-level forum for timely resolution of issues
- Monitor performance and ensure adherence with agreed benchmark
- Promulgate protocols, policies and practices to streamline the determination of major projects.

The CEOs Group met quarterly. It focuses on the timely development and progress of major developments and considerations of the referring agencies with jurisdiction into the process leading to determination.

Artist's impression of the proposed Costco Auburn facility.





## MAJOR PROJECT APPROVALS 2009-10

	Approvals	Construction jobs	Operational jobs	Total jobs	Capital investment value
<b>Concept plans</b>					
Minister	17	20,980	11,235	32,215	\$10,089,352,631
Department	2	150	364	514	\$109,600,000
Planning Assessment Commission	2	1,580	1,155	2,735	\$311,265,000
<b>Total</b>	<b>21</b>	<b>22,710</b>	<b>12,754</b>	<b>35,464</b>	<b>\$10,510,217,631</b>
<b>Project applications</b>					
Minister	49	9,929	15,474	25,403	\$8,477,546,695
Department	41	4,394	1,888	6,282	\$723,471,758
Planning Assessment Commission	14	1,855	5,776	7,631	\$1,167,643,343
<b>Total</b>	<b>104</b>	<b>16,178</b>	<b>23,138</b>	<b>39,316</b>	<b>\$10,368,661,796</b>
<b>Part 4 developments</b>					
Department	55	68	19	87	\$10,851,600
<b>Total</b>	<b>55</b>	<b>68</b>	<b>19</b>	<b>87</b>	<b>\$10,851,600</b>
<b>Modifications</b>					
<b>Part 3a modification</b>					
Minister	8	50	381	431	\$97,200,000
Department	112	418	468	886	\$808,070,206
<b>Total</b>	<b>120</b>	<b>468</b>	<b>849</b>	<b>1,317</b>	<b>\$905,270,206</b>
<b>Part 4 modification</b>					
Minister	9	23	0	23	\$8,000,000
Department	96	178	42	220	\$152,845,181
<b>Total</b>	<b>105</b>	<b>201</b>	<b>42</b>	<b>243</b>	<b>\$160,845,181</b>
<b>Grand total*</b>	<b>405</b>	<b>35,593</b>	<b>28,500</b>	<b>64,093</b>	<b>\$19,081,867,483</b>

\* Grand total excludes capital investment value and jobs for project application approvals where concept plans have already been approved, or where both a project application and a concept plan for the same project were approved in the same year. Grand total also excludes one PAC determination referred to it by the Minister for a student housing modification in Kensington, as this was not an assessment primarily undertaken by, or delegated by, the Department.

## SUBMISSIONS BREAKDOWN FOR EXHIBITIONS CONCLUDING IN 2009-10

Assessment type	Total exhibitions	Exhibitions > 30 days	Total number of submissions
Part 3A	155	155	17,127
Part 3A modification	26	9	303
Part 4	26	9	27
Part 4 modification	27	7	209
State significant site	3	3	107
Voluntary planning agreement	1	1	8
<b>Total</b>	<b>238</b>	<b>184</b>	<b>17,781</b>

# DEVELOPMENT DECISIONS

## Overall figures

During 2009-10, the Minister, the Department and the Planning Assessment Commission (PAC) approved 405 projects. Some 245 of these were assessed under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and 160 under Part 4. Projects approved under Part 3A generally had the highest capital investment value and potential employment generation.

Concept plans with a combined total value of \$10.5 billion were approved and project applications valued at \$10.4 billion were approved.

Concept plans are typically for larger, more complex developments, and enable the broad parameters of a development to be determined by the Minister prior to undertaking a more detailed assessment of project components.

Project applications generally provide more detailed analysis of the proposed development and, if approved, allow construction to begin, subject to appropriate certification.

The overall number, capital investment value and potential job creation of determined projects in 2009-10 were the second highest since the introduction of the Part 3A system in 2005.

## Refusals

During 2009-10, two projects were refused. These were:

- Somersby Fields Quarry
- Stamford Plaza Hotel.

There are usually fewer refusals under Part 3A than under the assessment system used by local councils because inappropriate proposals are rejected early or significantly modified. Further, Director General's requirements are prepared for Part 3A proposals, which developers must address before their proposals can be publicly exhibited.

During 2009-10, the Department determined that 48 projects had submitted inadequate environmental assessments (down from 72 the previous year). Following public exhibition developers can be required to prepare responses to submissions or reports outlining how they will amend their projects to minimise environmental impact. During 2009-10, some 127 of these documents were lodged with the Department.

The Department or Minister can also choose to enforce further amendments to projects, along with strict conditions.

The major projects assessment system has streamlined assessments, reducing processing times and costs of development applications, while delivering good planning outcomes.

### The Part 3A Assessment System in 2009-10

**138**

projects declared to be assessed under Part 3A

**152**

Director-General's requirements issued for projects. Developers needed to address these requirements for a project's environmental assessment to be placed on public exhibition

**136**

environmental assessments declared as adequate – able to proceed to public exhibition

**48**

environmental assessments declared as inadequate – not able to proceed to public exhibition unless amended

**147**

project environmental assessments placed on public exhibition for a minimum of 30 days

**17,430**

submissions received to exhibited Part 3A projects and preferred project reports

**127**

responses to submission documents received from developers, often amending the project after considering feedback

**125**

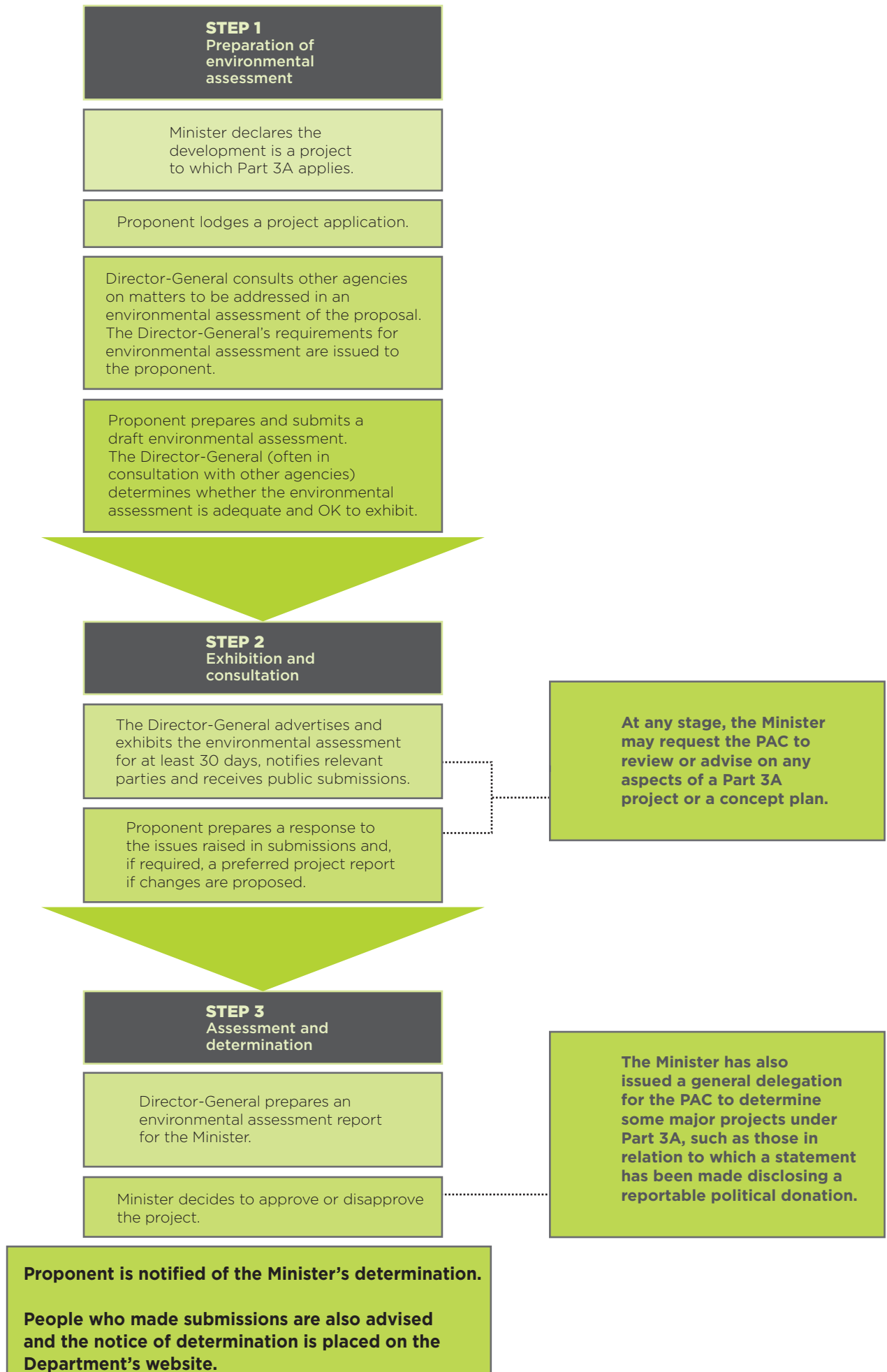
new Part 3A projects determined

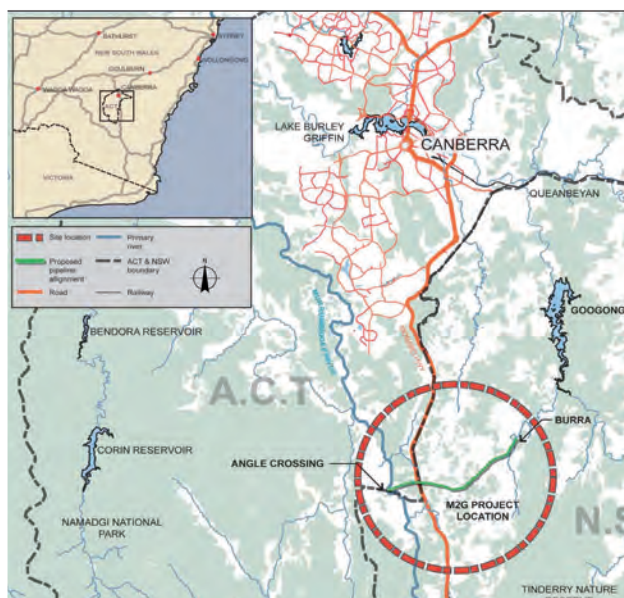
**120**

Part 3A modifications determined

## PART 3A PROJECT ASSESSMENT – TYPICAL STEPS

Under Part 3A of the *Environmental Planning and Assessment Act 1979*





Map showing location of Murrumbidgee to Googong pipeline.



The Department has approved a \$2 billion expansion of the Cadia Valley gold and copper mining complex near Orange.

## CASE STUDY: Murrumbidgee to Googong pipeline

In April 2010 the Minister gave approval for part of a \$96 million water supply pipeline that will play an important part in securing drinking water for Queanbeyan and other NSW towns near the ACT.

The 12-kilometre Murrumbidgee to Googong water transfer pipeline, proposed by the ACT's water authority, the ACTEW Corporation, will transfer water from the Murrumbidgee River in the ACT to Burra Creek in NSW. It has the ability to transfer up to 100 megalitres of water a day, to supplement natural inflows of water into the reservoir. The project will support 130 jobs during construction.

The NSW portion of the pipeline was approved following an assessment under Part 3A of the EP&A Act. This allowed the project to be assessed quickly, reducing the potential for delays in its delivery.

The NSW Department of Planning agreed with ACTEW Corporation's plan to secure in perpetuity a 58-hectare area of endangered native vegetation in the ACT, to offset the unavoidable loss of 17-hectares of endangered native vegetation during the pipeline construction. The ACTEW also agreed to establish an adaptive management program to manage the health of the creek and the river, minimise noise levels, and to ensure no adverse ecological impacts were taking place. ACTEW has also committed to offsetting all greenhouse gas emissions associated with construction and operation of the project.

Due to the pipeline's location and potential impacts on land within NSW, the ACT and the Commonwealth, the project requires assessment and approval from all three authorities before any works start.

The NSW approval for the project was the first given, ahead of the ACT and the Commonwealth.

## CASE STUDY: Cadia Valley mine

In January 2010 the Minister for Planning announced approval for a \$2 billion expansion of the Cadia Valley gold and copper mining complex near Orange. The project - which will become the largest underground mining operation in Australia, and the second largest gold mine in the world - is expected to deliver more than \$1 billion to the regional economy and support more than 2,000 jobs.

The Department undertook an extensive, rigorous planning assessment process that considered a number of complex environmental issues.

Strict conditions were imposed that will require the entire mining operation - including those parts already operating - to meet modern, best practice environmental standards. As a result, the region will benefit from this important investment, without compromising valuable environmental and natural resources.

The approval includes an extensive biodiversity offset strategy under which the proponent will:

- Conserve 938 hectares of land to compensate for the clearing of 238 hectares of vegetation
- Preserve native vegetation and cleared agricultural land at Black Rock Range and at the junction of the Belubula River and Flyers Creek
- Protect squirrel gliders in the area.

In addition, Cadia will provide \$8 million, over the life of the project, to local councils to upgrade and maintain roads, community services and facilities.



## CASE STUDY: Museum of Contemporary Art

In July 2009 the Minister approved a \$50 million redevelopment of the Museum of Contemporary Art (MCA) in Sydney. A new contemporary extension and refurbishment of the existing building, as well as surrounding public spaces, will transform the institution into a world-class art space.

The redevelopment will also create 250 new jobs and allow the museum to meet growing visitor demand.

The redevelopment includes the creation of a National Centre for Creative Learning, along with revamped and extended gallery spaces, and a new fully accessible entrance, lecture theatre and café. Outdoor spaces, including the rooftop, will be remodelled to improve utility.

In addition to the building proposal, the MCA was required to submit a detailed public domain plan, to provide:

- New zones for public meetings and recreation
- Opportunities for public events and gatherings

- Opportunities for public education through interpretation of the site's heritage significance
- A mix of hard paving and grassed areas with new seating and shaded areas
- Public art and other displays.

Approval followed an extensive assessment process that focused on achieving exceptional design. Changes were made to the proposal in response to comments received during the public exhibition period. These included amendments to improve integration of the extension with the existing building.

Further, as a condition of approval, the MCA is required to prepare and implement a heritage management plan to mitigate impacts on any archaeological remnants and the existing building during construction.

The redevelopment will enhance the experience for visitors and complement one of the most important sites on Sydney Harbour.



Approval for the MCA's \$50 million redevelopment followed an extensive assessment process.



## CASE STUDY: Hoxton Park industrial project

A proposal to redevelop the former Hoxton Park Aerodrome for industrial and employment purposes was approved in May 2010.

The \$182 million proposal for warehousing, distribution centres and light industry, is expected to generate 1,400 construction jobs and more than 1,100 jobs once fully operational.

The site, approximately 50 hectares of land in the Liverpool local government area, is located adjacent to major transport routes, including the M7 Motorway to the west and Cowpasture Road to the south.

The approval allows Mirvac (the proponent) to begin construction on warehouses for two major companies, Big W and Dick Smith, as well as internal roads, stormwater controls and other associated infrastructure.

During the Department's assessment it was found that the main issues associated with the project related to flooding, traffic, and visual amenity. The Department has recommended a range of conditions to ensure these are addressed.



A \$182 million proposal to redevelop the former Hoxton Park Aerodrome for industrial and employment use was approved in May 2010.

## CASE STUDY: Open cut mining prohibited on Bickham site

Open-cut mining on the Bickham Coal Project site near Murrurundi in the State's Upper Hunter has been prohibited, with the State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 amended to reflect the prohibition.

The Minister refused the project following a review of the proposal and proponent's water study by the Planning Assessment Commission. Under the PAC review, feedback about the proposal was elicited from stakeholders.

The PAC also conducted public hearings and meetings with experts, Government agencies, local government and industry groups. The PAC concluded, given the potential water-related risks, the proposal should not proceed to merit assessment.

The PAC also concluded the introduction of open-cut mining to the Upper Hunter could have adverse impacts on the region's well-established and valuable thoroughbred industry.

## CASE STUDY: Refusal of application - Stamford Plaza Hotel

On 28 September 2009, the Minister for Planning refused an application made by Ashington Management Pty Ltd for the redevelopment of the former Stamford Plaza Hotel in Double Bay.

The proposal was to demolish the hotel building and build a large, mixed-use development, including a six-storey tower and two 15-storey towers.

The Department undertook a detailed assessment. Public consultation uncovered a number of issues. The proponent submitted a preferred project report, which was reviewed for the Department by the NSW Government Architect.

Although the Government Architect and the Department acknowledged there were some positive features, the proposal was considered to be inappropriate for the following reasons:

- The height, bulk and scale of the towers were incompatible with the character of Double Bay's town centre
- It would have an unacceptable impact on the amenity of the adjoining properties
- It would have created an unacceptable impact on the Transvaal Heritage Conservation Area
- It did not satisfactorily justify the inconsistencies with the floor space ratio and height controls for the area
- It did not meet design standards for residential flats
- It was not in the public interest.



An application to redevelop the former Stamford Plaza Hotel was refused by the Minister for Planning

## CONCEPT PLANS DETERMINED 2009-10 WITH LARGEST CAPITAL INVESTMENT VALUE

Project site	Construction jobs	Operational jobs	Capital investment value	Date determined
Bayswater B Power Station	900	60	\$2,000,000,000	12/01/10
Mount Piper Power Station extension	950	50	\$2,000,000,000	12/01/10
Macquarie University	-	-	\$1,700,000,000	13/08/09
Marulan gas fired power stations	500	32	\$809,000,000	26/10/09
Sydney City Grid Project	290	18	\$800,000,000	20/09/09
Wahroonga Estate Redevelopment (incl. Sydney Adventist Hospital)	11,000	5,000	\$573,310,000	31/03/10
University of Technology Sydney	1,350	80	\$426,901,000	23/12/09
Casuarina Town Centre	250	250	\$386,000,000	20/09/09
Illawarra International Health Precinct	3,500	2,089	\$316,000,000	31/01/10
Former Sunbeam Factory, Campsie	120	500	\$297,800,000	4/02/10

## PROJECT APPLICATIONS AND MODIFICATIONS DETERMINED 2009-10 WITH LARGEST CAPITAL INVESTMENT VALUE

Job	Construction jobs	Operational jobs	Capital investment value	Date determined
Cadia East Project	1,000	900	\$2,200,000,000	6/01/10
Sydney City Grid Project	290	18	\$800,000,000	20/09/09
PWCS Kooragang coal loader expansion	250	8	\$500,000,000	31/05/10
Orica Ammonium Nitrate upgrade	100	20	\$450,000,000	1/12/09
Quakers Hill to Vineyard upgrading	1,250	0	\$430,000,000	29/10/09
Pacific Highway upgrade - Tintenbar to Ewingsdale	500	-	\$368,000,000	29/01/10
Centre for Obesity, Diabetes & Cardiovascular Disease Building, University of Sydney	-	2,100	\$350,000,000	29/06/10
Commercial and Hotel development Berry/Walker Street	1,000	3,500	\$271,422,000	25/02/10
Hume Highway duplication Woomargama bypass	250	-	\$260,000,000	31/01/10
Hume Highway duplication - Holbrook bypass	250	-	\$250,000,000	23/04/10
Hume Highway duplication - Tarcutta bypass	250	-	\$235,000,000	12/01/10
Leafs Gully gas-fired power station	140	5	\$200,000,000	11/08/09
Kyoto Energy Park	466	15	\$190,000,000	31/01/10

# PUBLIC PARTICIPATION

Public participation provides an opportunity for government decisions to be informed by the views and knowledge of the community. More than 17,000 submissions were received during the year relating to projects under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). Of the 184 project exhibitions during the year, 155 were for more than 30 days.

Under the EP&A Act, the Department is required to make key documents associated with the assessment and determination of Part 3A projects publicly available. This includes project declarations, applications received by the Department, Director General's assessment reports, the Minister for Planning's determinations, summaries of submissions following the determination and any subsequent modification requests.

The documents are made publicly available on the Department's website. The Major Projects Register also provides an important tool for the community and other key stakeholders to track the assessment of major projects in NSW and to make electronic submissions to the Department during exhibition periods.

In March 2010, the Department resolved to make all submissions received during the exhibition of Part 3A or Part 4 applications, and State significant site studies, publicly available on the Major Projects Register within 10 days of the close of exhibition.

This goes beyond the legislative requirements of the EP&A Act, which only requires the Department to provide copies of submissions (or a summary) to the proponent and relevant government authorities for Part 3A projects.

This policy applies to all concept, project and development applications and potential State significant sites exhibited from 2 June 2010, and improves the transparency of the Department's assessment process.

**86 compliance inspections and audits; more than twice the number in 2008-09**

# AUDIT AND COMPLIANCE ACTIVITIES

In 2009-10 the Department increased its compliance and enforcement activities.

During this period, the Department:

- Undertook 86 compliance inspections and audits, more than double the number in 2008-09
- Took 114 enforcement actions, up 46 per cent from the previous year.

Much of the Department's compliance activity involves direct negotiation with proponents to rectify non-compliant work and warning letters. For more serious matters, the Department can exercise its enforcement powers under the *Environmental Planning and Assessment Act 1979*, including the powers to request information and records, collect evidence, and issue orders and penalty notices in response to breaches.

For the most serious offences, the Department brings criminal prosecution proceedings in the Land and Environment Court on behalf of the Minister. One prosecution was brought in 2009-10 in which a coal mine was prosecuted for unauthorised clearing of native vegetation.

**Compliance inspections** and audits are evaluations of compliance with approval conditions through desktop analyses and site visits. Potential breaches are investigated.

**Enforcement actions** are taken in response to breaches, with the nature of the action proportional to the significance of the breach. Enforcement actions range from warning letters, orders and penalty notices through to criminal prosecution for the most significant and serious offences.

Proponents have a legal obligation to comply with conditions of project approvals issued by the Minister for Planning. The Department monitors compliance of projects with their approval conditions and can take enforcement action where breaches are found.

A summary of the compliance monitoring and enforcement activity in 2009-10 is shown in the following table.



## COMPLIANCE AND MONITORING ACTIVITY 2009-10

Sector	Compliance inspections and audits	Enforcement actions
Coal mines	7	18
Quarries/extractive	8	16
Manufacturing/rural	30	40
Resources/waste	15	16
Infrastructure	6	5
Commercial/residential	20	19
<b>Total</b>	<b>86</b>	<b>114</b>

### Compliance monitoring

The Department undertakes inspections and audits of approved projects.

Eighty-six inspections and audits were undertaken in 2009-10.

For the more significant projects such as major industries, mines and infrastructure projects, proponents are required to conduct extensive environmental monitoring and commission independent environmental auditors to audit compliance and environmental performance. The Department reviews the environmental monitoring reports and independent audits submitted by proponents and addresses potential breaches.

The Department also responds to reports, complaints and allegations received from other agencies, councils and the community.

### Investigations

Potential breaches are investigated by the Department. Where a breach is established the Department takes enforcement action to rectify the breach and/or penalise the offender.

### Enforcement

The Department has a range of enforcement options available.

Enforcement responses reflect the level of seriousness of the particular breach and the circumstances (for example, whether the offence was deliberate).

In 2009-10 the Department carried out 114 enforcement actions, negotiated outcomes and warning letters for the less serious offences, issued orders and penalty notices for moderately serious offences, and launched a prosecution for a very significant offence. The number of enforcement actions taken in the reporting period represents a 46 per cent increase over the previous year.

### ENFORCEMENT OPTIONS

- **Warning letters** are issued in response to relatively minor breaches to identify areas of non-compliance and warn that further breaches may attract stronger enforcement action.
- **Negotiated outcomes** arise from meetings with proponents to agree on areas of rectification or improvement where potential breaches are identified.
- **Notices** are issued to require the provision of information and records as part of formal investigations into alleged breaches.
- **Enforceable undertakings** are used to secure agreement that certain activities will be curtailed until a breach has been rectified or to refrain from conducting unlawful activities.
- **Orders** are issued to require specific actions to rectify a non-compliance or otherwise to comply with conditions of approval. Draft orders are usually issued first and are often enough to secure an appropriate response.
- **Penalty notices** are issued in response to a range of specific types of offences, usually relatively minor, one-off breaches that can be remedied quickly and easily. Fines typically amount to \$3,000 for corporations.
- **Court orders** are civil proceedings brought in the Land and Environment Court to restrain or remedy breaches.
- **Prosecutions** involve criminal proceedings brought in the Land and Environment Court or a local court in response to significant alleged breaches.



## ENFORCEMENT ACTIONS BY TYPE

Enforcement type	Coal mines	Quarries/ extractive	Manufacturing/ rural	Resources/ waste	Infrastructure	Commercial/ residential	Totals
Warning letters	12	9	31	8	5	11	76
Negotiated outcomes	3	1	4	0	0	4	12
Notices	1	1	1	0	0	0	3
Enforceable undertakings	0	0	0	1	0	0	1
Orders	1	4	2	6	0	2	15
Penalty notices	0	1	2	1	0	2	6
Court Orders	0	0	0	0	0	0	0
Prosecutions	1	0	0	0	0	0	1

### Appeals against development decisions

A proponent, or in some cases an objector, can appeal to the Land and Environment Court against a development decision by the Department or Minister. This could include an appeal against the validity of the procedures followed in making the decision or the merits of the decision.

The Department's Legal Services Branch manages appeals against decisions of the Department and Minister. During 2009-10, the Department and Minister won five out of eight appeals that progressed to hearings. External legal costs associated with preparation for and running appeals that progressed to hearings, and the other matters listed in the table below, amounted to approximately \$402,280.

### APPEALS AGAINST DEVELOPMENT DECISIONS

Appeal Type	Won	Lost	Withdrawn/settled/ discontinued/consent orders	Appeals pending as at 1 July 2010	Summary 2009-10
Consent authority (merit)*	3	0	5	2	10
Procedural**	2	3	3	6	14
<b>TOTAL</b>	<b>5</b>	<b>3</b>	<b>8</b>	<b>8</b>	<b>24</b>

\* Where the Minister or the Department is the approval authority and a proponent or objector takes issue with the merits of the decision.

\*\*Where any person takes issue with the procedures followed in the making of a decision.

## CASE STUDY: Moolarben coal mine prosecution

In 2009 a neighbour of the Moolarben Coal Mine - a coal mine under construction in the Hunter Valley - complained to the Department about vegetation clearing, alleging it was occurring outside the area approved to be cleared. The Department conducted a formal investigation and found the alleged clearing for the erection of a boundary fence to be unauthorised by the Minister's project approval or any other planning approval.

Part of the cleared vegetation was from an ecologically endangered species of hardwood forest.

On behalf of the Minister, the Department brought Class 5 prosecution proceedings in the Land and Environment Court where the defendant was fined \$70,000 and ordered to pay the Department's legal costs of \$55,000.



Cleared vegetation at the Moolarben coal site

## CASE STUDY: Waste facility penalty notice

The Department received advice from another State Government regulatory agency concerning the management of landfill gas being recovered for power generation at WSN Environmental Solutions, a metropolitan waste management facility located at Macarthur Resource Recovery Park. Odours were causing offence. The Department investigated the facility to check whether its activities were compliant with the Minister's planning approval.

The Department found a landfill gas pipeline had been installed without approval and issued a penalty notice to the operator for \$3,000 and required an undertaking from the operator to stop using the pipeline until it was approved.



WSN Environmental Solutions received a penalty for \$3,000

## CASE STUDY: Residential apartments disabled access

The Department received a complaint from a resident of a recently completed apartment building approved by the Minister for Planning, alleging that wheelchair access did not comply with relevant standards and that the proponent would not fix the problem.

The Department audited the building and found that the disabled access points were not compliant. The Department negotiated with the proponent to have the access points reconstructed.

## CASE STUDY: Marina inspection campaign

In 2009-10, the Department conducted inspections of seven marinas in the Sydney region that were operating under planning approvals and consents granted by the Minister for Planning. The campaign included compilation of inspection findings and follow-up enforcement of non-compliances.

The inspections found no major non-compliance with conditions of approval; however, in some cases annual environmental monitoring reports and annual environmental audits were not up to date. These matters were followed up with the proponents by negotiation and correspondence.





# LANDS FOR JOBS



# LAND FOR HOUSING AND JOBS

## DELIVERING RESIDENTIAL AND EMPLOYMENT LAND

In line with the NSW State Plan, the Department continues to work to ensure the availability of sufficient land for employment and residential purposes.

*The timely and efficient provision of land helps to ensure housing affordability and more jobs close to where people live*

Providing adequate land for employment and housing growth is a key responsibility of the NSW Government which works with communities, landowners and local councils to ensure sufficient stocks of land are identified in the right places.

The timely and efficient provision of land helps to ensure housing affordability and more jobs close to where people live.

The Department identifies and schedules land for release, ensuring it can be serviced by infrastructure, community and retail facilities to sustainably support the State's growing population.

Infrastructure coordination is key to the Department's growth centres' model of planning for greenfields development. During 2009-10, the Department continued to work closely with central agencies, such as Treasury, and infrastructure agencies, like Sydney Water, Integral Energy, Transport NSW, the Transport Construction Authority and the Roads and Traffic Authority, to efficiently coordinate infrastructure delivery.

## KEY ACHIEVEMENTS

- Made recommendations on six State significant site applications, generating capacity for 43,000 jobs and 12,000 dwellings
- Expanded the Western Sydney Employment Area near the junction of the M4 and M7 motorways to support an additional 16,500 jobs
- Approved plans for additional housing and employment at Sydney Olympic Park, the Carlton United Breweries site in Broadway and Macquarie University
- Released draft planning documents to drive investment into Coffs Harbour and Tweed city centres

## GROWTH CENTRES

*Precinct planning is used to plan new communities in the Growth Centres, coordinating planning and infrastructure including sewers, recycled water, power, roads, transport and other services*

The North West and South West growth centres were established in 2005 to provide a sustainable supply of land on Sydney's fringes for 181,000 new homes and 2,500 hectares of employment space to accommodate up to 500,000 additional residents. They comprise approximately 27,000 hectares of land, divided into 34 precincts, which are being released and rezoned progressively, for urban development.





A sustainable and cost-effective approach, known as precinct planning, is used to plan new communities in the growth centres, delivering sewer, water, power, roads, transport and other services in time to service new communities.

Development potential is analysed through a detailed process. Communities are encouraged to participate in the process, which allows issues and community needs to be identified and addressed early on.

Precinct planning speeds up rezoning, reducing the time taken to get land to market. Previously, rezoning took seven to 10 years. The introduction of precinct planning has reduced this to two years.

Currently, seven precincts are being planned for rezoning. Potentially, they will deliver land for approximately 38,600 homes (to house more than 100,000 people) and employment space for more than 20,000 workers.

## Precincts rezoned

Three North West growth centre precincts were rezoned in 2009-10 – Riverstone West, Riverstone and Alex Avenue.

This brings the number of precincts rezoned since 2005 to eight.

Enough land has now been rezoned in both growth centres for almost 39,000 new dwellings (to house 113,000 people) and more than 23,000 jobs.

## Precincts released for rezoning

In October 2009, the Minister released five additional precincts in Sydney's North West and South West growth centres for planning. Boundary reviews began in 2009-10.

### Box Hill and Box Hill industrial precincts

The Box Hill Precinct is bounded by Windsor Road to the south west, Old Pitt Town Road and Boundary Road to the north west, Hynds Road and Killarney Chain of Ponds to the south east. The area covers around 764 hectares and is expected to accommodate around 10,000 dwellings. It will be supported by a town centre with a population of about 28,000 people. The precinct currently consists of a mix of residential areas and rural land uses.

Box Hill Industrial Precinct is bounded by Edwards Road to the north, Windsor Road and Killarney Chain of Ponds to the west, and Hynds Road and Annangrove Road to the south east.

Box Hill Industrial Precinct is around 245 hectares and will be investigated for employment and other urban uses. Currently, the area consists of a mix of residential areas and rural land uses.

### Schofields Precinct

Schofields Precinct is bounded by Grange Avenue to the north, Quakers Hill Parkway to the south, the Richmond railway line to the east and Eastern Creek to the west. Currently, it comprises a mix of urban areas, farming lands and the Schofields Aerodrome site.

## PRECINCTS REZONED 2009-10

Precinct	Rezoned	Dwellings	Population	Employment
Riverstone West	August 2009	n/a	n/a	12,000
Riverstone	May 2010	9,000	27,000	1,400
Alex Avenue	May 2010	6,300	18,000	1,150



Township of Rouse Hill

## PRECINCTS RELEASED FOR PLANNING 2009-10

Precinct	Growth centre	Dwellings	Population	Employment
Schofields	North West	5,000	14,000	n/a
Box Hill	North West	10,000	28,000	n/a
Box Hill Industrial	North West	n/a	n/a	(up to 200 hectares)
Austral	South West	8,000	22,000	n/a
Leppington North	South West	12,000	33,000	n/a

The precinct covers 424 hectares and is expected to accommodate around 5,000 dwellings and 14,000 people. It will be supported by a new town centre in the Alex Avenue Precinct and a new rail station as part of the Quakers Hill to Richmond Duplication Project.

### Leppington North Precinct

Leppington North is an 815-hectare precinct comprising small rural holdings, farming lands, market gardens and residential areas.

It is expected to accommodate around 12,000 dwellings and 33,000 new residents. Currently, a major centre and a station for the South West Rail Link is proposed for the precinct.

### Austral Precinct

Austral Precinct is more than 900 hectares. It is expected to accommodate around 8,000 dwellings and 22,000 new residents. A local centre is planned for Austral, plus neighbourhood centres along major roads and employment lands in the precinct's north.

## Communication and consultation

Community consultation and communication is a critical part of planning in the growth centres. Communities expect to be updated regularly and have their views heard.

A community relations team employs strategies based on accessibility, consistency, equity and transparency. Rather than a 'one size fits all' approach, the team develops a precinct-specific approach and, where required, an individual one based on need.

Precincts vary demographically and require a range of techniques to ensure specific demographic groups are reached. For example, there are almost always differences in English literacy levels, age, internet accessibility, transport, preferred communication methods, cultural diversity, language, disability and frailty.

Over the past year the team has employed a range of strategies including: newsletters, information sessions with open question and answer sessions and opportunities to meet planners, a growth centres-specific website, a community information line, and meetings with landowners.

The Department also works closely with service providers such as the RTA, Sydney Water, Integral Energy and the Transport Construction Authority to support and attend their community events and provide a whole-of-government approach to planning.

A delivery partners portal was created on the growth centres website to provide the community with an opportunity to access all service provider information.

### CASE STUDY: Riverstone and Alex Avenue precincts

In May 2010, the Minister for Planning rezoned these adjoining precincts, unlocking almost 1,400 hectares of land in northwest Sydney for the construction of 15,300 homes for 45,000 future residents.

Both precincts will receive upgraded transport and community infrastructure such as six new schools, a host of parks and playing fields, as well as two large conservation reserves to protect native vegetation.

In line with the Government's aim of providing new homes near jobs, the new communities will be near future employment precincts at Riverstone West, Marsden Park and Box Hill.

Growth centre planning is being coordinated with the following infrastructure provisions in the North West Growth Centre:

- Stage 1 of the Quakers Hill to Vineyard rail duplication is being constructed now with a new railway station planned for the Alex Avenue town centre
- Sydney Water is constructing trunk water and sewer infrastructure to enable urban development to occur
- The RTA is planning major road upgrades including Schofields Road and Garfield Road, to ensure the road network can cope with population growth
- Integral Energy is planning major electricity supply upgrades to service these precincts.



Planning meeting for the Box Hill precinct

## Strategic assessment

The NSW Government is undertaking a strategic assessment of the North West and South West growth centres under the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

The strategic assessment assesses the potential impacts of urban development of the North West and South West growth centres on matters of national environmental significance protected under the EPBC Act.

Exhibition of the draft Sydney growth centres strategic assessment report and draft Sydney growth centres program report closed on 25 June 2010. Matters raised in submissions are being considered by the Department of Planning and the NSW Department of Environment, Climate Change and Water.

A report that considers the submissions received and responds to the issues raised will be prepared for submission to and consideration by the Commonwealth Minister for Sustainability, Environment, Water, Population and Communities.

## Edmondson Park conservation agreement

A conservation agreement was reached between the NSW and Australian governments in November 2009 to allow development to proceed at the Edmondson Park Precinct in Sydney's South West Growth Centre, while also protecting important conservation areas.

The agreement follows 18 months of extensive collaboration between the Department of Planning, the NSW Department of Environment, Climate Change and Water, Landcom, Liverpool and Campbelltown councils and the Federal Department of the Environment, Water, Heritage and the Arts (DEWHA).

The agreement satisfies the conditions of sale requirements set by DEWHA for the Commonwealth-owned Defence lands at Edmondson Park. It is built on the foundations of the Biodiversity Certification of the State Environmental Planning Policy (Sydney Region Growth Centres) 2006, which established a

conservation fund using contributions collected from the Special Infrastructure Contribution.

The agreement reduces red tape and allows Edmondson Park to be developed in a sustainable and well-managed way, alongside three key elements - the establishment of a regional park and associated rehabilitation measures, sympathetic management of open space and a biodiversity package.

# METROPOLITAN DEVELOPMENT PROGRAM

## Meeting Sydney's housing needs

Since the early 1970s, the NSW Government has maintained the supply of new home sites to accommodate Sydney's growing population through its urban development program. Since 2001, this has been known as the Metropolitan Development Program (MDP).

The MDP is the Government's key program for tracking and managing housing supply and covers major infill sites in existing urban areas as well as the release of land not previously urbanised - known as greenfield land - typically on the metropolitan fringes.

The MDP develops an indicative 10-year dwelling supply forecast, which is an important tool in tracking the likely future availability of land for housing purposes, thereby ensuring the demand of the housing market can be adequately met and the affordability of housing maintained.

It is also a valuable resource for government agencies responsible for providing infrastructure as it keeps them informed of likely future land release areas requiring services such as connection to sewerage, electricity and transport networks.

To assist with these functions, it is a typical requirement that proposed land releases in the metropolitan region are included on the MDP before they can proceed to formal rezoning.

Premier Kristina Keneally and Planning Minister Tony Kelly at the launch of the Metropolitan Development Program Report







Greenfield land with capacity for over 250,000 dwellings in the Sydney region has been committed for future urban development.

The Government also releases MDP update reports, which provide the latest information on greenfield land and dwelling supply as it becomes available.

*All land supply benchmarks relating to steps in the supply process over which Government has control have been met*

### Greenfield land

The 2008-09 Metropolitan Development Program report released in April 2010 found that the State Government has committed to future urban development greenfield land with capacity for over 250,000 dwellings in the Sydney region.

This land is located in the growth centres, the North Wyong Structure Plan Area and MDP release areas. It represents more than enough land to accommodate the greenfield housing needs under the Metropolitan Strategy to 2031.

Land for over 28,000 dwellings was added to the MDP in 2008-09. In that year land for a further 16,500 dwellings was rezoned. This brought total MDP stocks and rezoned stocks to record levels.

All land supply benchmarks relating to steps in the supply process over which government has control have been met and zoned land supply is at record levels.

### Established areas

Sites in existing urban areas continue to be the source of the majority of new dwelling production in Sydney. The Metropolitan Development Program has an important role tracking the availability of major housing sites in existing areas.

A major sites database measures land supply or dwelling potential for the key redevelopment sites in the Sydney region (i.e. sites with the potential to deliver at least 50 new homes).

Over the last five years, these major redevelopment sites have accounted for 41 per cent of Sydney's net dwelling production in existing urban areas. They typically include clusters of land close to centres or transit nodes, inner city urban renewal projects, suburban brownfield sites, surplus government land and former Department of Housing sites.

The 2008/09 MDP report indicates that, on the latest data available, more than 800 major sites tracked in existing urban areas had over 125,000 potential dwellings in the planning and construction stage at 30 June 2008. Of the total, more than 78,000 potential dwellings were either awaiting planning approval, had been approved or were under construction.

## STATE SIGNIFICANT SITES

State significant sites are areas deemed to be of State or regional planning significance due to their social, economic or environmental characteristics. The State significant site process allows a detailed examination of the zoning and development standards of a particular area determined to be of major importance for the State. Often, the zoning and assessment processes take place concurrently, which helps to speed up the delivery of residential and employment land supply.

During 2009-10, the Department recommended the gazettal of six State significant sites under the State Environmental Planning Policy (Major Development). The gazetted sites could provide for more than 12,000 new dwellings and employment for potentially 43,000 people.

Currently, the Department is assessing a further 19 potential State significant sites with the potential to provide a further 21,000 dwellings and 50,000 jobs.



## LAND FOR FUTURE HOUSING

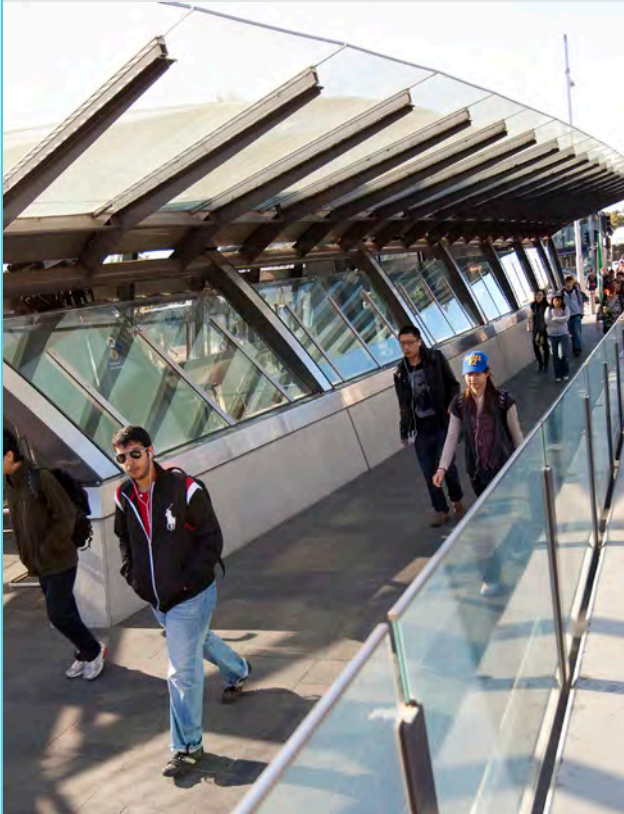
Greenfield land stock	Target or benchmark supply	Dwelling potential
Released (Total MDP)	112,500	over 130,000 (record level)
Zoned stock	60,000	over 68,000 (record level)
Zoned land with trunk infrastructure	55,000	over 56,000

## GREENFIELD RESIDENTIAL LAND REZONED 2009-10

	Dwelling potential	Rezoning date
<b>Blacktown LGA</b>		
Alex Avenue	6,300	17/5/10
Riverstone	9,000	17/5/10
<b>Penrith LGA</b>		
Well Precinct: Caddens Road	1,250	25/9/09
<b>The Hills LGA</b>		
Old Northern Road, Castle Hill	45	24/12/09
<b>TOTAL</b>	<b>16,595</b>	

## STATE SIGNIFICANT SITES 2009-10

Site	Council	Date recommended or published
Macquarie University	Ryde City Council	11/09/09
Sydney Olympic Park	Auburn City, Canada Bay and Parramatta councils	2/10/09
Sandon Point	Wollongong City Council	27/11/09
Wahroonga Estate	Hornsby	18/12/09
Western Sydney Employment Lands	Blacktown, Fairfield, Penrith and Holroyd councils	2/10/09
'Rise' Residential Development	Tweed Shire Council	Concept plan approved June 2010



A \$1.7 billion development has been approved around Macquarie University railway station. Photos courtesy Gaylor Photography.

*The project will support the development of a vibrant, active centre around the Macquarie University railway station and will improve employment, education and leisure opportunities for local residents and students.*

Macquarie University was listed as a State significant site in September 2009. The \$1.7 billion project will create 4,000 jobs, which is 20 per cent of the jobs target for the Ryde area under the inner north draft sub-regional strategy.

The project will support the development of a vibrant, active centre around the Macquarie University railway station and will improve employment, education and leisure opportunities for local residents and students. The plans provide an additional 400,000 m<sup>2</sup> of commercial gross floor area and 61,200 m<sup>2</sup> of academic floor area. The project will increase the number of beds by 3,450 within the university housing precinct.

The project will support continuing economic investment and competition in the Macquarie Park corridor, an identified specialised centre for research, health, education, residential development and industry within Sydney's Global Economic Corridor. This is a key objective of the sub-regional strategy.

All commercial buildings will achieve a minimum 4-star Green Star rating. University parking will be reduced over time as the university shifts to a public transport-based, pedestrian-friendly, greener campus, and local road infrastructure will be upgraded.



Sydney Olympic Park

*A key aspect of the project is to intensify business, residential and educational uses, while maintaining the park's role as a host to major sporting and cultural events.*

Listed as a State significant site in October 2009, the Sydney Olympic Park project sets out a redevelopment plan for the famous home of the 2000 Olympic Games. The Sydney Olympic Park 2030 Master Plan will provide 6,000 new dwellings and 28,000 new jobs in a master planned centre, delivering on objectives of the Metropolitan Strategy and the draft west central sub-regional strategy.

A key aspect of the project is to intensify business, residential and educational uses, while maintaining the park's role as a host to major sporting and cultural events.

Through the assessment process the proposal was revised to increase the public transport mode share target to 40 per cent, consistent with the Master Plan's vision of achieving a best practice example of sustainable urban development.

The proposal protects existing heritage aspects of the park, including those that relate to its past uses such as the State abattoirs and more recent Olympic legacies.





*Consultation on the original plan resulted in significant changes, including increased conservation land, removal of residential development east of Fox Valley Road and a reduction in the number of dwellings.*

In December 2009, the Government approved a State significant site rezoning of the Wahroonga Estate to facilitate a \$573 million proposal, comprising the upgrade and expansion of the Sydney Adventist Hospital, new residential development, educational facilities, and commercial and retail development. Subsequently, concept plan approval for the proposal was granted in March 2010.

The project will create 5,000 operational jobs. The project will also deliver 500 new dwellings with a range of densities, representing just under 2.5 per cent of the total dwelling target identified in the draft north sub-regional strategy, along with seniors housing and student accommodation.

The development will contribute to local infrastructure upgrades, and protect approximately 31 hectares of conservation land representing 50 per cent of the site.

Consultation on the original plan resulted in significant changes, including increased conservation land, removal of residential development east of Fox Valley Road and reduction in the number of dwellings, and lower scale residential buildings fronting onto Mount Pleasant Avenue.





*Community facilities will be within walking distance of homes, contributing to a more liveable community environment for residents.*

Rise is a new, mixed-use residential development located at Bilambil Heights in Tweed. It was recommended as a State significant site with a concept plan approved in June 2010. The redevelopment of the former golf resort creates a mixed-use residential community that includes 1,604 residential dwelling lots to accommodate a variety of housing styles, a 200-bed nursing home, retail and community facilities.

Rise will contribute to housing targets set out in the Far North Coast Regional Strategy whilst providing 39 hectares of open space and conservation lands for protection of endangered ecological communities.

The development has been designed so that community facilities will be within walking distance of homes, contributing to a more liveable environment for residents.

Close to 10,000 people will be employed during construction, with a further 1,300 jobs created upon completion.

## CASE STUDY: Boost for Bankstown

The NSW Government approved a new business enterprise corridor which will help create additional employment and housing opportunities along a section of the Hume Highway at Yagoona. The amendment to the Bankstown local environmental plan (LEP) will rezone an area known as the Rookwood Road precinct in Yagoona to a combination of business enterprise and residential zones.

The amendment is consistent with the Metropolitan Strategy, which aims to build an enterprise corridor along the Hume Highway, and will also place more jobs alongside a regional bus route. The Rookwood Road precinct, which spans a 350-metre length of the highway, is currently made up of a mixture of bulky goods retailers, hotels, small shops and houses.

The LEP implements the findings of Bankstown Council's Hume Highway Corridor Strategy, which aims to revitalise the highway corridor from Villawood to Chullora, by strengthening its role as an enterprise corridor for employment and economic activities.

The new controls will support greater diversity in the businesses and employment opportunities available to Bankstown residents, as well as improving local amenity.

In response to submissions, the council made a number of amendments to the plan following the first of two public exhibition periods, including:

- Reducing the building height limit along The Boulevard from four to two storeys to match those along George Street
- A building height map at the request of the Department of Planning.

Aerial shot of Rookwood Road Precinct.



## CASE STUDY: Lake Macquarie rezonings support housing development

Two amendments to the Lake Macquarie local environmental plan (LEP) have been approved, which will deliver up to 235 new dwellings. The rezoning of the State heritage-listed Wangi Wangi Power Station is the result of extensive strategic planning to deliver a positive outcome for its future use.

The 22.5-hectare site, which was previously zoned as an investigation area for potential urban uses, has been rezoned for residential and mixed-use purposes to allow for the development of up to 60 homes, along with opportunities for more than 150 dwellings within the power station building itself.

Around 5,000 square metres of retail and other mixed business uses have also been provided for on-site. However, any future proposals for the site would still have to be lodged and assessed prior to any construction commencing.

Lake Macquarie City Council undertook considerable community consultation.

To resolve potential land use conflicts between the adjacent Myuna Colliery and any residential development on-site, the LEP requires Council to consider such issues and address any impacts in its assessment of future development applications.

As it is a State heritage-listed item, any development proposal to alter the power station will also be subject to advice or approval of the Heritage Council of NSW and adherence to a Conservation Management Plan.

A second amendment to Council's LEP will support 25 new dwellings in the Morisset Peninsula area, with a 7.5-hectare parcel of land rezoned at Bonnells Bay, including 2.5 hectares for residential uses and five hectares as conservation area.

Council has completed environmental studies to ensure the boundary between the residential and conservation areas was appropriately aligned, given its bushland setting, with the residential zone covering degraded bushland only.

## CASE STUDY: New Gloucester LEP protects Shire's environmental values

A new local environmental plan (LEP) for the Gloucester Shire will deliver an up-to-date planning framework while protecting the shire's environmental and agricultural assets. The Minister for Planning approved the council-wide plan, which had been prepared by Gloucester Shire Council.

The LEP will allow some village expansion in the town centre and consolidate previously fragmented commercial areas, while potentially a greater variety of housing will be available, such as multi-unit dwellings. This will enable more residents, particularly the aged, to live within walking distance of services and facilities.

The plan also protects the shire's valuable agricultural land and environmental assets, including the World Heritage-listed Barrington National Park. Around 40 per cent of the entire local government area – around 9,600 hectares – is zoned environmental protection under the plan.

Job creation has also received a boost with 95-hectares of land near Stratford zoned heavy industrial for development of a 70-lot industrial park. Around two-thirds of this site is the subject of a major development proposal known as the AGL Gas Project.

The LEP includes a number of additional features, including:

- Allowing tourist and visitor accommodation uses at the Gloucester Country Club and at Gloucester Showground
- Retaining Council's existing minimum rural lot subdivision size of 100 hectares
- Including a clause to ensure the provision of public infrastructure to service any subdivision at the Stratford Industrial Park site.

Council had been provided \$86,000 in financial assistance from the Department of Planning's Planning Reform Fund to assist in reviewing its council-wide plan.

The LEP had been prepared using the standard LEP template, which seeks to clarify and simplify State planning controls, making them easier to implement and understand. At the same time, councils still have the flexibility to incorporate local planning strategies and address planning issues specific to the local area.

## CASE STUDY: Planning future for Tumbarumba Shire approved

A new local environmental plan has been approved for Tumbarumba Shire to deliver 10 years' housing supply and support its thriving horticultural industry into the future.

The LEP supports the diversity of the shire and creates opportunities for growth within existing townships. The LEP:

- Promotes the shire's important agricultural and horticultural industry by including provisions to encourage horticultural production on lands zoned for this use
- Provides potential for around 50 new residential lots in the Tumbarumba township, along with a further 50 lots across Rosewood, Jingelic and Khancoban, which will deliver well over 10 years worth of housing supply and greater housing choice for shire residents
- Supports the ongoing viability of the Hyne Timber Mill by ensuring only compatible land uses, that will not be affected by the operations of the mill, can occur in its vicinity

- Identifies more than 20 significant local heritage items in the shire which will be protected
- Puts in place arrangements to ensure areas subject to salinity, erosion or flooding are appropriately managed and developed
- Includes provisions to ensure lands with significant flora and fauna are protected.

The plan builds on the council's extensive strategic planning work undertaken to date, including the Tumbarumba Community Strategy Plan and various shire-wide strategies relating to industry, housing, environment and rural lands.







5

HERITAGE



# HERITAGE

The Heritage Council is the State's advisory body on heritage matters. It provides for and encourages the conservation of places with heritage significance to the people of NSW.

The Department of Planning's Heritage Branch provides advice and services to the Heritage Council of NSW and administers the NSW *Heritage Act 1977*. It also provides advice on heritage protection to the Government, State agencies, local councils and the community.

## The Heritage Branch:

- Provides advice on heritage matters to the Minister for Planning, the Department, local government, developers and the local community
- Prepares recommendations for the interim protection of potential heritage items so that an assessment of their significance can be made and then undertakes that assessment
- Reviews existing listings and curtilages (boundaries) to items on the State Heritage Register to retain their heritage significance
- Assesses applications made under the *Heritage Act 1977* and determines a majority of applications under delegation
- Delivers an Aboriginal heritage program
- Administers the Heritage Grants Program
- Implements the NSW Maritime Archaeology Program
- Delivers quality advice on archaeology, including approvals for works
- Provides support and training to various stakeholder groups including local government, State agencies and heritage experts
- Services and administers eight panels that provide the Heritage Council with technical and policy advice
- Maintains a database of State heritage items.

Achievements and future directions are included in the annual report of the Heritage Council of NSW.



Bella Vista farm homestead and kitchen block.

## KEY ACHIEVEMENTS

- Delivery of the Heritage Council's unique Thematics Listings Program
- Addition of 26 items to the State Heritage Register including the listing of such icons as:
  - Sydney Town Hall
  - Queen Victoria Building
  - Luna Park
- Listing contributions to the State Government's 2010 celebration of the bicentenary of Lachlan Macquarie as Governor of NSW, such as Macquarie Place and Richmond Park in Sydney
- Processing of 539 notifications for changes to State heritage listed properties
- Completed an external review of the NSW Heritage Grants program and outreach and the management of projects funded under the 2009-11 program

# ANNUAL REPORT OF THE HERITAGE COUNCIL OF NSW

Heritage Council of NSW is a statutory body established under the NSW *Heritage Act 1977* (Heritage Act) to administer the Act. It is an advisory body that includes members of the community, the NSW Government, the conservation profession and representatives of various organisations.

The Heritage Council makes decisions about the care and protection of places and items that have been identified as being of heritage significance to the people of NSW. It also provides advice on heritage matters to the Minister for Planning who is responsible for heritage in NSW. The Heritage Council is serviced by the Heritage Branch, which provides professional advice and administrative support.

## Heritage Council members

The Heritage Council comprises the following members:

- Mrs Gabrielle Kibble AO – Chair
- Ms Sharon Sullivan AO – Deputy Chair
- Mr Peter Mould – Government Architect
- Mr Tom Gellibrand, representing the Director General, Department of Planning
- Mr Norman Laing, representing the Director General, Department of Environment, Climate Change & Water
- Mr Don Godden, representing the National Trust of Australia (NSW)
- Ms Julie Bindon
- Mr David Logan
- Dr Rosemary Annable
- Mr Danny Chapman.

The following members completed terms on the Heritage Council in 2009-10:

- Professor Ross Fitzgerald, representing the University sector
- Mr John Neish, representing the National Trust of Australia (NSW)
- Ms Tina Jackson, representing corporate promotion, heritage conservation and natural heritage
- Mr Jason Ardler representing the Director General of the Department of Environment, Climate Change & Water, and Member of the Aboriginal Heritage Advisory Panel
- Russell Couch representing the Director General of the Department of Environment, Climate Change & Water
- Mr Christopher R. Johnson, representing the Director General of the Department of Planning.

The Heritage Council met 10 times during 2009-10.

## Committees

To ensure that the Heritage Council meets its statutory obligations of listing and conservation management of State heritage-listed items, it delegates these functions to the Approvals



Heritage-listed Luna Park

## What can be listed?

To be assessed for listing, an item must, in the opinion of the Heritage Council of NSW, meet one or more of the following criteria:

- Be important in the course, or pattern, of NSW's cultural or natural history
- Have strong or special association with the life or works of a person, or group, important to the State's history
- Be important in demonstrating aesthetic characteristics and/or a high degree of creative or technical achievement in NSW
- Have strong or special social, cultural or spiritual association with a particular community or cultural group
- Have potential to yield information that will contribute to an understanding of the State's history
- Possess uncommon, rare or endangered aspects of the State's history
- Be important in demonstrating the principal characteristics of a class of NSW's cultural or natural places; or cultural or natural environments.

Committee and the State Heritage Register Committee. Both committees meet monthly with members from the Heritage Council plus additional experts. In 2009-10, the following additional experts served on these committees:

- Ms Diane Jones, representing the Royal Australian Institute of Architects
- Mr Michael Clarke, representing Engineers Australia
- Mr Neil McGaffin, representing the Director General of the Department of Planning.



St John's Church Parramatta

## Panels

Eight panels provided the Heritage Council with specialist advice and assistance. The panels are:

- History Advisory Panel
- Archaeology Advisory Panel
- Aboriginal Heritage Advisory Panel
- Fire Access Services Advisory Panel
- Maritime Archaeology Advisory Panel
- Technical Advisory Group
- Religious Property Advisory Panel
- Heritage Grants Panel.

## HCOANZ meeting – New Zealand

In February 2010, the Chair of the Heritage Council and the Director of the Heritage Branch attended the Heritage Chairs and Officials of Australia and New Zealand meeting in Christchurch. Discussion papers were presented on the Thematic Listings Nominations Program and the Archaeological Management Plans Guidelines.

**26 items were added to the State Heritage Register during 2009-10.**

Macquarie's Obelisk, Sydney



## State Heritage Register

The State Heritage Register lists places and items of particular significance to the people of NSW. There are currently 1,580 items on the register. Around 50 per cent are owned by the State Government. The rest are owned by individuals, local councils, the Federal Government and industry.

Twenty-six items were added to the State Heritage Register during 2009-10, including the Sydney Town Hall, Queen Victoria Building, Macquarie Place Precinct and Luna Park in Sydney, Wollongong Harbour Precinct, the Broken Hill Mosque, the *Hive* convict shipwreck at Wreck Bay, an Aboriginal art site in Earlwood, and the Trial Bay Gaol and breakwater at South West Rocks. This is the largest number of additions to the register since 2005.

The former Manly ferry MV *Baragoola* was removed from the State Heritage Register in January 2010 following 14 months of discussion about its condition and significance values.

Support was provided for the Commonwealth nomination of the convict serial sites for world heritage listing.

## Sydney landmarks

The Premier, with the Minister for Planning, the Sydney Lord Mayor and Chair of the Heritage Council, announced the State Heritage Register listing of Sydney Town Hall, the Queen Victoria Building and Luna Park on the State Heritage Register in February. The Premier also announced the listing of the ANZAC Memorial in Hyde Park.

## Thematic Listings Program

During 2009-10, the Heritage Council and the Heritage Branch delivered a new Thematic Listings Program, following recommendations of the 2007 independent review of the Heritage Act. This program aims to reflect the cultural richness and diversity of the history and heritage of NSW.

It is important the NSW Government maintains a representative State Heritage Register. An initial three-year program was launched by the Minister for Planning in February 2009. Since then, 22 new thematic listing sites have been added to the register. Unique to heritage agencies in Australia, the program has been a resounding success.

Themes currently under the program are:

- *Aboriginal Heritage*: Acknowledging the legacy of Aboriginal heritage in our State's history through the listing of sites relevant to Indigenous history.
- *Convicts*: Continuing the work associated with the successful 2010 Australian Convict Sites World Heritage inscription.
- *Governor Macquarie*: Marking the bicentenary of Lachlan Macquarie's tenure as Governor of NSW from 1810-1821, celebrated throughout 2010.





20th century-built heritage: Rose Seidler House Wahroonga by internationally renowned architect Harry Seidler

- *First and Second World Wars:* Acknowledging the important contribution of service men and women and the 70th anniversary of the start of World War II in 2009.

By targeting the listing of key heritage places against established historical themes, the program ensures that the most important places in NSW, within each theme, are identified and protected at one time. This holistic across-NSW approach closes gaps in the current register in a methodical and streamlined way.

It also establishes a more balanced NSW State Heritage Register that accurately records this State's most significant places and objects and represents the breadth of its heritage.

### Recognising 20th century-built heritage

The Heritage Branch and the Heritage Council co-sponsored the July 2009 International Council on Monuments and Sites (ICOMOS) (Un)Loved Modern conference on the conservation of 20th century heritage in Sydney. This conference was organised by key international organisations engaged in the conservation of 20th century heritage. Opened by Heritage Council Chair, Gabrielle Kibble, the conference brought together approximately 230 professionals from 12 countries.

Home of the Heritage Branch, Parramatta



### Heritage conference outback

The April Australia ICOMOS 2010 conference - again supported by the Heritage Branch and Heritage Council - concentrated on issues affecting rural heritage. Held at Broken Hill, the event was opened by Chair Gabrielle Kibble and included the announcement of several local sites on the State Heritage Register. These were the former BHP offices and ruins, the Wesley Uniting Church and Hall, and the Afghan Mosque. Heritage Branch staff presented a paper on issues affecting rural heritage protection and management in NSW.

### Heritage Act amendments

A major focus of the Heritage Branch's work in 2009-10 was providing advice on changes to the NSW *Heritage Act 1977*. The introduction of the Heritage Amendment Bill 2009 the previous year marked the Government's response to an earlier independent review of the Heritage Act in 2007.

In 2009-10 the remaining amendments to the Act became law. They involved changes to the way State Government agencies report on heritage assets that they own or manage on behalf of the community.

The changes make it less onerous and complex for State Government instrumentalities to report on heritage assets.

The Heritage Amendment (Heritage and Conservation Register) Regulation 2010 was made in early 2010. The Heritage Branch has updated content on its website and is planning a State Government heritage forum to explain the reporting requirements.

### Port Macquarie visit

The Heritage Council of NSW and representatives of the Heritage Branch, NSW Department of Planning, conducted an annual regional meeting and tour in the Port Macquarie-Hastings Shire, on the NSW Mid-North Coast, in September 2009.

The aim of the trip was to experience the district's layered heritage and to engage with the local council and heritage community. The delegation inspected several key heritage sites including the Glasshouse Arts, Entertainment & Cultural Centre in Port Macquarie with its retained convict archaeology, the convict-built Church of St Thomas (1827), Lake Innes House built by Major Clunes

Everglades Gardens, Leura



(from 1831), and the Second Burying Ground with its convict heritage.

A highlight was a presentation on a project funded by the Heritage Council recalling Biripi traditional Aboriginal stories through an illustrated children's book. It was presented by the students at St. Josephs Primary School, Laurieton. An informative tour of the Sea Acres Nature Reserve near Port Macquarie included a fascinating tour of traditional bush tucker and land use by a local volunteer Aboriginal guiding service.

## Changes to State heritage items

In 2009-10, the Heritage Branch received 539 notifications for changes to State heritage-listed properties. Of these, notable examples were:

- Windsor - proposed new bridge/river crossing
- Hillview, Sutton Forrest - lease and property management development
- Evans Head Memorial Aerodrome - concept proposal for the construction of a residential retirement village, draft Heritage Agreement, and condition of Bellman Hangar
- Abernethy Stonemasons Lathe - transfer of title and relocation to Moruya
- Bathurst Gaol - new administration building
- Old Government House - Parramatta site works
- Everglades - Leura visitor centre and disabled access
- Grantham Poultry Estate, Seven Hills - master plan for heritage parkland
- Mount Victoria to Lithgow - proposed upgrade of the Great Western Highway.

The Branch also investigated alleged unauthorised works at a number of key state-listed sites, including:

- Newcastle Railway Station - alleged damage done during refurbishment works
- Bourke Court House - alleged unauthorised works
- Mount St Mary's College and Convent - minimum maintenance standards.

Old Government House, Parramatta.



## Bella Vista Farm

Site conservation, public access and interpretation works were completed at Bella Vista Farm. This was a staged project running over 13 years under Heritage Council development approval. More of the site is now available for public use.

## Everglades garden, Leura

Recent approval was given to the National Trust of Australia (NSW) to construct a small new visitor's centre, shop and entrance area to Everglades garden at Leura. This facility will take pressure off the house to provide sales merchandise, morning and afternoon teas, and freeing space up for better presentation as a former private residence and mountain retreat. Other proposals for works include interpretive and directional signage and lighting around the property to improve its amenity and the understanding of visitors of its history and evolution.

## Old Government House, Parramatta

Important works to interpret the significant Macquarie-era structure and setting of Old Government House and its carriageway connections were completed. These include a new timber picket fence around the perimeter of the Old Kings Oval, repairing and reinstalling the Pitt Street sandstone and iron palisade perimeter fence, repairs to a number of historic roads within the park and recovery and storage of alignment stone for Governor Brisbane's Observatory.

Other major works undertaken were structural stabilisation, underpinning the central walls, landscape works to install disabled access facilities in the north-west wing, paving and re-landscaping its rear courtyard and lighting.

## Brush Farm, Ryde

A range of works at this important Eastwood property have brought the house back into active public use and visitation. Provision has been made for community exhibitions, meeting rooms, walks, talks and functions in the partially reinstated pleasure garden and grounds. A timber platform to the house's rear can support a marquee, for weddings and function use with revised access and parking arrangements. These improvements allow the place's past to be better interpreted. Brush Farm and its garden was the centre of a colonial farm grant and later vineyard, and once owned by explorer Gregory Blaxland.

## Hermitage in Denistone

The Heritage Council worked with the owners of the Hermitage to develop innovative solutions to conserve the property while adapting it for modern use. The range of works included the demolition of more intrusive modern additions to allow the house to be seen as originally designed. Works to its significant gardens have allowed their reinstatement in a modern but sympathetic manner.

## Exeter Farm

Exeter Farm Cottage at Glenwood has had a series of investigative conservation, repair and



reinstatement works to both its early cottage buildings and immediate curtilage. These have been undertaken by the Historic Houses Trust of NSW, who intend to sell property freehold for residential use again. This will open a new chapter for this important early homestead.

### Wollongong Harbour Precinct

Wollongong Harbour Precinct had a range of works approved and undertaken, including a precinct-wide interpretation strategy, staged installation of a Harbour Heritage Walk, including 'The Blue Mile', a themed walkway with interpretive signage following the route of a former tramline that conveyed coal from mines to the harbour for export. These works will enable more people to enjoy this important seaside core of Wollongong and better understand its history and important role in supporting the settlement and development of the region.

### Orders issued under the Heritage Act

One interim heritage order was made under section 24 - Peroomba at Warrawee - and another under section 136 of the *Heritage Act 1977* for Tilba at Burwood.

The Heritage Branch received several community representations for orders over heritage items that did not warrant action under the Heritage Act following assessments of heritage value. These included for example, the proposed demolition of a residential property at Lugar Street in Bronte which was assessed as not being of local or State heritage significance.

#### During 2009-10:

- The Branch issued a total of 95 archaeological permits (including 24 s140 permits, 62 s139 approvals and nine s144 approvals)
- The Department's assessment divisions submitted 72 referrals to the Heritage Council for heritage items covered by Part 3A applications
- The Branch dealt with 383 development proposals as exemptions and exceptions which reduced the time and cost to the applicants and the Government
- Support was provided for local environmental plans (LEPs) that list heritage items and heritage conservation areas.

### CASE STUDY:

Repair and construction work at  
Heritage listed site, Reussdale

State Heritage Register-listed Reussdale, possibly the earliest example of high Victorian architecture in Glebe, was built by Ferdinand Reuss c.1868. The property survives as one of the most interesting and original of the Victorian picturesque Gothic-style houses surviving in Glebe. The building had been vacant and disappointingly, abandoned for many years. Although the original configuration of Reussdale was almost entirely retained, the floors and ceilings were not structurally sound and other internal elements such as the stairs, windows, door frames, walls and fireplaces had been extensively damaged. With the exception of the replacement of the roof, no conservation work had been done for a long period.

After negotiating with the previous owners, the Heritage Council approved an application from a new owner who has now carried out significant conservation work. The result is a heritage success story. The new owner constructed an extension at the back of Reussdale as a conservatory following approval from the Heritage Council and determination that it did not generate an adverse impact on the overall heritage significance of the building.



### Historical archaeology, Parramatta

Historical archaeology is the study of the past using physical evidence in combination with historical sources. It focuses on objects used by people in the past and places where they lived and worked. It can tell us about the way things were made and used and about how people lived their lives.

Beneath the ever-changing streetscapes of Parramatta lies a rich archaeological tapestry that offers a glimpse into the lives of the city's former



One of around 200 relics unearthed during archaeological excavations in Parramatta.



A search was conducted for the remains of canoes built by German internees at Berrima prison during WW1.

residents. August 2009 saw a unique exhibition on the archaeology of Parramatta at its visitor's centre, *Breaking the Shackles*, supported by the Heritage Branch.

Around 200 relics unearthed during archaeological excavations around Parramatta were on display. Some artefacts were a direct link to Aboriginal occupation of the area. Others came from the other cultures that arrived after 1788.

Underscoring the management and retention of this fragile resource is the Parramatta Historical Archaeological Landscape Management Study. Completed in 2001, it provides a framework to support the day-to-day management of development proposals within the local government area, especially where those may encounter significant historical archaeological sites or relics.

It is now possible to walk around the Parramatta CBD along George, Charles, Smith, Macquarie and Marsden Streets and view this archaeological history through interpretative displays - sometimes erected as part of the conserved *in situ* remains and footings and incorporated into many of the buildings themselves. Some of the best examples are found in the Commonwealth Bank building foyer and the Meriton Westport Apartments, both located at the intersection of George and Charles street, while the interpretation and footings associated with the former Convict Hospital are a central design feature within the new Parramatta Justice Precinct. The remains being kept at these sites are a rare and well-preserved element of Parramatta's early colonial landscape.

Archaeology is ongoing in Parramatta's. In the last two years there have been five open days to give local people the opportunity to come and view this archaeological heritage. Open day events have, in some cases, drawn up to 3,000 visitors eager to take advantage of these one-off opportunities to view the excavations in progress and discover the site's individual history and archaeology.

## National Archaeology Week

In 2010, the Heritage Branch hosted a seminar called 'Diving into Archaeology' as part of the nationwide program of activities to celebrate National Archaeology week. This Week aims to increase public awareness of Australian archaeology and the work of the country's archaeologists, and promote the importance of protecting Australia's unique archaeological heritage. More than 60 people from a wide range of backgrounds attended.



**SS Tuncurry** shipwreck showing propeller. Photographer Rob Westerdyk.

## Maritime Archaeology Program

The Department of Planning implements the NSW Maritime Archaeology Program. Now in its 22nd year, the program provides critical protection to the State's significant underwater heritage sites and has a strong community involvement focus. With over 1,800 potential historic shipwrecks alone, management and protection of this heritage involves the public and government agencies, including the State's recreational diving population.

### SS Tuncurry 1916 shipwreck discovery

The Heritage Branch has been liaising with the finders of a new shipwreck located in 2009 east of Barrenjoey Headland-the timber coastal steamer *Tuncurry*-protected by the *Historic Shipwrecks Act 1976*. The Heritage Branch has been monitoring the visitation of divers amid reports of disturbance to the archaeological site. The Heritage Branch held a workshop on the future management of the wreck, has been implementing a unique mapping survey of the wreck in conjunction with the Centre for Field Robotics at the University of Sydney, and prepared an information sheet on the site. NSW Water Police, wreck inspectors under the Act, continue to actively monitor recreational diving activities.

### M24 Japanese midget submarine

Management of the nationally-significant wreck of the Japanese midget submarine *M24* (1942) off Newport, Sydney continues to be a priority. This year saw additional archaeological surveys of the wreck site with the support of the Department of Environment, Climate Change and Water (DECCW) which was engaged to undertake a detailed hydrographic survey of the site. The Heritage Branch was shortlisted for a 2009 Premier's Public Sector Award for its management of the *M24* Japanese midget submarine and associated web exhibition. Additional research work has been undertaken on the history of the midget submarines and the Sydney attack.

### Underwater Cultural Heritage Interdepartmental Agreement and 2001 UNESCO Convention

We provided comment as part of the Commonwealth's ratification processes related to the UNESCO Convention on the Protection of the Underwater Cultural Heritage 2001. This included the whole-of-NSW Government assessment of a draft underwater cultural heritage inter-government agreement (prepared by the Commonwealth) to guide future management of underwater heritage



sites. The Director of the Heritage Branch is the delegate for administration of the Historic Shipwrecks Act in NSW.

### Historic shipwreck delegates meetings

The Heritage Branch attended the annual August 2009 and February 2010 historic shipwreck delegates meetings, which included each state/territory heritage or museum agency CEOs. The Heritage Branch has also drafted a national discussion paper on the use of buffer zones around historic shipwrecks to mitigate risk through offshore development projects.

### Berrima canoes survey

Departmental maritime archaeological staff undertook a detailed sonar survey of the Wingecarribee River at Berrima in July and December 2009. The survey involved the expert assistance of a Royal Australian Navy mine warfare team deployed from *HMAS Waterhen* to seek the remains of canoes built by German internees at Berrima Prison during World War 1. About seven discrete targets were located in the river which warrants further inspection. The black water conditions make site inspection difficult. The overall site is currently under consideration for listing on the State Heritage Register.

### Training courses and outreach program

Three maritime archaeological training courses were held at Sydney and Newcastle. The internationally-accredited course is taught to divers and those interested in maritime archaeology and run under the auspices of the Nautical Archaeology Society (UK) and the Australasian Institute for Maritime Archaeology (AIMA). The forward course program for 2010-11 has been developed. Staff Maritime Archaeologists undertook 19 public lectures throughout the year, with presentations to the AIMA conference and the Professional Historians Association conference at Norfolk Island. The 2009 historic shipwreck poster featured the Japanese midget submarine *M24*.

### International activities

The Heritage Branch's maritime archaeologist, Sarah Ward, participated in the UNESCO Regional Workshop for the Protection of Underwater Cultural Heritage in the Pacific in December. Convened in Honiara in the Solomon Islands, the workshop was designed to raise awareness amongst Pacific states of the significance of underwater cultural heritage, and to help support states in developing capacity.

## Local government support

### Heritage advisors workshop

In August 2009 the Heritage Branch held its annual one-day workshop for heritage advisors who were working in (or interested in) local government heritage management.



Maritime archaeological training courses

The Heritage Branch provided updates on: changes to local government heritage policies; the heritage approvals process and joint regional planning panels.

The day finished with an afternoon session on archaeology including a site visit to the dairy precinct in Parramatta Park.

### Heritage Network Seminar

Also in August 2009, the Heritage Branch held its annual one-day Heritage Network Seminar inviting all local government heritage advisors, local government heritage planners and heritage consultants. More than 140 participants attended.

The seminar included updates and presentations on Heritage Act amendments; approvals processes under the Heritage Act; the thematic nominations program; heritage grants; local environmental planning and heritage provisions; archaeological management and maritime heritage.

### Specialty courses

A one-day seminar and workshop, Salt Attack and Rising Damp, was held in November attracting a variety of participants from governmental agencies, trades and architectural firms.

Paint Sampling and Analysis - a seminar and workshop for practising professionals - was held in June 2010 in conjunction with the Heritage Branch and the Government Architect's Office.

## Supporting other government agencies

This year the Heritage Council:

- Endorsed four heritage and conservation registers for the Department of Commerce, Parramatta Park Trust, RailCorp and the Roads and Traffic Authority of NSW
- Endorsed two heritage asset management strategies for the NSW Department of Lands, and the University of Technology, Sydney
- Continued to provide free state heritage inventory database software to all government agencies, with free training courses

- Updated the Heritage Branch website and the specialist s170 Extranet website for State Government staff, on their roles and responsibilities in the maintenance of Government-owned heritage assets under section 170 of the Heritage Act. The Heritage Council provides guidance to State Government asset managers in their delivery of robust heritage management programs.

## Awards and recognition

### Australian convict sites World Heritage serial nomination

The Federal Minister for the Environment wrote to the Minister for Planning, conveying his appreciation for: the NSW Government's longstanding support and contribution to this nomination; the Department's staff in preparing the four NSW sites; and for support to the ICOMOS technical evaluation mission.

### NSW Premier's Public Sector Awards

The Heritage Branch was nominated in the 2009 Premier's Public Sector Awards in the Engaging with the Community category for its management of the M24 Japanese midget submarine and associated web exhibition.

### CASE STUDY: Heritage Volunteers Award 2009

The Justice and Police Museum Sydney was the venue for the annual Heritage Volunteer Awards in November 2009. Twenty-two heritage heroes from around NSW were honoured for their contribution to heritage conservation. The event was officiated by Gabrielle Kibble and the Minister for Planning. Over 100 guests joined the Minister after the event for refreshments and photos. Details of the event and all award recipients are available on the Heritage Branch website.



Twenty-two heritage volunteers were honoured for their contribution at the Heritage Volunteers Awards 2009.

## Boards and committees

### Crown Cemeteries Advisory Committee

Dr Siobhan Lavelle is the representative on the Crown Cemeteries Advisory Committee formed by the Minister for Lands, the Hon. Tony Kelly MLC in early 2010.

### Cemeteries Committee

Catherine Colville is the representative on the National Trust (NSW) Cemeteries Committee.

### Geographical Names Board

Patricia Hale is the representative on the Geographical Names Board of NSW.

### Karst Management Advisory Committee

Tim Smith, and Olwen Beazley as alternate, are the representatives on the Karst Management Advisory Committee of the Department of Environment, Climate Change and Water (DECCW).

### Cultural Landscapes

Stuart Read is the representative on the ICOMOS International Scientific Committee on Cultural Landscapes, and elected NSW representative on the National Management Committee of the Australian Garden History Society.

### Interpretation

Bill Nethery is the representative on the Roads and Traffic Authority Heritage Committee, and the Convict Trail Project Management Committee.

Stewart Watters is the representative on the RTA Tourism and Signage Advisory Committee.

### DECCW expert panels

Deputy Director, Tim Smith is the representative on the DECCW Goat Island Reference Group (GIRG) and the Sydney Harbour National Park Working Group (SWG), reviewing the Sydney Harbour National Park Plan of Management.

### Opera House

Rajeev Maini is the representative on the Sydney Opera House Conservation Council.

### Redfern Waterloo

Rajeev Maini is the representative on the Redfern Waterloo Heritage Taskforce.

## State Heritage Register

In 2009-10, 26 items were added to the State Heritage Register giving them increased legislative protection. Owners are also eligible to apply for funding under the NSW Heritage Grants Program. The table on page 66 lists items added.

**STATE HERITAGE REGISTER LISTINGS MADE UNDER SECTION 31 OF  
THE HERITAGE ACT 1977 – 2009-10**

Item Name	Address	LGA	Listing Date	Listing No
Balgownie Migrant Workers Hostel: Huts 201, 204 and 210	Squires Way, Fairy Meadow	Wollongong City	28/08/09	01767
Cenotaph	Between George and Pitt Streets, Martin Place, Sydney	Sydney	11/11/09	01799
Simpson-Lee House I	23 Roland Avenue, Wahroonga	Ku-Ring-Gai	27/11/09	01800
Earlwood Aboriginal art site	Earlwood	Canterbury	27/11/09	01801
Ferguson's Cottage	1 Breakwater Road, Coffs Harbour	Coffs Harbour	27/11/09	01802
Yooroonah Tank Barrier	Waterfall Way, Ebor	Armidale Dumaresq	27/11/09	01803
Liverpool TAFE College (former Liverpool Hospital)	College Street, Liverpool	Liverpool	11/12/09	01809
Raby	1025 Camden Valley Way, Catherine Field	Camden	01/03/10	01694
Macquarie Place Precinct	Macquarie Place, Sydney	Sydney	05/03/10	01759
St John's Anglican Cathedral	195 Church Street, Parramatta	Parramatta	05/03/10	01805
Sydney Town Hall	483 George Street, Sydney	Sydney	05/03/10	01425
Linden Observatory complex	91-111 Glossop Rd, Linden	Blue Mountains	05/03/10	01807
Queen Victoria Building	429-481 George Street, Sydney	Sydney	05/03/10	01814
Luna Park Precinct	1 Olympic Drive, Milsons Point	North Sydney	05/03/10	01811
Richmond Park	Bounded by East Market, Windsor and March Streets, Richmond	Hawkesbury	05/03/10	01808
Hive shipwreck	Bherwerre Beach, Wreck Bay	Unincorporated Offshore	01/04/10	01812
Scheyville National Park	Scheyville Road, Scheyville	Hawkesbury	09/04/10	01817
131 Radar Station (former)	Ash Island	Newcastle	16/04/10	01815
Wesley Uniting Church and hall group	Corner of Sulphide and Cobalt Streets, Broken Hill	Broken Hill	23/04/10	01818
ANZAC Memorial	Hyde Park South, near Liverpool Street, Sydney	Sydney	23/04/10	01822
BHP Chimney Ruin of first offices	Part of Consolidated Mining Lease 7 east of corner of Gaffney and Oxide Streets, Proprietary Square, Broken Hill	Broken Hill	23/04/10	01820
Broken Hill Mosque	Buck Street, Broken Hill	Broken Hill	23/04/10	01819
Wollongong Harbour Precinct	Cliff Road and Endeavour Drive, Wollongong	Wollongong City	05/05/10	01823
1st/15th Royal NSW Lancers Memorial Museum collection	Linden House 2 Smith Street, Parramatta	Parramatta	14/05/10	01824
Trial Bay Gaol, breakwater and environs	Cardwell Street, Arakoon	Kempsey	14/05/10	01825
Holy Trinity Greek Orthodox Church	626-630 Bourke Street, Surry Hills	Sydney	28/05/10	01816





Trial Bay Gaol, Arakoon NSW - one of 26 State Heritage Register listings made between 1 July 2009 and 30 June 2010

*The Heritage Council provides expertise and advice on planning issues and environmental planning instruments.*

### Responses to planning referrals

The Heritage Council provides expertise and advice on planning issues and environmental planning instruments.

During the year the Heritage Branch provided advice on amendments to the standard instrument local environmental plan, the Gateway plan-making process and the Metropolitan Strategy review.

The Branch continued to support local councils in the preparation of local environmental plans (LEPs) listing heritage items and conservation areas, commenting on 63 LEPs in 2009-10.

### STATUTORY PLANNING TOOLS

The following table compares referrals over the past three years.

Planning Referrals	2007-08	2008-09	2009-10
Local environmental plans	162	48	63
Comprehensive local environmental plans	-	14	33
State environmental planning policies	6	2	5
Development control plans	4	0	5
Strategic studies	2	4	5
<b>Total</b>	<b>175</b>	<b>54</b>	<b>111</b>

## Approvals and consent

The table below compares applications dealt with by the Heritage Council. It also provides a breakdown of the different types of applications for changes to State significant items and for archaeological excavations.

### STATUTORY APPLICATIONS

Type of application	2006-07	2007-08	2008-9	2009-10
Applications for changes to State Heritage Register items (s 60s)	118	154	181	119*
Total value of cost of works	\$532,718,416	\$466,973,668	\$110,883,843	\$912,783,958
Applications for excavation permit (s 140s)	35	28	28	24
Integrated development applications (IDA)	83	85	76	50*
Exemptions (s 57(2))	266	281	281	331
Exceptions (s 139(4))	91	83	53	65
Variations to (s 60 Approvals) (s 65A)	32	39	23	31
Variations to s 140 Excavation Permits (s 144)	23	17	14	11
Variations to IDA Approvals (s 96)	29	22	12	14
Development application referrals under Part 3 of the EP&A Act	75	106	49	73
<b>TOTAL</b>	<b>752</b>	<b>815</b>	<b>717</b>	<b>717*</b>

\* Figure lower than expected, reflecting a changeover to a new document tracking system during the financial year.

*The Heritage Council helps the community to identify, conserve, interpret and promote the State's heritage through the NSW Heritage Grants Program.*

# NSW HERITAGE GRANTS PROGRAM

The Heritage Council helps the community to identify, conserve, interpret and promote the State's heritage through the NSW Heritage Grants Program.

The Heritage Grants Program 2009-11 provides funding to individuals, community groups, local government and religious groups who own or manage heritage items of state significance. The NSW Government has committed \$5.324 million for this program.

When it was launched in 2008, competitive applications were sought for projects including: works, interpretation, products and services, and major cultural and community heritage buildings. Projects are being implemented over 2009-11.

Applications were also invited for: conservation documents and management reports, local government heritage management, and Aboriginal heritage projects.

In 2009-10, the projects in the table below were approved for funding.

## NSW HERITAGE GRANTS: CARING FOR OUR HERITAGE

	Number of projects approved	Funding approved
<b>Program 1 State Heritage Register and State significant heritage item projects with sub-programs</b>		
1a – Works*	0	-
1b – SHR nominations program*	0	-
1c – Interpretation*	0	-
1d – Historic research and local archives*	0	-
1e – Conservation documents and management reports	8	\$23,000
<b>Program 2 Local government heritage management with sub-programs</b>		
2a – Heritage advisors	102	\$714,000
2b – Local heritage funds	95	\$807,500
2c – Heritage planning studies		
Aboriginal heritage studies	8	\$120,000
Archaeological management plans	1	\$15,000
Community-based heritage studies and reviews	13	\$195,000
Development control plans	6	\$45,000
Heritage main street studies	4	\$12,000
2d – Regional heritage networks	0	-
Program 3 Community strategic products and services*	0	-
Program 4 Aboriginal heritage projects	14	\$157,200
Program 5 Special program for major cultural and community heritage buildings*	0	0
<b>Total</b>	<b>251</b>	<b>\$2,088,700</b>

\* Note: Competitive bids were sought. Applications were received and approved in 2008-09 for completion in 2009-11.





6  
ORGANISATION



# ORGANISATION

## INSIDE THE DEPARTMENT OF PLANNING

The Department of Planning employs over 550 people in its metropolitan and regional offices throughout NSW. We are strongly committed to staff development, capacity building and delivering improved results for all employees.

The Department recognises that ongoing improvements to internal management systems results in better customer service and increased public confidence. Therefore, we constantly seek to improve service delivery through learning and development, corporate governance, IT and internal procedural reform.

## PEOPLE

### Achievement planning

The Department introduced a new achievement planning program, providing a framework for managers and staff to plan the delivery of work objectives in the light of State, corporate, office and branch goals.

This gives employees a clear and direct line of sight between their work and the Department's broader goals. They are also encouraged to work with their managers to identify learning and development needs.

Information sessions were held during March and April 2010 to ensure staff understood how to set clear work goals, give and receive feedback and explore relevant learning and development opportunities.

The achievement planning program also aims to improve communication between staff and their supervisors about expectations, roles and priorities.

## KEY ACHIEVEMENTS

- Developed a corporate plan for 2009-2011
- Introduced achievement planning to link individual performance agreements to corporate planning and the State Plan
- Won Premier's Priority Public Sector Award for infrastructure planning policy
- Employee Sarah McGirr won Young Professional of the Year award from the Institute of Public Administration Australia, NSW Division
- Introduced a new code of practice for meeting and telephone communication
- Introduced a new procurement policy and guidelines to improve transparency and rigour in purchasing
- Developed and began to implement a strategic communication plan, outlining a range of activities to improve information for the community

Young planners clockwise: Annie Manson, Meagan Kanaley, Emily Marriott-Brittan, Swati Sharma and Kate Peacock from left



## Workforce development

### Student planners

Ten students in their third year of a Bachelor of Town Planning degree at the University of New South Wales joined the Department during the year, as part of the mandatory 12-month practical work experience component of their studies.

To ensure they gained the maximum benefit from their placements, each student was paired with a trained mentor. A number of previous student planners have been successful in their applications for further opportunities within the Department following completion of their studies.

### Cadets

The Department ran targeted entry-level recruitment campaigns and as a result, recruited three Indigenous cadets and six administrative cadets. Employing and training young people in entry-level roles supports succession planning for the Department. The strategy also contributes to the Government's commitment to employ 2,000 cadets over a four-year period whilst increasing the Aboriginal and Torres Strait Islander representation within the public sector.

### Project management training

The Department ran a comprehensive project management training program to support the achievement of benchmarks set by the Minister for Planning for completion of the Standard Instrument Local Environmental Plan Program.

More than 130 staff from the Office of Plan Making and Urban Renewal successfully completed this training, jointly facilitated by departmental staff and the Australian Institute of Management.

### Job rotation program

In 2009 a job rotation program was developed for professional staff (up to PO (P) Level 3) and four applications were received in 2010. This program aims to help employees gain new skills and experience and build knowledge about the Department's broader operations and functions. It is also intended to promote job satisfaction and assist with succession planning.



Winner of the IPAA Young Professional of the Year Award  
Sarah McGirr

Job rotation helps people gain a breadth of exposure to different parts of the organisation and build professional skills and experience. Rotations are offered for six months with the opportunity to extend to 12 months.

### Staff seminars

Staff seminars continued throughout 2009-10 where staff were invited to presentations about planning issues, the work of different business areas and key departmental initiatives. These seminars were filmed and published on the intranet so they could be viewed by staff who were unable to attend.

### Staff networks

The Department continued to promote staff networks to provide support, development, exchange of ideas and networking opportunities.

These included the Young Planning Professionals Group (for planning professionals 35 years and under), the Green Group (to support sustainable practices) and Women in Planning (provides career-enhancing opportunities for women).

All were very active, meeting regularly and arranging events and activities within the Department.



## Employee recognition

### Recognition of Service Awards

The Recognition of Service Awards are held annually to acknowledge employees who have served the Department for 25 years or more. In 2009, the Director General presented 25 staff with this award and was presented with an award himself by the Minister - demonstrating just how varied and interesting the work of the Department is, and also the commitment and loyalty of its staff.

### IPAA Young Professional of the Year

Sarah McGirr, a team leader in the Policy, Planning Systems and Reform Branch was awarded the prestigious NSW Young Professional of the Year Award from the Institute of Public Administration Australia NSW Division. The award acknowledges the outstanding contribution of young individuals to the NSW public sector.

The award highlighted Sarah's initiatives that have delivered innovation across a range of policy areas including climate change and natural resources management, planning reforms, political donations and infrastructure, mining and primary industries policies.



## Annual Staff Awards

The Annual Staff Awards recognise significant contributions to the Department, either by consistent performance at a high level or delivery of specific projects.

The awards are a key human resources initiative with seven categories, based on organisational values:

- Community engagement
- Leadership
- Customer service
- Team performance
- Equity and diversity
- Innovation
- Performance excellence.

In 2009, 45 nominations were received with 36 staff recognised for outstanding individual and team performance.

## Employee wellbeing

The Department recognises the importance of employee wellbeing. At a minimum, this is reflected in its commitment to promoting a safe and healthy work environment.

An employee assistance program offering free counselling services and referrals is available to all staff and their immediate family members. The program is promoted regularly.

Discounted health insurance and gym membership are also offered, along with annual influenza vaccinations.

Staff were also encouraged to participate in walk and ride-to-work days. Cycling to work at the Sydney head office is encouraged through the provision of facilities and special access for bicycles to the building.



# GOVERNANCE

Robust systems of governance are critical in a department such as Planning so that it can operate well and the community can have confidence in its decisions and actions.

During 2009-10, the Department initiated a program to review and strengthen its ethics and governance framework. Key themes of the program are: accountability, transparency, integrity, stewardship, efficiency and leadership.

## Audit and Risk Committee

The Audit and Risk Committee was restructured during 2009-10 to comply with the requirements of the Internal Audit and Risk Management Policy for the NSW Public Sector.

## Meeting and telephone communications code of practice

In undertaking their functions, departmental staff frequently meet with stakeholders, in particular local government, industry associations, environmental and community representatives (both as associations and individuals) and development proponents.

On relatively fewer occasions meetings are held with registered lobbyists. This is part of the planning process and consistent with Government policy.

A new code of practice with accompanying procedures was introduced in December 2009 to guide staff in their interactions with development proponents, lobbyists, community groups and opponents on specific planning proposals or development matters.

The Department's code has been incorporated into its recruitment selection process, induction program, ongoing training, performance monitoring and procurement processes.

In addition, staff attending meetings with lobbyists must complete training on the Government's Lobbyist Code of Conduct.

## Procurement

In the conduct of its day-to-day work, the Department procures a range of goods and services. It is important that public funds are spent in a way that achieves value for money while being fair, ethical and transparent.

In November 2009, the Department introduced a new policy with systems and procedures to strengthen the integrity of procurement processes. It complies with and builds upon the Government's Code of Practice for Procurement and Tendering Guidelines.

The Department also placed a new contracts team centrally to support staff and ensure compliance.

## Planning statutory data quality control

The Department is responsible for managing and maintaining state-wide spatial datasets, including

standard instrument LEPs, non-standard instrument LEPs and the State Heritage Register.

The quality, reliability and accessibility of these datasets are essential to sustainable land-use planning and economic activity access across the State.

To ensure the highest possible quality data, in 2009 the Department introduced an independently audited and accredited quality management system (QMS) to the International Standard ISO 9001: 2008.

The QMS documents the roles and responsibilities of senior management and specialist geographic infrastructure systems staff in ensuring that planning statutory data is maintained to the highest possible standard and is fit for its intended purpose.

The performance of the QMS is reviewed and independently audited each year to guarantee the Department's spatial data continues to meet the growing demands of government, industry and the community for reliable and accurate spatial information.

## IT SYSTEMS

### HR transactions

A new SAP HR system, delivered by the Department's shared corporate services provider, Service First, went live in April 2010, giving employees and managers the ability to manage, access and process a range of transactional human resources functions online. These include applying for leave, completing attendance records and payroll.

This has reduced time spent on administrative processes, sped up processing and improved visibility and control for employees and managers alike.

### Electronic records and document management

A new electronic records and document management system went live in November 2009 which enables standard, controlled processes across the Department for records management (including disposal) and improved management of correspondence.

It is already reducing paper use and handling and will act as a secure repository for the Department's records. Three hundred users were trained by the go-live date and new staff are trained when they join the Department.



## REFORM

The Department of Planning is the principal agency in the Planning Cluster, leading sector-wide reform.

The Department introduced several initiatives to foster cooperation and explore opportunities for synergy and efficiency among the cluster agencies including:

- Regular meetings between the Director General of Planning and cluster chief executives to consider strategic issues
- Senior officers' groups for information technology, human resources, Finance and Communication to better coordinate corporate and shared services across the cluster
- Consideration of common cluster corporate policies and services.

Cluster agencies also participated in whole-of-government reviews of legal, and information and communication technology expenditure led by NSW Treasury, identifying strategies to meet savings targets.

During 2009-10 the Department began a review, which will position the cluster to:

- Consolidate corporate and shared services where appropriate
- Improve service delivery
- Finalise options for high-level organisational structures and governance in the cluster.

The review should be concluded in the first half of 2010-11.

## STAKEHOLDER ENGAGEMENT

The Department continued to promote an active engagement approach when working with stakeholders including staff, industry and peak organisations, State and local governments and members of the community. Improved and lasting planning outcomes are only possible with genuine two-way communication and quality participation.

During the year the Department developed and began to implement a strategic communication plan outlining a range of activities to improve information for the community, and to promote an understanding internally that good communication is part of everyone's job.

Resources and support were also provided to assist staff in communicating about legislative change, policy changes and other projects and initiatives.

## Local government forums

Local councils are vital partners in the planning system. During February and March 2010 the Department organised six local government forums across NSW attended by more than 200 senior planning professionals. Senior executives from the Department attended to provide updates on topics that councils indicated they wanted to hear about, and to listen to any concerns, issues and queries. These were then acted on and feedback was provided.

State-wide forums were also held in August and December 2009 and May 2010 in Sydney, each attended by more than 100 local government general managers and planning directors.

Overwhelmingly, the feedback from these events has been positive. Many participants said they appreciate being listened to and having the opportunity for direct dialogue with the Department's senior staff.

## Metropolitan Strategy Review communication

A comprehensive information and engagement campaign supported this year's review of the Metropolitan Strategy, including forums for a range of stakeholders from government, industry and peak groups; advertising; media releases and an online forum. This provided an opportunity for the Department to strengthen relationships and build partnerships with others involved in, or with an interest in, future plans for Sydney (for more detail see page 78).



Director General Sam Haddad addressed the Sydney Leaders' Forum which examined long-term planning for the metropolitan area.

## Websites

The Department continued to provide up-to-the-minute information to external stakeholders via its 10 websites.

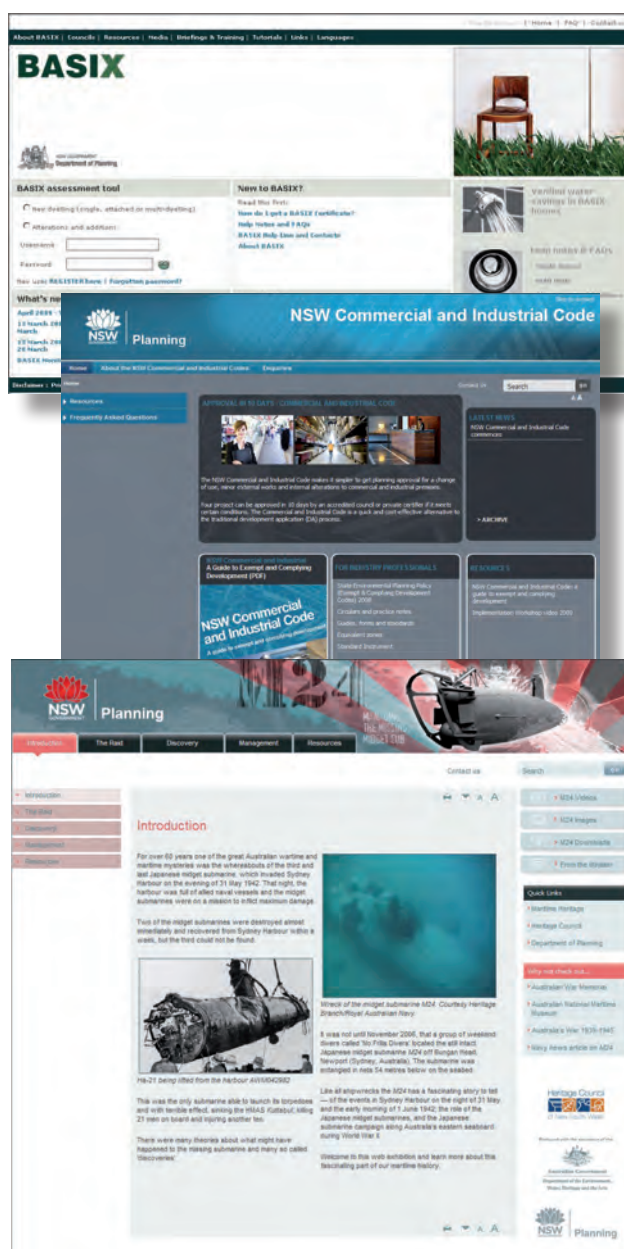
Six of those websites were developed in the past year to support new initiatives.

## Information centre

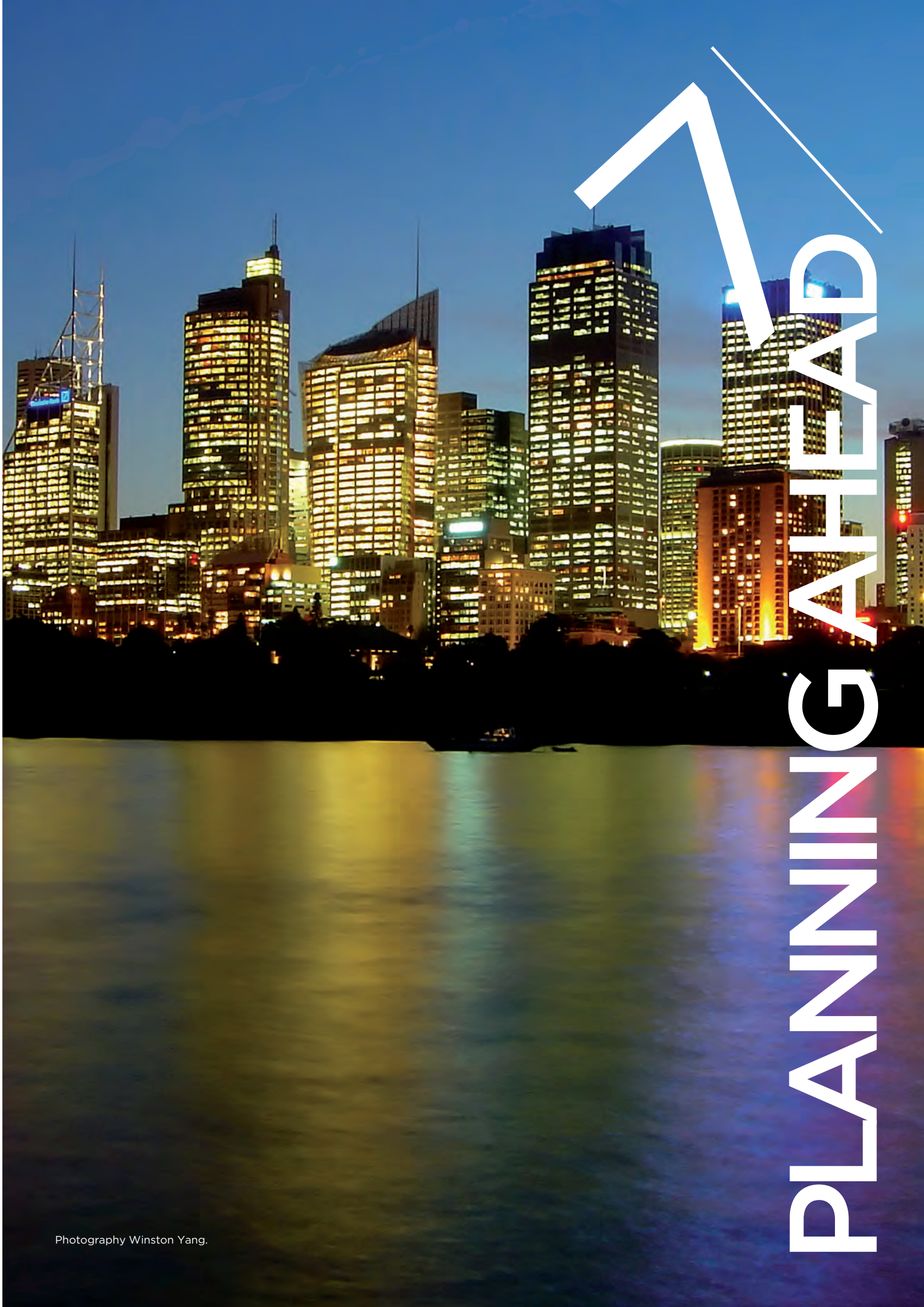
The Department's information centre continued to respond to queries from the public about a wide range of issues, handling 24,000 telephone enquiries, 5,900 emails and 4,800 counter enquiries in 2009-10. The centre also continued to distribute publications and host exhibitions throughout the year.

## Publications, newsletters and circulars

During 2009-10 the Department continued to provide information to the community through more than 40 publications, 200 media releases, monthly stakeholder e-bulletins, fact sheets and planning circulars. Staff were also on hand 24/7 to respond to around 400 media enquiries.







# PLANNING AHEAD

## ENSURING A SUSTAINABLE FUTURE

## MEETING POPULATION AND ENVIRONMENTAL CHALLENGES

Long-term sustainable growth aims to meet people's needs not only for the present but also for generations to come.

The Department's primary objective is managing sustainable growth. The Department plans for the long term through metropolitan and regional strategies, key policy instruments that provide a broader context for local planning strategies. They consider population growth, employment, housing and environmental sustainability. Policies and programs are also in place to meet environmental challenges and minimise our environmental footprint.

By 2036 the population in NSW is expected to reach 9.1 million and this will create an urgent need for more homes. By this date, it is also projected that the population will reach six million in Sydney, making it the highest growth area in the State.

An important focus this year has been reviewing Sydney's Metropolitan Strategy and implementing seven regional strategies, all of which aim to steer responsible future development. Priorities are the delivery of jobs closer to home, housing, and the protection of important environmental and reserve lands.

To achieve effective and sustainable outcomes in the built and natural environment requires an integrated response. A collaborative approach is taken to managing sustainable growth through cooperative funding programs, and new approaches to deal with climate change and sea-level rise.

The Building Sustainability Index (BASIX) program continued to influence the design and construction of over 30,000 new homes and over 8,500 renovations approved for development this year.

## POPULATION AND HOUSING PROJECTIONS

Local area population projections for 2006-2036 were released by the Department in April 2010 showing that Sydney and many regional areas in NSW are predicted to grow strongly over the next 25 years.

The greatest projected population growth in the Sydney metropolitan area is in the South West (113%), Sydney City (60%) and the north west (52%) sub-regions.

The least growth is projected in Sydney's south sub-region (15%) and the north east sub-region (18%).

Regional areas outside the Sydney metropolitan area with the strongest projected growth were Queanbeyan (72%), Maitland (71%), Palerang (69%) and Tweed (59%).

The greatest projected growth in regions outside Sydney is in the South Coast (42%), Sydney-Canberra corridor (42%) and the Central Coast (39%).

The projections also predict an increase in the percentage of people aged 65 and above in every local area in NSW. Growth in the 0-14 year old population will be limited mostly to the metropolitan and coastal areas and those surrounding Canberra. Populations are expected to decline in most local areas with fewer than 5,000 people.

### KEY ACHIEVEMENTS

- Commenced Sydney Metropolitan Strategy Review in conjunction with Transport NSW, for the first time aligning land-use and transport growth
- Influenced the design and construction of over 30,000 new homes and over 8,500 additions and alterations under the BASIX program
- Strengthened the integration of infrastructure planning into land use and plan-making as well as departmental capabilities in these areas
- Distributed a \$179 million local infrastructure fund to support housing and jobs growth with road and stormwater projects
- Released updated Metropolitan Development Program report providing Australia's most comprehensive land supply analysis
- Draft Murray regional strategy released for comment
- Approved rezoning for the Riverstone West precinct in the North-West Growth Centre, supporting 12,000 jobs



# SYDNEY METROPOLITAN STRATEGY

Sydney began its life, post-European settlement, as a city centred on a harbour with outlying centres around the transport network. As the city's population grew and demand for jobs and houses increased, Sydney became a city stretching 70 kilometres from east to west, and 60 kilometres from north to south.

To ensure equitable access to Sydney's infrastructure and services, the NSW Government launched *City of Cities - A Plan for Sydney's Future* in 2005, outlining the objectives of the Metropolitan Strategy.

Its focus was on concentrating growth in centres, to ensure Sydney's residents do not have to travel more than one hour a day for jobs, services, higher order medical and legal services, major cultural and entertainment venues, or regional open space or recreational opportunities. In doing so, it proposed building the role of centres right across the metropolitan area, not just in the Sydney CBD - hence the name *City of Cities*.

Key actions of the strategy, which have been implemented to date include:

- The strengthening of a global economic arc with additional public transport links between Port Botany and Macquarie Park
- A new Western Sydney employment area near the intersection of the M4 and M7 motorways
- Funding for a series of regional recreation walking trails
- The conversion of Sydney Olympic Park from a predominantly sporting venue into a vibrant mixed-use community
- Relocation of cargo and imported vehicle movements from Sydney Harbour to Port Kembla, freeing up space for the Barangaroo development
- Establishment of Sydney's growth centres to provide for long term supply of housing and employment land in Sydney's north-west and south-west

## Metropolitan Strategy Review

In early 2010, the Department commenced the Sydney Metropolitan Strategy review in conjunction with Transport NSW, for the first time aligning land use and transport growth. The Department exhibited a discussion paper, *Sydney Towards 2036*, alongside *The Metropolitan Transport Plan*.

The discussion paper covered 10 areas:

- Planning for a growing population

- Making Sydney climate change ready
- Integrating land use with transport
- More jobs in the Sydney region
- Growing Sydney's value
- Strengthening a City of Cities
- Meeting changing housing needs
- Balancing land uses on the city fringe
- Achieving renewal
- Implementation.

## Stakeholder engagement

The review was supported by a comprehensive stakeholder engagement campaign. It included forums for government, industry, academics, and community groups.

These included a key stakeholders forum in April and a Sydney Leaders Forum in June which provided opportunities to engage with industry, academic, transport, infrastructure and environment stakeholders about future planning directions.

As well as being invited to make formal submissions, the community was encouraged to submit comments online, via the NSW Government's website [www.shapeyourstate.nsw.gov.au](http://www.shapeyourstate.nsw.gov.au).

More than 370 written submissions and 1,000 online comments were received on *Sydney Towards 2036* and the *Metropolitan Transport Plan*.

A new, integrated Metropolitan Plan will be prepared in 2010-11, in partnership with Transport NSW.





## Metropolitan Strategy outcomes

Since 2005, key achievements and progress in implementing the Metropolitan Strategy have included:

- Rezoning of eight precincts in the North West and South West growth centres of Sydney, ensuring well planned greenfield housing supply for Sydney
- Over 75 per cent of Sydney's residents can access a major centre, regional city or global Sydney within 30 minutes by public transport
- Major urban renewal underway or planned (e.g. Redfern Waterloo, Green Square and the former CUB site)
- Strengthening of Sydney's position as one of the world's most liveable cities
- Gazettal of local council LEPs delivering housing and jobs capacity targets set in the Metropolitan Strategy
- Employment in strategic centres such as Parramatta, Liverpool and Penrith, has grown over the last five years
- Release of 800 hectares of new employment lands in Western Sydney
- A strong coordinating mechanism for agency infrastructure planning across Government.

*The Metropolitan Plan will strengthen Sydney as a sustainable, connected city of cities.*

## REGIONAL STRATEGIES

Regional strategies are highly effective tools for the sustainable management of the natural and urban environments in NSW. During 2009-10, the Department continued to implement seven regional strategies in NSW, covering some of the highest growth areas in the State. The Government also released a draft Murray regional strategy for public consultation.

These strategies are a framework for decisions that guide the sustainable development of the regions they cover, ensuring a balance of urban growth, environmental conservation and support for sustainable economic development.

Together, the seven completed regional strategies plan for 568,350 additional people by 2031, plus 390,400 new homes and 275,600 new jobs.

### Murray regional strategy

In October 2009, the NSW Government released a draft Murray regional strategy for public consultation. This is the eighth regional strategy for NSW and the second prepared for inland NSW. The draft strategy plans for an additional 13,900 homes and 3,100 jobs in the region by 2036.

It recognises the iconic status of the Murray River and sets the scene for improved environmental protection measures for the riverine environment, including the wetlands, River Red Gum forests and the river itself.

The strategy also recognises the strong relationships between communities on the NSW and Victorian sides of the river. The strategy will be complemented by work underway in Victoria to prepare a regional settlement strategy and will form the basis for discussions between the NSW and Victorian governments on cross-border land use issues.

Some of the strategy's key initiatives are to:

- Encourage population growth around the major regional centre of Albury and major towns of Deniliquin, Moama and Corowa

Township of Casino, Far North Coast.



Murray River.





Yamba, Mid North Coast.

- Ensure new buildings are adequately set back from rivers to reduce riverbank erosion, manage water quality and improve public access
- Require councils to plan strategically and identify appropriate locations for industry and investment, including tourism
- Ensure the supply of housing meets the needs of the future population, which will include a greater number of older people
- Protect the natural environment and the social fabric of existing communities, by restricting unplanned rural residential development.

The Murray Regional Strategy is expected to be finalised in late 2010.

## Implementation of regional strategies

To date, regional strategies have been finalised for the Far North Coast, Mid North Coast, Lower Hunter, Central Coast, Illawarra, South Coast and the Sydney-Canberra corridor.

With the recent completion of regional strategies for the Mid North Coast and the Sydney-Canberra corridor, the State's entire 1,500 kilometre coastline from Queensland to the Victorian border is now covered by regional strategies. Key outcomes for 2009-10 include:

### Far North Coast

- Draft comprehensive local environmental plans (LEPs) have been exhibited for Tweed City Centre, Tweed Shire, Lismore and Ballina.
- Around 35 hectares have been rezoned for employment purposes in South Kyogle as well as about 220 lots for housing to the north of the town.
- Preliminary drafting of the Far North Coast land and housing monitor has been completed.

### Mid North Coast

- A comprehensive LEP for Greater Taree has been finalised.

- Approximately 2,800 residential lots have been rezoned, with major land releases approved at West Yamba, South West Rocks, Old Bar and Clarenza.
- Detailed structure planning for a new town at Bimbin, north of Taree, has commenced. When fully developed the site could provide for up to 8,000 dwellings, 340 hectares of employment land and significant conservation outcomes.
- A detailed concept plan and draft rezoning plan for a mixed use waterfront precinct at Chatham, Taree that will reinforce the Taree CBD and provide the opportunity to focus the city around the river, have been exhibited.
- A Coffs Harbour rural residential strategy has been approved.
- 116 hectares of environmentally sensitive land has been zoned and protected for conservation purposes at West Yamba.

### Lower Hunter

- The Lower Hunter Urban Development Program has been established and will continue to monitor residential and industrial land supply and demand.
- Maitland Council has finalised its Central Maitland Structure Plan which will guide the renewal of the CBD to continue to function as the major centre within this fast growing LGA, consistent with the role established for the Maitland CBD in the Lower Hunter Regional Strategy.
- Progress was made on major urban releases around the Lower Hunter including Kings Hill north of Raymond Terrace, and proposals for 2,500 lots at Thornton North, 5,000 lots at Lochinvar and 250 hectares of employment land at Rutherford.
- The rezoning of land for 800 lots at Gillieston Heights and rezoning of a new local centre within the Thornton North urban release area, will further support growth within the Maitland LGA.

### Central Coast

- A new comprehensive LEP for Gosford has been exhibited.
- Significant progress has been made on the North Wyong Structure Plan. The Structure Plan is being prepared by the Department of Planning and Wyong Council and will identify a broad land-use strategy for the northern areas of the Wyong LGA study area as well as a staging and sequencing plan.
- Wyong and Gosford councils have commenced construction of major infrastructure to support the implementation of Mardi Dam upgrades and the Mardi Dam-Mangrove Creek Dam pipeline link.



Aerial view North Wollongong

## Illawarra

- Comprehensive LEPs for Wollongong and the first stages of the West Dapto release area have been finalised.
- The Kembla Grange Employment Precinct was rezoned, providing 175 hectares of additional employment land.
- Explanation and update documents for the Illawarra Urban Development Program were released in May 2010.
- The Minister listed the Wollongong Harbour Precinct as being of State significance for its cultural heritage value.

## South Coast

- Significant progress was made in establishing the South Coast Housing and Land Monitor.
- A proposed residential development at land known as the Heritage Estates was rejected by the Commonwealth Government due to its inconsistency with the South Coast Regional Strategy and its potential impact on listed threatened species.
- A major new retail development was approved in Bega. This will help consolidate and reinforce Bega as a major regional centre and provide additional open public space.

## Sydney-Canberra corridor

- A new comprehensive LEP for Wingecarribee has been finalised.
- A major land release was approved at Googong in Queanbeyan. This will provide up to 5,500 dwellings, help to improve affordability of housing and strengthen Queanbeyan as a major regional centre.
- Moss Vale Enterprise Zone was supported in the Wingecarribee LEP and given \$2.5 million for infrastructure.
- Significant progress has been made to establish the Sydney-Canberra Corridor Housing and Land Monitor and a regional employment lands monitor.

## CASE STUDY: Illawarra Urban Development Program

The Illawarra Urban Development Program is the State Government's key program for managing land and housing supply in the area.

The IUDP assists with the development and implementation of the Illawarra Regional Strategy and monitors the planning, servicing and development for new urban areas in Wollongong, Shellharbour and Kiama.

Illawarra will need an estimated 38,000 new dwellings to cater for the joint demand of an additional population of 47,600 and declining household occupancy rates over the next 25 years.

Analysis of the Illawarra housing supply against benchmarks developed by the Department of Planning (to ensure an adequate supply of land), indicates that the Illawarra region is well placed to meet future housing requirements. The benchmark requires the identification (in relevant regional strategies or endorsed local strategies) of an additional 11,400 dwellings for the next 15 years. Currently, the Illawarra region exceeds this requirement significantly, with the identification of 31,622 lots. The Department of Planning will continue to monitor the provision of housing in the Illawarra.

The Department of Planning intends to release an annual update on regional housing supply and forecast lot production from major release areas. An updated report will include detailed information and regional context maps for new release areas and certain centres throughout the region.

The first in this series of annual publications, titled the *Illawarra Urban Development Program Update*, was released in early 2010.

# SUSTAINABILITY AND CLIMATE CHANGE

## BASIX program

The Department's Building Sustainability Index (BASIX) program delivers sustainable outcomes for all new residential developments in NSW, including residential flat buildings and alterations, and additions over \$50,000 in value.

The program ensures all new residential developments in the State produce up to 40 per cent less greenhouse gas emissions and use up to 40 per cent less potable water per year than a typical pre-BASIX dwelling.

Since it was introduced in 2004, the BASIX program has influenced the design and construction of over 120,000 new dwellings across NSW. BASIX has also been applied to alterations and additions for a further 28,000 homes.



The dwellings approved since the introduction of BASIX are saving NSW some 10 billion litres of water (equivalent to over 4,000 Olympic swimming pools) and producing almost 300,000 fewer tonnes of greenhouse gases each year (equivalent to the average emissions of over 68,000 cars).

Delivery of ecologically sustainable residential development, using an online web-based system, supports the State Plan objectives.

The Department is actively engaged with other Australian jurisdictions in the formulation of a National Building Energy Standard-Setting Assessment and Rating Framework. A key challenge will be the integration of the BASIX system with a nationally consistent approach for improvements in the sustainability standards for all new residential development.

#### During 2009-10:

- The BASIX online tool received over 42 million hits from 160,000 unique visitors
- The BASIX helpline responded to over 7,000 user enquiries
- Over 40,000 BASIX certificates were issued for new houses, flats and alterations and additions
- The Department continued to review the BASIX program. This included an evaluation of the cost-effectiveness of the program since introduction, with a focus on the outcomes for multi-unit developments
- The Department and Sydney Water completed a second year of measuring the consumption of water in a sample of constructed BASIX dwellings and found that they were achieving close to the water-saving target
- The Independent Pricing and Regulatory Tribunal's review of all 26 NSW Government climate change mitigation measures in July 2009 concluded that BASIX had been successful in driving cost-effective energy savings in the residential building sector and it was one of only seven programs that should be retained without change.

*Dwellings approved since the introduction of BASIX are saving NSW some 10 billion litres of water*



## Sea level rise policy

On 5 November 2009 a NSW sea level rise policy statement was released outlining the Government's objectives and commitments in regard to sea level rise adaptation. The Department contributed to the development of the policy statement which outlines the support that the Government will provide to coastal communities and councils to prepare for and adapt to rising sea levels.

The policy statement provides sea level rise planning benchmarks of 40cm by 2050 and 90cm by 2100 relative to 1990 sea levels. This will facilitate a consistent approach in planning for sea level rise along the NSW coast.

The NSW Government acknowledges that increased sea levels will have significant medium to long-term social, economic and environmental impacts. As an integral part of the State's response to climate change, the Government is committed to supporting coastal communities in adapting to long-term rising sea levels in a manner that minimises social disruption, economic costs and environmental impacts. Sea level rise is a global problem that will impact locally on low-lying areas around estuaries and along the NSW coastline. It will require action by communities, government and local councils.

Coastal communities and environments are particularly vulnerable to climate change due to the potential for permanent coastal inundation and increasing coastal hazards associated with changing weather patterns and extreme weather events. This policy statement deals with sea level rise and represents an important component of the Government's response to climate change.





The NSW policy statement outlines the support Government will provide to coastal communities and councils to prepare and adapt to rising sea levels.

### Adapting to sea level rise guideline

At the same time as the above policy statement was issued, the Department released the draft NSW coastal planning guideline: Adapting to sea level rise.

When finalised, the guideline will help councils factor the sea level rise planning benchmarks into their strategic and statutory planning and development assessment processes. It will promote a risk-based approach and aim to minimise the social disruption, economic costs and environmental impacts resulting from long-term sea level rise. It will thus assist councils to manage sustainable growth into the future.

Over 90 submissions were received in response to the draft guideline. Most were supportive and all are being carefully considered in finalisation of the guideline, expected to be released in August 2010.

## FUNDING PROGRAMS

### Local Infrastructure Fund

The NSW Local Infrastructure Fund was established as an interest-free loan scheme to bring forward infrastructure projects, which had been delayed due to a lack of funding but which were essential to urban development.

The funding provides an immediate local economic boost as water, sewer, drainage and roads infrastructure projects worth more than \$1 million are provided for local communities.

The funding also triggers construction in areas of high population growth and assists in increasing the supply of serviced land for housing and employment.

In January 2010, more than \$179 million in interest-free loans were announced for 37 separate projects across 33 high-growth local government areas.

It is expected that each project will be completed within 18 months of the loan being issued by the Department. Loans will be repaid within 10 years.

Applications were assessed by an independently-chaired panel against strict criteria.



A road network upgrade through the Hamilton Valley residential area near Albury was funded under a \$3,778,000 loan from the NSW Local Infrastructure Fund.

## LOCAL INFRASTRUCTURE FUND PROJECTS

Council	Project	Funding (\$ million)
Albury	Hamilton Valley urban growth area – road network upgrade and rehabilitation	3.78
Ballina	Wollongbar urban expansion area – sewerage infrastructure	2.35
Ballina	Wollongbar urban expansion area – link road	2.80
Ballina	Recycled water and reticulation component of Urban Water Management Strategy	7.50
Camden	Upgrade of Lodges Road and Hilder Street from rural to urban standard	11.80
Campbelltown	Farrow Road extension	5.75
Clarence Valley	Clarence Valley stormwater management project	1.01
Coffs Harbour	South Coffs Harbour release area sewer pump station and rising main	2.80
Eurobodalla	Preparation for Surf Beach employment lands business park development	8.69
Gloucester	Reeve subdivision – urban services	1.20
Gosford	Replace sewer pump station at Pt Frederick, near Gosford CBD	1.50
Goulburn Mulwaree	Upgrade of Marys Mount Road and stormwater	1.50
Great Lakes	Myall Way upgrade	1.22
Griffith	Yambil Street drainage upgrade and diversion	1.80
Guyra	Manse Street subdivision urban services	1.60
Hawkesbury	Upgrade existing South Windsor sewer infrastructure	4.00
Lismore	Lismore southern trunk wastewater main	6.00
Lithgow	Wallerawang sewerage treatment upgrade	4.90
Liverpool	Jardine Drive detention basin	10.40
Maitland	Trappaud Road bridge and approaches replacement	1.70
Maitland	Metford Road and Tank Street reconstruction	1.30
Murray	Moama business park extension	2.84
Muswellbrook	Traffic infrastructure supporting urban development in Muswellbrook	1.56
Nambucca	Augmentation of Nambucca Heads sewage treatment plant and pump stations	12.75
Narrabri	Shannon Estate subdivision – urban services	3.00
Palerang	Currandooly water supply system	3.00
Penrith	Roadworks supporting Werrington Enterprise Living and Learning precinct and Caddens release area	4.57
Port Macquarie-Hastings	Water supply pipelines for urban release area 14 at Lake Cathie/ Bonny Hills	7.96
Port Macquarie-Hastings	Major Innes Road – major upgrade	1.35
Rockdale	Wolli Creek Drainage Works precinct 1	1.14
Shoalhaven	Extension of Anson Street, St Georges Basin	1.00
Singleton	New England Highway – Bridgman Road intersection and traffic flow improvement works	2.00
Tamworth	Browns Lane urban release road upgrade	1.30
Tweed	Banora Point wastewater treatment plant upgrade	16.83



Council	Project	Funding (\$ million)
Wingecarribee	Moss Vale-Berrima Enterprise Zone infrastructure	2.65
Wollongong	West Dapto Access Strategy	26.05
Yass Valley	Securing Yass Valley's water supply	7.50

## Planning Reform Fund

The Department's Planning Reform Fund supports initiatives that streamline the planning process and which make it more strategic, efficient and transparent, while enhancing community involvement. The fund can assist councils in particular by supporting the delivery of new local plans and key strategic planning projects.

In 2009-10, \$1.4 million was allocated to 26 councils for 24 separate projects, listed in the table below.

## APPROVED PROJECTS

Council	Project	Funding
Bellingen Shire Council	Preparation of new principal local environmental plan (LEP)	\$40,000
Blacktown City Council	Blacktown standard LEP	\$100,000
Botany Bay Council	Preparation of new Botany Bay LEP 2010	\$70,000
Cabonne Council (Joint Cabonne & Blayney)	Development of comprehensive LEP for the councils of Blayney and Cabonne	\$60,000
Cootamundra Shire Council	Local planning instrument review and preparation of the new comprehensive LEP for the Shire of Cootamundra	\$50,000
Dungog Shire Council	Dungog Shire Council comprehensive LEP 2011	\$80,000
Eurobodalla Shire Council	Eurobodalla Economic Development and Employment Lands Strategy	\$40,000
Gosford City Council	Employment lands investigation with a focus on a Somersby Industrial Park extension	\$60,000
Great Lakes Council	Karuah Growth Strategy (North and South Karuah)	\$40,000
Gunnedah Shire Council	Gunnedah (Land Use Strategy) bridging report	\$6,500
Hornsby Council (in conjunction with Parramatta Council)	Epping Town Centre study	\$125,000
Lake Macquarie City Council	Update of Lifestyle 2020 in preparation for a new comprehensive LEP	\$60,000
Leichhardt Council	Floor space ratio review	\$30,000
Marrickville Council	Continuation of employment of additional strategic planners to complete new, comprehensive LEP	\$100,000
Mosman Council	Mosman Draft LEP 2008 – progress to section 68	\$65,000
Murray Shire Council	Review of Murray LEP	\$40,000
Nambucca Shire Council	Nambucca LEP 2008 and Valla urban growth area	\$70,000
Newcastle City Council	Residential development strategy review-Industrial & Employment Lands Study Review	\$65,000
Pittwater Council	Ingleside urban land release	\$115,500
Port Stephens Council	Raymond Terrace Growth Strategy	\$65,000
Randwick Council	Planning provisions for Randwick Education and Health Specialised Centre	\$50,000
Snowy River Shire Council	Environmental Protection Zone mapping for Snowy River Shire	\$45,000
Wagga Wagga City Council	Completion of Wagga Wagga 2008 and Wagga Wagga Development Control Plan 2009	\$30,000
Wyong City Council	Planning provisions and development controls to support implementation of The Entrance Peninsula Planning Strategy	\$45,000



## Sharing Sydney Harbour

The Sharing Sydney Harbour Access Program aims to improve public access to, and enhance the recreational enjoyment of, Sydney Harbour and its tributaries for Sydneysiders and visitors.

The program is a key part of the NSW Government's strategic vision for land and water access to and along the harbour. It meets the State Plan objective of encouraging more people to use parks and recreational facilities and it also ensures our growing cities and centres develop as attractive places to live, work and visit.

Each year, up to \$1.35 million is distributed, on a dollar-for-dollar basis, to local councils, state agencies and recreational organisations for projects that improve public access to and along the foreshores of Sydney Harbour. They include walking tracks, cycle paths, foreshore parks, jetties, pontoons, small boat launching facilities, picnic facilities, landscaping and bush regeneration.

In 2009-10, grants worth over \$1.1 million were committed to 16 projects across 12 local government areas.

Significant projects funded in 2009-10 include:

- \$134,410 to Hunters Hill Council for the final link of the Riverglade to River shared pedestrian/cycleway which runs through Riverglade Reserve along Tarban Creek
- \$150,000 to Parramatta City Council to complete two missing links in the Parramatta Valley Cycleway, located along the northern side of the Parramatta River
- \$105,000 to Woollahra Council for a continuous, sealed and safe pedestrian walkway around Lyne Park between Rose Bay Sea Planes and Victory Avenue.

The program has committed over \$9 million since 2003 in matched funding to 160 land and water-based projects including:

- 36 kilometres of new or upgraded walking tracks and/or cycleways
- Public domain improvements at 50 foreshore areas, including landscaping, furniture and lighting

- 39 locations of new or improved small boat access for canoes, dinghies and kayaks to better access the harbour
- Dinghy storage facilities at 31 areas around the foreshore
- 19 new or improved pick up/set down wharves and jetties for recreational boating.

### CASE STUDY: Parramatta River foreshore - missing link

Parramatta City Council was granted \$200,000 under the Sharing Sydney Harbour Access Program to build a cycleway between Charles Street and Macarthur Street.

The project involved the construction of a shared pedestrian and cycle pathway between the Parramatta Ferry Wharf and the Gasworks Bridge, Macarthur Street, along the southern foreshore of the Parramatta River.

It includes seating, lighting, picnic facilities, landscaping and interpretative artworks and completes a crucial link in the Parramatta Valley Cycleway and River Heritage Walk.

The NSW Government has been a significant supporter of improvements along the Parramatta River. Through the Access Program and Metropolitan Greenspace Program over \$1.2 million has been dedicated to creating pedestrian links and cycleways along the river's foreshore.





## Metropolitan greenspace

The Metropolitan Greenspace Program provides grants for planning and embellishment of open space – in particular for improving links between bushland, parks, waterways and centres in Sydney. The Department of Planning works closely with local councils to plan and improve regionally-significant greenspace such as parks, trails, reserves, picnic facilities and playgrounds.

Funding is provided to councils on a dollar-for-dollar matched funding basis. Since 1990 more than \$27 million has been provided for more than 490 projects.

In 2009, \$2.4 million was provided for 17 local council projects across Sydney.

Projects supported by the 2009 Metropolitan Greenspace Program include:

- \$332,000 to Ryde City Council for work including foreshore trails linking Bennelong Park to Kissing Point Park and associated landscaping
- \$220,000 to Blacktown City Council for the 'Ropes Walk' recreation trail, including 800 metres of new concrete path and an additional kilometre of sandstone pathways, along with bush regeneration and tree planting
- \$175,000 to Sutherland Shire Council for the Oak Park extension and Esplanade upgrade, which will create a new park adjacent to the Esplanade in Cronulla, providing a network of green spaces along the route.

## Coastline cycleway

The NSW Coastline Cycleway Program provides grants to non-metropolitan coastal councils to help build a cycleway along the NSW coast. Nearly a quarter of that cycleway (330 kilometres) is now in place or funded.

The program aims to encourage people to use bicycles more for exercise, recreation and transport. The cycleway will support bicycle tourism in NSW.

Since the program began in 2003, 90 projects have been provided with grants totalling more than \$9.3 million. In June 2010, the Minister for Planning announced \$1.3 million in grants to 11 councils for 12 cycleway projects.



## Coastal lands protection

The Coastal Lands Protection Scheme is used to bring significant coastal lands into public ownership and provides for their long-term management and care. The Department administers the scheme, which receives an annual budget allocation of \$3 million for land acquisition.

The scheme, which commenced in 1973, identified certain lands to be protected and acquired. These lands usually included features such as headlands, dunes, coastal lagoons and lakes, particularly where the original vegetation was still dominant. More recently, additional lands have been acquired on an opportunistic basis, if they meet certain criteria.

Since the scheme commenced approximately 15,427 hectares at a total cost of \$70.8 million have been acquired. By identifying, acquiring and reserving land it has been possible to create new coastal national parks and reserves for public enjoyment.

The Department works with land managers and resource specialists to negotiate purchases under the scheme, arranging the transfer of land to management agencies such as the Department of Environment, Climate Change and Water (for a national park), the Land and Property Management Authority (for a Crown reserve) or in some circumstances, the local council (for a public reserve).

### Coastal Lands Protection Scheme

The six-kilometre Kiama Coastal Walking Track was officially opened on 11 October 2009 under the Coastal Lands Protection Scheme. The walking track will provide public access to previously inaccessible areas. Photo courtesy Kurt Douglas.





## NSW COASTLINE CYCLEWAY PROGRAM GRANTS 2010

Council	Description	Length (m)	Grant
Byron	<b>Ewingsdale Road shared path</b> Extension of the off-road pedestrian/bicycle path along Ewingsdale Road between Quarry Lane and Bayshore Drive, immediately west of Byron Bay	440m	175,000
Ballina	<b>Ballina CBD cycleway</b> Extension of the cycleway between Regatta Avenue and Kerr Street	1170m	150,000
Clarence Valley	<b>South Grafton cycleway</b> Extension to the off-road cycleway at Crisp Avenue near South Grafton Railway Station	210m	46,686
Bellingen	<b>Urunga-Hungry Head cycleway</b> Stage 1 of a new off-road shared path cycleway leading south from Urunga township to Hungry Head	1,300m	167,500
Great Lakes	<b>The Lakes Way cycleway, Forster</b> Completion of The Lakes Way Cycleway through Forster-Tuncurry	1,400m	128,950
Port Stephens	<b>Sandy Point cycleway, Corlette</b> Extension to the existing off-road coastline cycleway along Sandy Point Road at Corlette	820m	147,500
Newcastle	<b>Stockton cycleway</b> Extension of off-road shared path cycleway along the Western foreshore reserve at Stockton	570m	100,000
Gosford	<b>Woy Woy - Ettalong Beach cycleway</b> Extension of the existing off-road cycleway from Blackwall Road/Memorial Avenue eastwards to The Esplanade at Ettalong Beach	590m	172,000
Wollongong	<b>Fern Street cycleway, Windang</b> New on-road lanes and off-road shared path for the Fern Street cycleway on the approaches to Windang Bridge	165m	59,450
Wollongong	<b>Shellharbour Road, Port Kembla</b> Completing a missing link in the off-road cycleway adjacent to Coomaditchie Aboriginal Reserve	235m	66,000
Shoalhaven	<b>The Wool Road cycleway</b> Filling a missing off-road link between Deane Street and The Basin Road at St Georges Basin	100m	70,715
Bega Valley	<b>Bega Valley Coastline cycleway study</b> To identify, scope, cost and prioritise future cycleway projects, including missing links in the existing cycleway	N/A	5,000
<b>TOTAL</b>		<b>7,000m</b>	<b>\$1,288,801</b>





8

# BUILDING PROFESSIONALS BOARD





Planning

Office of the Director General

The Hon. Tony Kelly MP  
Minister for Planning  
Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000

29 October 2010

Dear Minister

I have pleasure in submitting the Annual Report of the Building Professionals Board for the year ended 30 June 2010, for presentation to the Parliament of New South Wales in accordance with the *Annual Reports (Departments) Act 1985*.

This report is part of the Department of Planning's Annual Report.

yours sincerely

Sam Haddad  
Director General

# BUILDING PROFESSIONALS BOARD

## ANNUAL REPORT

**The Building Professionals Board works to improve the quality of building construction and subdivision in NSW by regulating and educating building and subdivision certifiers.**

Certification reassures consumers and approval authorities that building and engineering works meet national building standards and codes, are fit to use and safe to occupy. Because of this, the certifiers accredited by the Building Professionals Board play a critical role in the building regulatory system.

The Board maintains an efficient, fair and effective system of accreditation, education, auditing and complaints investigation of accredited building and subdivision certifiers.

The Board is a NSW Government authority established in 2007 under the *Building Professionals Act 2005* (the BP Act). The Board accredits practitioners to issue complying development, construction, compliance, occupation and subdivision certificates under the *Environmental Planning and Assessment Act 1979* (EP&A Act), and strata certificates under the *Strata Schemes (Freehold Development) Act 1973* and the *Strata Schemes (Leasehold Development) Act 1986*.

The Board:

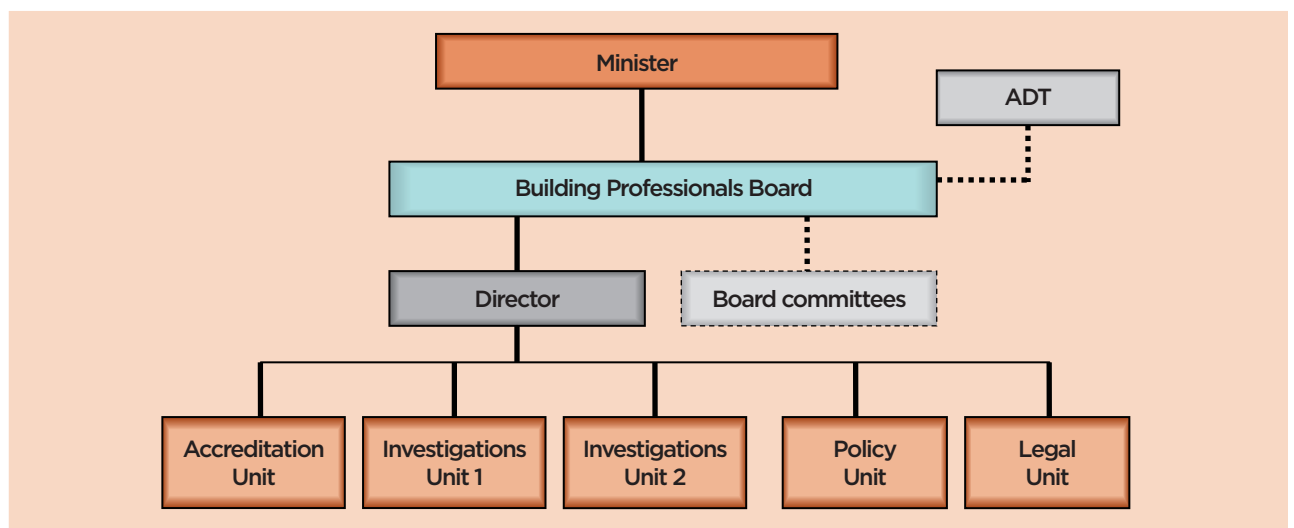
- Promotes and maintains standards of building and subdivision certification in NSW
- Provides information to the public about how projects are certified. Helps consumers find certifiers
- Facilitates education and training for accredited certifiers

- Investigates complaints about accredited certifiers
- Audits accredited certifiers and councils in their certification role
- Advises the Minister for Planning on policy development relating to the administration of the BP Act.

## KEY ACHIEVEMENTS

- Determined 153 complaints lodged against accredited certifiers and reduced the number of outstanding complaints by 52 per cent
- Audited 80 accredited certifiers and four councils and expanded the auditing program to include 'high risk' buildings
- Introduced provisions for the accreditation of council building surveyors for the first time in NSW, held nine information sessions and maintained a dedicated hotline to explain the changes to council officers
- Enabled student and trainee building surveyors, as well as builders, to become accredited for the first time and gain experience under supervision
- Accredited 134 council building surveyors and 98 new applicants from the private sector
- Engaged with education institutions to consider options for the provision of an undergraduate building surveying course in NSW

## BUILDING PROFESSIONALS BOARD



## Structure

Three committees assist the Board: a disciplinary committee, an accreditation committee and an accreditation and training policy committee. Members include board representatives and others with expertise in professions accredited by the Board.

The organisational chart on page 92 identifies the structure under which the Board performs its functions.



Board members: seated (left to right) – Sue Holliday, Graham Huxley. Standing (left to right) Michael Whelan, Geoffrey Douglas, Alison McCabe, Tone Wheeler, Michael Wynn-Jones, Margaret Hole

The members of the Board, appointed by the Minister for Planning for a three-year term until September 2011, are:

- Sue Holliday (President) – former Director General of Planning NSW and former National President of the Planning Institute of Australia
- Graham Huxley (Deputy President) – Chair of the Australian Building Codes Board, former President HIA (NSW) and founder of Huxley Homes
- Geoffrey Douglass – an experienced building surveyor currently employed at Newcastle City Council
- Margaret Hole – property law specialist and member of the Administrative Decisions Tribunal and Board of Surveying and Spatial Information
- Alison McCabe – a town planner with extensive experience in local government
- Tone Wheeler – award-winning architect specialising in environmental architecture and sustainable design
- Michael Whelan – Acting Commissioner to the Land and Environment Court and qualified mediator and land surveyor
- Michael Wynn-Jones – building regulation and fire safety expert.

The Board is supported by staff seconded from the Department of Planning to carry out its operational functions.

## CASE STUDY: Commencing the accreditation of council officers

A model six years in the making - following four exhibition periods, a myriad of stakeholder sessions and extensive consultation with local government - the accreditation of council building surveyors commenced on 1 March 2010.

The Board established a six-month period, until 1 September 2010, for council officers to gain accreditation as 'council accredited certifiers'.

Throughout the period, the Board employed an open and communicative approach with all stakeholders. A variety of media were used to support councils and their officers and to get the Board's key messages across.

The Board:

- Engaged a Local Government Liaison Officer, with extensive local government experience and familiarity with the certification system, to maintain contact with all councils in the State and to staff a dedicated 'hotline' throughout the accreditation process
- Held information sessions in regional areas of the State including Orange, Lake Macquarie, Coffs Harbour, Forbes, Leeton, Blue Mountains, Ballina, Shoalhaven and Queanbeyan
- Showered councils and council building surveyors with written material - information kits, application forms and guides, regular updates by e-news and ongoing questions and answers to help council officers and their management understand the important role of council accredited certifiers and their ongoing obligations
- Continued communications with councils so the Board has been able to respond quickly to issues as they have arisen and so each council would have at least one accredited person available by 1 September 2010
- Received a steady stream of applications. By 30 June 2010, 134 officers were accredited, with 800-1,000 expected in total.

From 1 September 2010, all certifiers in the state will work to an independent standard and with the same accountability to one oversight body. Only accredited persons will be able to carry out certification work on behalf of a council and, like their counterparts from the private sector, council accredited certifiers will be subject to the Board's code of conduct, continuing professional development requirements and any conditions placed upon their accreditation.

The Board carries out its functions and sets its priorities so as to enable NSW to meet the objectives of the State Plan. In implementing a model for the accreditation of council building surveyors, the Board was conscious of minimising additional regulatory burden on councils in accordance with State Plan Priority P3 (Cutting red tape).



The Board relies on the recommendation of councils for the accreditation of their officers and has minimised accreditation fees.

The Board has also strengthened requirements for the ongoing education and training of accredited council officers - requiring annual completion of continuing professional development activities by flexible methods of delivery - to meet State Plan Priority P4 (More people participating in education and training throughout their life) and P7 (Better access to training in rural and regional NSW to support local economies).

#### **CASE STUDY:** Engaging councils and certifiers in regional areas

During 2009-10, the Board conducted a number of its meetings in regional areas of NSW - Orange, Coffs Harbour and Queanbeyan. Up to 30 private sector and council certifiers attended each meeting to talk to the Board about the accreditation of council building surveyors and other issues impacting on the certification system.

These sessions were invaluable to help the Board learn how best to integrate local government officers into the accreditation system and how to better address rural and regional issues when carrying out its education, advice and reform functions.

### **Performance**

- A single system for the accreditation of building certifiers was created by introducing provisions for the accreditation of council building surveyors. This followed extensive consultation and face-to-face, telephone and ongoing written assistance to council officers through the accreditation process to ensure all councils across the state will have officers accredited within six months.
- The accreditation of council officers with differing qualifications and experience was facilitated through the development of numerous pathways to accreditation.
- The accreditation system was expanded further by introducing a new category (A4) for trainee / student building surveyors to undertake certification for the first time.
- A technical reference group was established, comprising representatives from key stakeholder organisations, to consult on certification reforms and improvements to the Board's accreditation requirements.
- New membership to the Board's accreditation and disciplinary committees was created through an expression of interest process.
- A training course on ethics was provided for all accredited certifiers as part of the Board's continuing professional development requirements.
- A new communication strategy was finalised and implemented.

- A new e-news format for the *BP Bulletin* was introduced.
- A new publication was introduced to summarise the outcomes of selected complaints and audit investigations to assist accredited certifiers, consent authorities and the public to achieve good outcomes from the certification process.
- A number of new guides were issued to certifiers and the general public, including a guide to the Building Professionals Board, a disciplinary guideline under the *Building Professionals Act 2005*, and a guide for council accredited certifiers.
- A series of information sheets were published, including a Code of Conduct, Responsibilities for Councils, Responsibilities for Council Accredited Certifiers, Transitional Arrangements, and CPD for Council Accredited Certifiers.

#### **CASE STUDY:** Ethics training

Through the second half of 2009, the Board ran a continuing professional development course entitled Accredited Certifiers: Professional Practice Ethics. This is the first time the Board formally introduced certifiers to the theories behind, and practical responses to, working ethically and having the right level of ethical awareness needed for objective and fair decision-making.

The course identified and defined values, ethics and morals expected of accredited certifiers in relation to their day-to-day role as certifiers. It provided a foundation for understanding and embracing the ethical issues and complications faced by accredited certifiers in their professional roles and by the organisations and individuals they interact with.

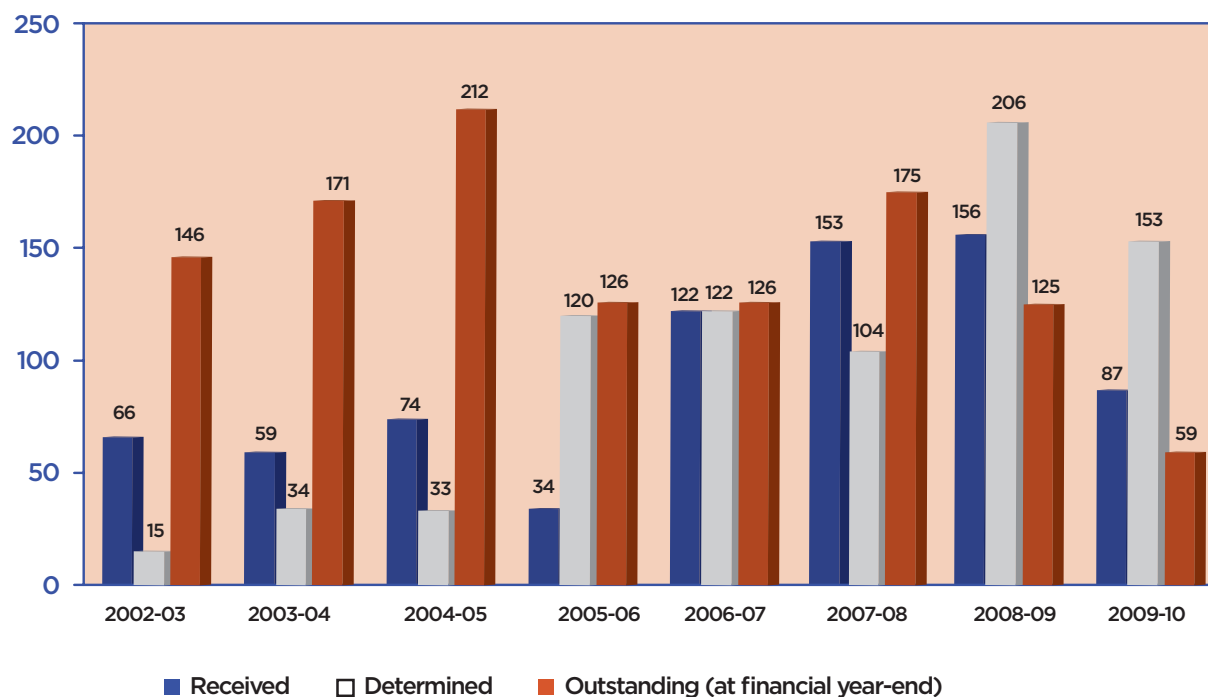
Once certifiers completed the course, they could:

- Better understand the difference between ethics and morals
- Better understand the value of ethics
- Be familiar with some philosophical approaches to ethical decisions
- Be able to identify ways to improve ethics in their workplace, know some ways to avoid ethical dilemmas and have some tools to make better decisions
- Identify their values and moral principles
- Be familiar with some common ethical dilemmas
- Know what is required under the Board's Code of Conduct.

## Complaint investigations

### COMPLAINT INVESTIGATIONS- 2002-03 TO 2009-10

The graph below shows the number of complaints received, determined and that remain outstanding for the period 2002-03 to 2009-10.



In 2009-10, 87 complaints were received by the Board in relation to the conduct of 52 accredited certifiers and one accredited body corporate; 153 complaints were determined; and 59 complaints remained outstanding (which is the lowest number outstanding in any year since the Board was established).

### COMPLAINT DETERMINATIONS BY DECISION TYPE IN 2009-10

The table below shows the decisions made by the Board in respect of complaints determined in 2009-10.

Type of decision	Number.	
Withdrawn	2	59%
Dismissed	86	
No further action (section 22 BP Act)	1	
Dismissed as complaint was not made in good faith (section 23(b) BP Act)	2	
Caution	19	41%
Caution, fine and education	3	
Reprimand	10	
Reprimand and fine	26	
Reprimand, fine and education	1	
Reprimand, fine and compensation	1	
Not to supervise any person and fine	1	
Order no further action (section 31(4)(m) BP Act) *	1	
<b>TOTAL</b>	<b>153</b>	<b>100%</b>

\* Order that no further action is to be taken by the Board in relation to the complaint if satisfied that the accreditation holder is generally competent and diligent and that no other material complaints (whether or not the subject of a disciplinary finding) have been made against the accreditation holder.

The decisions that resulted in disciplinary actions related to the conduct of only 16 per cent of all accredited certifiers.

The majority of the complaints that were determined in 2009-10 were received from councils (43%), neighbours (32%) and owners/residents (22%).



## COMPLAINT DECISION TYPE BY COMPLAINANT IN 2009-10

The following table shows the decisions made by the Board in respect of complaints received by complainant type.

Decision type	Council	Neighbour	Owner/Resident	Other
Withdrawn	1	-	1	-
Dismissed	23	40	21	2
Take no further action (section 22)	1	-	-	-
Dismissed as complaint not made in good faith (section 23(b))	-	2	-	-
Caution	11	4	4	-
Caution, fine and education	3	-	-	-
Reprimand	6	2	2	-
Reprimand and fine	19	2	5	-
Reprimand, fine and education	1	-	-	-
Reprimand, fine and compensation	-	-	1	-
Not to supervise any person and fine	1	-	-	-
Order no further action (section 31(4)(m))	1	-	-	-
<b>Total</b>	<b>67</b>	<b>50</b>	<b>34</b>	<b>2</b>

## Auditing

In 2009-10, 80 audits were conducted of accredited certifiers in building surveyor categories A1, A2 and A3, as part of the Board's ongoing auditing program aimed at monitoring the practices and procedures of accredited certifiers.

Of the 114 accredited certifiers targeted to be audited in this program, 30 per cent were identified as not issuing Part 4A certificates or complying development certificates and were accordingly not eligible to participate.

Audits were also conducted of four local councils and one development in the Board's new 'high risk' building audit program.



## Accreditation

The following table shows the number of certifiers accredited in each category in 2007-08, 2008-09 and 2009-10.

The overall number of accredited certifiers in NSW increased in 2009-10 with 420 certifiers accredited, 47 more than in 2008-09.

The number of certifiers accredited in the engineering categories of accreditation (Categories C1 to C16) was generally similar to 2008-09. The loss of accredited certifiers in the C5 category (subdivision and building) and the C14 category (building hydraulics compliance) is due mainly to

the fact that engineers do not require accreditation to provide reports and advice to builders and building surveyors as part of the building design and construction process. Consequently, a number of engineers decided not to renew their accreditation.

### NUMBER OF CERTIFIERS ACCREDITED BY CATEGORY

Category of accreditation	2007-08	2008-09	2009-10
A1 – Accredited certifier – building surveyor grade 1	119	128	150
A2 – Accredited certifier – building surveyor grade 2	112	94	100
A3 – Accredited certifier – building surveyor grade 3	11	17	27
A4 – Accredited certifier – building inspector	–	–	1
B1 – Accredited certifier – subdivision certification	23	18	13
C1 – Accredited certifier – private road and drainage design compliance	165	72	71
C2 – Accredited certifier – private road and drainage construction compliance	132	72	71
C3 – Accredited certifier – stormwater management facilities design compliance	132	76	76
C4 – Accredited certifier – stormwater management facilities construction compliance	132	76	77
C5 – Accredited certifier – subdivision and building (location of works as constructed)	132	44	26
C6 – Accredited certifier – subdivision road and drainage construction compliance	132	70	68
C7 – Accredited certifier – structural engineering compliance	181	85	81
C8 – Accredited certifier – electrical services compliance	8	4	3
C9 – Accredited certifier – mechanical services compliance	10	5	4
C10 – Accredited certifier – fire safety engineering compliance	27	39	43
C11 – Accredited certifier – energy management compliance (Classes 3, 5 to 9)	6	3	3
C12 – Accredited certifier – geotechnical engineering compliance	127	60	54
C13 – Accredited certifier – acoustics compliance	7	3	2
C14 – Accredited certifier – building hydraulics compliance	133	43	23
C15 – Accredited certifier – stormwater compliance	132	76	76
C16 – Accredited certifier – specialty hydraulic services compliance	133	62	55
D1 – Accredited certifier – strata certification	19	19	20

\* Accredited certifiers are often accredited in more than one category.

## NUMBER OF ACCREDITATION APPLICATIONS DETERMINED

The table below shows the number of applications determined in 2008-09 and 2009-10.

Type of application	No. determined 2008-09	No. determined 2009-10
New applications	46	98
Standard renewal applications	270	275
Renewal applications – elect to be assessed against the core performance criteria in the Board's accreditation scheme and retain current conditions	27	80
Renewal applications – elect to be assessed against the requirements of the Board's Accreditation Scheme	49	23
Mutual recognition applications	18	17
<b>Total</b>	<b>410</b>	<b>493</b>

Of the new applications in 2009-10:

- 81 were from new applicants not previously accredited
- 17 were from existing certifiers applying for a different category (grade) of accreditation
- In 2009-10, the Board processed 493 applications (an increase of 84 from 2008-09) which included:
  - 378 applications for renewal of accreditation (being an increase of 32 from 2008-09) comprising:
    - >standard renewal applications, which increased by five
    - >renewal application – elect to be assessed against the core performance criteria and retain current conditions, which increased by 53
    - >renewal application – elect to be assessed against the requirements of the Accreditation Scheme, which decreased by 26
  - 98 new applicants for accreditation (being an increase of 52 from 2008-09).
- In addition, application forms and assessment guidelines for the accreditation of council building surveyors were developed.

## Challenges and resolutions

The major challenge for the Board during 2009-10 was determining an effective model for the accreditation of council building surveyors in consultation with its stakeholders, facilitating the passage of relevant legislation to enable their accreditation, and working with all 152 councils in the state to ensure their staff were in a position to achieve accreditation. The Board is on target to have each council in NSW employ or otherwise engage at least one council accredited certifier by 1 September 2010.

## Performance

- Commencement of provisions to enable the accreditation of council building surveyors achieved, thereby providing the public with greater consumer protection that all certifiers in NSW work to an independent standard and with the same accountability to one oversight body
- General acceptance of the accreditation of council building surveyors by stakeholders as evidenced by the smooth introduction of legislative change to enable their accreditation and the ongoing receipt of numerous applications for accreditation since 1 March 2010
- Outstanding complaints reduced by 52 per cent by 30 June 2010 (bettering the target of 50 per cent)
- Audits of the work and activities of 80 certifying authorities were conducted (achieving 80 per cent of the target)

## Work in progress

In addition to its daily activities of accreditation, education and investigations, the Board is continuing to:

- Finalise the accreditation of building surveyors for all councils across the state
- Increase educational opportunities for accredited certifiers, including:
  - Engage with educational institutions to facilitate offerings of undergraduate building surveying courses in NSW
  - Review the Board's continuing professional development program for certifiers.
  - Mandate qualifications as the main pathway to accreditation
- Increase the awareness of consumers of the certification system by publishing information brochures to explain the system, their choices for certifying authorities and what to expect from a certifying authority

- Introduce reforms to improve enforcement powers for councils and accredited certifiers in relation to development activity
- Expand the auditing procedure to include the monitoring of 'close relationships' between accredited certifiers and applicants
- Liaise with professional associations for the purpose of recognising their registration/ accreditation processes as part of the Board's assessment of applicants
- Publish revised standard accreditation application forms and certificates for adoption and adoption by certifying authorities
- Publish new guidelines for certifying authorities in relation to the carrying out of critical stage and other inspections under planning and strata legislation
- Publish guidance for certifying authorities in relation to managing problems as development occurs.

## Going forward

For 2010-11, the Board has identified, the following priorities:

- Carry out audits of 100 certifying authorities, including all practising category A certifiers who have not been audited in the past two financial years and a number of country councils
- Carry out audits of 20 'high risk' buildings
- Introduce planning reforms associated with the accreditation of building professionals
- Improve the powers of certifying authorities to deal with complaints that arise on development sites
- Review the accreditation fees structure and the period of accreditation for private and council certifiers
- Work with the Department of Planning on implementing the requirements of the Disability (Access to Premises – Buildings) Standards made under the *Disability Discrimination Act 1992* into the NSW planning and certification system
- Work as part of the Australasian Building Certification Forum towards a ministerial declaration under section 32 of the *Mutual Recognition Act 1992* that building certification occupations between the states and territories are equivalent and specifying any conditions that will achieve such equivalence
- Undertake a review of the BPB structure to account for the recent expansion of the accreditation system and to ensure appropriate consumer service in relation to the Board's functions.



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# FINANCIALS

## FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2010

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**9.2 CORPORATION SOLE  
MINISTER ADMINISTERING THE  
HERITAGE ACT 1977** Pg 133-149

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**9.3 BUILDING PROFESSIONALS BOARD** Pg 150-164

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GPO BOX 12  
Sydney NSW 2001

## INDEPENDENT AUDITOR'S REPORT

### Department of Planning

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Department of Planning (the Department), which comprise the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity, statement of cash flows, service group statements and a summary of compliance with financial directives for the year then ended, a summary of significant accounting policies and other explanatory notes.

#### Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the Department as at 30 June 2010, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010

My opinion should be read in conjunction with the rest of this report.

#### Department Head's Responsibility for the Financial Statements

The Department Head is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Department Head, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

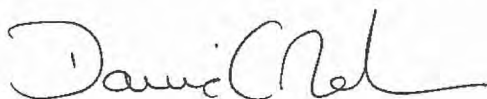
My opinion does *not* provide assurance:

- about the future viability of the Department
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal controls
- about the assumptions used in formulating the budget figures disclosed in the financial statements.

#### Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



David Nolan  
Director, Financial Audit Services

14 October 2010  
SYDNEY



**Department of Planning**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

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Service Group Statements – Administered Expenses and Income
Summary of Compliance with Financial Directives
Notes to and forming part of the Financial Statements

DEPARTMENT OF PLANNING

STATEMENT  
OF  
DIRECTOR-GENERAL

Pursuant to section 45F of the *Public Finance and Audit Act 1983*, I state that:

- a) The accompanying financial statements have been prepared in accordance with:
- applicable Australian Accounting Standards (which includes Australian Accounting Interpretations);
  - the requirements of the *Public Finance and Audit Act 1983* and Public Finance and Audit Regulation 2010; and
  - the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under section 9(2) (n) of the *Public Finance and Audit Act 1983*.
- b) The statements and notes exhibit a true and fair view of the financial position and transactions of the Department; and
- c) There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Sam Haddad  
Director-General  
Department of Planning  
5 October 2010

**DEPARTMENT OF PLANNING**  
**Statement of Comprehensive Income**  
**for the Year ended 30 June 2010**

	Notes	Actual 2010 \$'000	Budget 2010 \$'000	Actual 2009 \$'000
<b>Expenses excluding losses</b>				
Operating expenses				
Employee related	2	72,083	67,766	67,757
Other operating expenses	3	17,081	19,422	19,290
Depreciation and amortisation	4	1,144	1,166	936
Grants and subsidies	5	28,421	27,340	32,632
Finance costs	6	695	917	383
<b>Total Expenses excluding losses</b>		<b>119,424</b>	<b>116,611</b>	<b>120,998</b>
<b>Revenue</b>				
Sale of goods and services	7(a)	33,006	32,051	30,264
Personnel services revenue	7(b)	2,872	-	9,105
Investment revenue	8	461	539	729
Grants and contributions	9	2,560	3,625	2,035
Other revenue	10	4,660	5,124	11,595
<b>Total Revenue</b>		<b>43,559</b>	<b>41,339</b>	<b>53,728</b>
<b>Gain/(Loss) on disposal</b>	11a	(520)	600	(11,514)
<b>Other Losses</b>	11b	(3,070)	(13)	(2,130)
<b>Net Cost of Services</b>	25	<b>79,455</b>	<b>74,685</b>	<b>80,914</b>
<b>Government Contributions</b>				
Recurrent appropriation	12	62,324	62,861	64,844
Capital appropriation	12	89	3,164	770
Acceptance by the Crown Entity of employee benefits and other liabilities	13	3,811	3,812	3,497
<b>Total Government Contributions</b>		<b>66,224</b>	<b>69,837</b>	<b>69,111</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>(13,231)</b>	<b>(4,848)</b>	<b>(11,803)</b>
<b>Other Comprehensive Income</b>				
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>(13,231)</b>	<b>(4,848)</b>	<b>(11,803)</b>

The accompanying notes form part of these financial statements.



**DEPARTMENT OF PLANNING**  
**Statement of Financial Position**  
as at 30 June 2010

		Actual	Budget	Actual
	Notes	2010	2010	2009
		\$'000	\$'000	\$000
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	15	13,807	7,073	9,830
Receivables	16	15,936	12,823	13,003
<b>Total Current Assets</b>		<b>29,743</b>	<b>19,896</b>	<b>22,833</b>
<b>Non-Current Assets</b>				
<b>Property, Plant and Equipment</b>				
- Land	17	8,460	14,593	11,829
- Plant and Equipment	17	5,657	6,718	6,557
<b>Total Property, Plant and Equipment</b>		<b>14,117</b>	<b>21,311</b>	<b>18,386</b>
Intangible assets	18	230	171	450
<b>Total Non-Current Assets</b>		<b>14,347</b>	<b>21,482</b>	<b>18,836</b>
<b>Total Assets</b>		<b>44,090</b>	<b>41,378</b>	<b>41,669</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	19	12,948	4,266	4,233
Provisions	20	7,633	7,589	7,647
Other		-	(88)	-
<b>Total Current Liabilities</b>		<b>20,581</b>	<b>11,767</b>	<b>11,880</b>
<b>Non-Current Liabilities</b>				
Borrowings	21	16,963	14,525	10,015
Provisions	20	442	498	440
Other		-	151	-
<b>Total Non-Current Liabilities</b>		<b>17,405</b>	<b>15,174</b>	<b>10,455</b>
<b>Total Liabilities</b>		<b>37,986</b>	<b>26,941</b>	<b>22,335</b>
<b>Net Assets</b>		<b>6,104</b>	<b>14,437</b>	<b>19,334</b>
<b>EQUITY</b>				
Accumulated Funds		6,104	14,437	19,334
<b>Total Equity</b>		<b>6,104</b>	<b>14,437</b>	<b>19,334</b>

The accompanying notes form part of these financial statements.

**DEPARTMENT OF PLANNING**  
**Statement of Changes in Equity**  
**for the Year ended 30 June 2010**

	Note	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2009		19,334	19,334
Surplus/(deficit) for the year		(13,231)	(13,231)
Other comprehensive income:			
Total other comprehensive income			
Total comprehensive income for the period		(13,231)	(13,231)
Transactions with owners in their capacity as owners			
Increase/(decrease) in net assets from equity transfers	22	1	1
Balance as at 30 June 2010		6,104	6,104
Balance at 1 July 2008		39,147	39,147
Surplus/(deficit) for the year		(11,803)	(11,803)
Other comprehensive income:			
Total other comprehensive income		-	-
Total comprehensive income for the year		(11,803)	(11,803)
Transactions with owners in their capacity as owners			
Increase/(decrease) in net assets from equity transfers		(8,010)	(8,010)
Balance as at 30 June 2009		19,334	19,334

**DEPARTMENT OF PLANNING**  
**Statement of Cash Flows**  
for the Year ended 30 June 2010

	Notes	Actual 2010 \$'000	Budget 2010 \$'000	Actual 2009 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Payments</b>				
Employee related		(66,968)	(68,238)	(56,126)
Grants and subsidies		(28,185)	(32,306)	(32,614)
Finance costs		(798)	(917)	(348)
Other		(12,631)	(25,263)	(22,475)
<b>Total Payments</b>		<b>(108,582)</b>	<b>(126,724)</b>	<b>(111,563)</b>
<b>Receipts</b>				
Sale of goods and services		35,065	36,456	32,030
Interest received		359	539	1,252
Other		5,101	9,649	5,936
<b>Total Receipts</b>		<b>40,525</b>	<b>46,644</b>	<b>39,218</b>
<b>Cash Flows From Government</b>				
Recurrent appropriation		62,324	72,861	64,724
Capital appropriation		89	3,164	770
Cash reimbursement from the Crown Entity		2,715		3,354
<b>Net Cash Flows from Government</b>		<b>65,128</b>	<b>76,025</b>	<b>68,848</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	25	<b>(2,929)</b>	<b>(4,055)</b>	<b>(3,497)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of property, plant & equipment		-	600	-
Purchases of property, plant & equipment		(84)	(3,812)	(904)
Purchase of intangibles		(10)	-	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(94)</b>	<b>(3,212)</b>	<b>(904)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings		7,000	4,510	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>7,000</b>	<b>4,510</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH</b>		<b>3,977</b>	<b>(2,757)</b>	<b>(4,401)</b>
Opening cash and cash equivalents		9,830	7,513	11,772
Cash transferred in as a result of administrative restructuring	22	-	-	2,459
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	15	<b>13,807</b>	<b>4,756</b>	<b>9,830</b>

The accompanying notes form part of these financial statements.



**DEPARTMENT OF PLANNING**

**Supplementary financial statements  
Service group statements for the year ended 30 June 2010**

	Strategies & Land Release*		Plan Making & Urban Renewal*		Development Assessment*		Personnel Services*		Not Attributable**		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>EXPENSES AND INCOME</b>												
<b>Expenses excluding losses</b>												
Operating expenses												
Employee related	12,128	12,404	27,595	24,630	29,488	24,189	2,872	6,534	-	-	72,083	67,757
Other operating expenses	3,673	3,908	4,518	7,761	8,890	7,621	-	-	-	-	17,081	19,290
Depreciation and amortisation	331	190	599	376	214	370	-	-	-	-	1,144	936
Grants and subsidies	6,974	13,554	18,147	15,378	3,300	3,700	-	-	-	-	28,421	32,632
Finance Costs	695	383	-	-	-	-	-	-	-	-	695	383
<b>Total Expenses excluding Losses</b>	<b>23,801</b>	<b>30,439</b>	<b>50,859</b>	<b>48,145</b>	<b>41,892</b>	<b>35,880</b>	<b>2,872</b>	<b>6,534</b>	<b>-</b>	<b>-</b>	<b>119,424</b>	<b>120,998</b>
<b>Revenue</b>												
Sale of goods and services	274	3,559	17,806	13,594	14,926	15,682	-	-	-	-	33,006	32,835
Personnel services revenue	-	-	-	-	-	-	2,872	6,534	-	-	2,872	6,534
Investment income	83	251	181	306	197	172	-	-	-	-	461	729
Grants and contributions	586	-	993	35	981	2,000	-	-	-	-	2,560	2,035
Other revenue	843	3,990	1,830	4,869	1,987	2,736	-	-	-	-	4,660	11,595
<b>Total Revenue</b>	<b>1,786</b>	<b>7,800</b>	<b>20,810</b>	<b>18,804</b>	<b>18,091</b>	<b>20,590</b>	<b>2,872</b>	<b>6,534</b>	<b>-</b>	<b>-</b>	<b>43,559</b>	<b>53,728</b>
Loss on disposal of non-current assets	(94)	(2)	(204)	(11,507)	(222)	(5)	-	-	-	-	(520)	(11,514)
Other gains/(losses)	(32)	-	(2,965)	(2,130)	(73)	-	-	-	-	-	(3,070)	(2,130)
<b>Net Cost of Services</b>	<b>(22,141)</b>	<b>(22,641)</b>	<b>(33,218)</b>	<b>(42,978)</b>	<b>(24,096)</b>	<b>(15,295)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(79,455)</b>	<b>(80,914)</b>
Government contributions**	-	-	-	-	-	-	-	-	66,224	69,111	66,224	69,111
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>												
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-
Other net increases in equity	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>(22,141)</b>	<b>(22,641)</b>	<b>(33,218)</b>	<b>(42,978)</b>	<b>(24,096)</b>	<b>(15,295)</b>	<b>-</b>	<b>-</b>	<b>66,224</b>	<b>69,111</b>	<b>(13,231)</b>	<b>(11,803)</b>

DEPARTMENT OF PLANNING

Supplementary financial statements  
Service group statements for the year ended 30 June 2010 (continued)

ASSETS AND LIABILITIES	Strategies & Land Release*		Plan Making & Urban Renewal*		Development Assessment*		Personnel Services*		Not Attributable**		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>Current Assets</b>												
Cash and cash equivalents	2,499	1,991	5,421	3,955	5,887	3,884					13,807	9,830
Receivables	2,882	2,635	6,258	5,231	6,796	5,137					15,936	13,003
<b>Total current assets</b>	<b>5,381</b>	<b>4,626</b>	<b>11,679</b>	<b>9,186</b>	<b>12,683</b>	<b>9,021</b>					<b>29,743</b>	<b>22,833</b>
<b>Non-current Assets</b>												
Property, plant and equipment												
- Land	-	-	8,460	11,829	-	-					8,460	11,829
- Plant and equipment	1,024	1,328	2,221	2,638	2,412	2,591					5,657	6,557
Intangibles	42	92	90	181	98	177					230	450
<b>Total non-current assets</b>	<b>1,066</b>	<b>1,420</b>	<b>10,771</b>	<b>14,648</b>	<b>2,510</b>	<b>2,768</b>					<b>14,347</b>	<b>18,836</b>
<b>TOTAL ASSETS</b>	<b>6,447</b>	<b>6,046</b>	<b>22,450</b>	<b>23,834</b>	<b>15,193</b>	<b>11,789</b>					<b>44,090</b>	<b>41,669</b>
<b>Current liabilities</b>												
Payables	2,343	857	5,084	1,703	5,521	1,673					12,948	4,233
Provisions	1,381	1,550	2,997	3,076	3,255	3,021					7,633	7,647
<b>Total current liabilities</b>	<b>3,724</b>	<b>2,407</b>	<b>8,081</b>	<b>4,779</b>	<b>8,776</b>	<b>4,694</b>					<b>20,581</b>	<b>11,880</b>
<b>Non-current liabilities</b>												
Borrowings	16,963	10,015	-	-	-	-					16,963	10,015
Provisions	80	89	174	177	188	174					442	440
<b>Total non-current liabilities</b>	<b>17,043</b>	<b>10,104</b>	<b>174</b>	<b>177</b>	<b>188</b>	<b>174</b>					<b>17,405</b>	<b>10,455</b>
<b>TOTAL LIABILITIES</b>	<b>20,767</b>	<b>12,511</b>	<b>8,255</b>	<b>4,956</b>	<b>8,964</b>	<b>4,868</b>					<b>37,986</b>	<b>22,335</b>
<b>NET ASSETS</b>	<b>(14,320)</b>	<b>(6,465)</b>	<b>14,195</b>	<b>18,878</b>	<b>6,229</b>	<b>6,921</b>					<b>6,104</b>	<b>19,334</b>

\* The names and purposes of each service group are summarised in Note 14.

\*\* Appropriations are made on an agency basis and not to individual service groups. Consequently, government contributions must be included in the "Not Attributable" column.

DEPARTMENT OF PLANNING

Supplementary financial statements  
Service group statements for the year ended 30 June 2010 (continued)

	Strategies & Land Release*		Plan Making & Urban Renewal*		Development Assessment*		Personnel Services*		Not Attributable**		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>ADMINISTERED EXPENSES AND INCOME</b>												
Administered Expenses												
Transfer payments	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Administered Expenses</b>												
Administered Income												
Transfer receipts												
Consolidated Fund	666	-	-	-	-	-	-	-	-	-	666	-
- Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Administered Income</b>	666	-	-	-	-	-	-	-	-	-	666	-

\* The names and purposes of each service group are summarised in Note 14.  
Administered assets and liabilities are disclosed in Note 26.



DEPARTMENT OF PLANNING

Supplementary Financial Statements									
Summary of Compliance with Financial Directives									
	2010				2009				
	Recurrent Appropriation	Expenditure/ Net Claim on Consolidated Fund	Capital Appropriation	Expenditure/ Net Claim on Consolidated Fund	Recurrent Appropriation	Expenditure/ Claim on Consolidated Fund	Capital Appropriation	Expenditure/ Net Claim on Consolidated Fund	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
ORIGINAL BUDGET APPROPRIATION/ EXPENDITURE									
▪ Appropriation Act	72,861	62,324	3,164	89	65,365	51,652	3,164	770	
▪ Additional (Reduction in) Appropriations	-	-	-	-	-	-	-	-	
▪ S24 PF&AA - t'fer of function between Departments	(10,000)	-	-	-	-	-	-	-	
▪ S31 Appropriation Act - t'fer from another agency	-	-	-	-	-	-	-	-	
	62,861	62,324	3,164	89	65,365	51,652	3,164	770	
OTHER APPROPRIATIONS/ EXPENDITURE									
▪ Treasurer's Advance	-	-	-	-	10,041	10,041	-	-	
▪ S28 - transfers from another Agency	30,200	-	-	-	3,151	3,151	-	-	
	-	-	-	-	13,192	13,192	-	-	
Total Appropriations/Net Claim on Consolidated Fund (includes transfer payments)	93,061	62,324	3,164	89	78,557	64,844	3,164	770	
Amount drawn down against Appropriation		62,324		89		64,844		770	
Liability to Consolidated Fund*		-		-		-		-	

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

\* This liability represents the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure/Net Claim on Consolidated Fund".

## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) *Reporting Entity*

The Department of Planning is a NSW government department. The Department is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These financial statements have been authorised for issue by the Director-General on 5 October 2010.

#### (b) *Basis of Preparation*

The agency's financial statements are general purpose financial statements which have been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983* and Public Finance and Audit Regulation 2010; and
- The Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under section 9(2) (n) of the *Public Finance and Audit Act 1983*.

Property, plant and equipment are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

#### (c) *Statement of Compliance*

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

#### (d) *Administered Activities*

The Department administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the Department's own objectives.

Transactions and balances relating to the administered activities are not recognised as the agency's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as:

"Administered Income", Administered Expenses", Administered Assets and "Administered Liabilities".

The accrual basis of accounting and applicable accounting standards have been adopted.

#### (e) *Income Recognition*

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

##### (i) *Parliamentary Appropriations and Contributions*

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as income when the agency obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue. The liabilities are disclosed in Note 19 as part of current liabilities. The liability is to the Crown, to be extinguished next financial year.

##### (ii) *Sale of Goods and Rendering of Services*

Revenue from the sale of goods is recognised as revenue when the agency transfers the



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

significant risks and rewards of ownership of the assets.

#### (iii) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

#### (iv) Contributions from Voluntary Planning Agreements

From time to time, as provided under Division 6 of the *Environmental Planning and Assessment Act, 1979*, the Department enters into voluntary planning agreements with developers and associated parties, which provide for monetary and non-monetary contributions for public works. These contributions are generally recognised when received, due to the possibility that individual development approvals may not be acted upon by the applicant.

### (f) Employee Benefits and Other Provisions

#### (i) Salaries and Wages, Annual Leave, Sick Leave and On-Costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 4.57 per cent are used to discount long-term annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

#### (ii) Long Service Leave and Superannuation

The agency's liabilities for long service leave and superannuation are assumed by the Crown Entity. The agency accounts for the liability as having been extinguished; resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSW Treasury TPP 09/04) to employees with 5 or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae as specified in treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary.

For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

#### (iii) Other Provisions

Other provisions exist when: the agency has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Any provisions for restructuring are recognised only when an agency has a detailed formal plan and the agency has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

### (g) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds, net of transaction costs and the redemption amount is recognised in the Statement of Comprehensive Income over the period of interest using the effective interest method.

Finance costs are recognised as expenses in the period in which they are incurred.



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (h) Insurance

The agency's insurance activities are conducted through the NSW Treasury Managed Fund

Scheme of insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience

#### (i) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST, except that:

- the GST incurred by the agency as a purchaser is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

- Receivables and payables are stated with GST included.

Cash flows are included in the cash flow statement on a gross basis, however, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

#### (j) Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the agency. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition (see also assets transferred as a result of an equity transfer – Note 1(s).

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

#### (k) Capitalisation Thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually are capitalised.

#### (l) Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (NSW Treasury Policy Paper 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The agency revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2010. The property revaluation was based on an independent assessment and the plant and equipment revaluation was conducted by Departmental officers.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as revenue in the surplus / deficit. Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise. Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

#### (m) *Impairment of Property, Plant and Equipment*

As a not-for-profit entity with no cash generating units, the Agency is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

#### (n) *Depreciation of Property, Plant and Equipment*

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the agency.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

Depreciation rates for plant and equipment range from 6 per cent to 25 per cent.

Land is not a depreciable asset.

#### (o) *Maintenance*

The costs of day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

#### (p) *Leased Assets*

Operating lease payments are charged to the Statement of Comprehensive Income in the periods in which they are incurred.

#### (q) *Intangible Assets*

The agency recognises intangible assets only if it is probable that future economic benefits will flow to the agency and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the agency's intangible assets, the assets are carried at cost less any accumulated amortisation.

The agency's intangible assets are amortised using the straight line method over periods appropriate to the future economic benefit and range between 2 to 5 years.

In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity with no cash generating units, the agency is effectively exempted from impairment testing (refer paragraph (m)).

#### (r) *Other Assets*

Other assets are recognised on a cost basis.

#### (s) *Equity Transfers*

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector agencies is designated as a contribution by owners and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with AASB 1004 *Contributions* and Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure between government departments are recognised at the amount at which the asset was recognised by the transferor immediately prior to



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

the restructure. In most cases this will approximate fair value. All other equity transfers are recognised at fair value.

#### (t) *Payables*

These amounts represent liabilities for goods and services provided to the agency and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

#### (u) *Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest rate method, less any allowance for impairment of receivables. Any changes are accounted for in the Statement of Comprehensive Income when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at original invoice amount where the effect of discounting is immaterial.

#### (v) *Impairment of financial assets*

All of the agency's financial assets, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Surplus/(deficit) for the year.

#### (w) *New Australian Accounting Standards issued but not effective*

Certain new Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective. The Department has decided not to early adopt any of these Standards and Interpretations. The Department does not anticipate any material impact of these accounting standards on the financial statements of the Department.

#### (x) *Budgeted Amounts*

The budgeted amounts disclosed are drawn from the budgets as formulated at the beginning of the 2009-10 financial year and with any adjustments for the effects of additional appropriations, s21A, s24 and/or s26 of the *Public Finance and Audit Act 1983*.

In the 2010-11 Budget Papers the original budgeted amounts for the 2009-10 statement of comprehensive income were adjusted to remove personnel services expenses and grant payments (and the corresponding revenue items) made to Western Sydney Parklands Trust and the Hunter Development Corporation, following the Principal Department restructure.

The budgeted amounts in the statement of comprehensive income and the statement of cash flows are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the statement of financial position, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts i.e. per the audited financial statements (rather than carried forward estimates).

#### (y) *Comparative information*

Comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements, except when an Australian Accounting Standard requires otherwise.



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 2. EMPLOYEE RELATED EXPENSES

	2010	2009
	\$'000	\$'000
Salaries & wages (including recreation leave)	60,415	57,593
Superannuation – defined benefit plan	1,698	1,831
Superannuation – defined contribution plan	3,443	3,080
Long service leave	2,020	1,566
Workers' compensation insurance	255	171
Payroll tax and fringe benefits tax	3,874	3,294
Redundancies	378	222
	<u>72,083</u>	<u>67,757</u>

Corporate Services functions were provided free of charge by Corporate Shared Services, (Department of Commerce) to the Department. The value of these services has been estimated at \$6.02 million (2008-09 \$6.73 million).

### 3. OTHER OPERATING EXPENSES

Auditor's remuneration-audit of the financial reports	91	99
Advertising/Public relations	1,490	1,528
Computer costs	657	260
Consultancy costs	1,255	2,996
Equipment maintenance/consumables	59	72
Fees for services rendered	6,241	6,530
Legal fees	1,037	997
Motor vehicle and plant hire expenses	74	67
Motor vehicle leasing costs	255	261
Minor equipment purchases	141	65
Operating rental expense – minimum lease payments	2,198	2,759
Maintenance	255	125
Insurance – public liability	89	100
Printing	495	776
Telephones	381	362
Stores/stationery/materials	305	257
Training	424	397
Travel	663	494
Other	971	1,145
	<u>17,081</u>	<u>19,290</u>

### 4. DEPRECIATION AND AMORTISATION EXPENSE

Intangible assets	229	228
Buildings and leasehold improvements	694	500
Plant and equipment	221	208
	<u>1,144</u>	<u>936</u>

## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 5. GRANTS AND SUBSIDIES

	2010 \$'000	2009 \$'000
Planning Reform Fund grants to Councils	844	1,828
Redfern Waterloo Authority	8,608	5,048
Growth Centres Commission	-	1,959
Heritage Office grants	2,766	2,703
Contributions to Building Professionals Board	3,300	3,700
Corporation Sole, Minister administering the Environmental Planning and Assessment Act 1979 - expenditure & loan servicing contribution	5,034	11,596
Sydney Harbour Foreshore Authority - Callan Park	1,940	-
RTA - Erskine Park Road contributions	3,271	-
Other	2,658	5,798
	<u>28,421</u>	<u>32,632</u>

### 6. FINANCE COSTS

Interest expense on TCorp Loan	695	383
	<u>695</u>	<u>383</u>

### 7a. SALE OF GOODS AND SERVICES

Planning Reform Fund contribution	17,213	15,616
Fees for services	681	726
Development Application fees for planning projects	14,282	13,635
Other	830	287
	<u>33,006</u>	<u>30,264</u>

### 7b. PERSONNEL SERVICES REVENUE

Employee expenses recovered	2,872	9,105
	<u>2,872</u>	<u>9,105</u>

### 8. INVESTMENT REVENUE

Interest		
- Bank	461	729
	<u>461</u>	<u>729</u>

### 9. GRANTS AND CONTRIBUTIONS

Contributions received from		
- Commonwealth Government	2,390	2,035
- NSW Government agency - RTA	170	-
	<u>2,560</u>	<u>2,035</u>

### 10. OTHER REVENUE

Developer contributions	1,316	6,794
Other revenue	3,344	4,801
	<u>4,660</u>	<u>11,595</u>

# DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

## 11a. GAIN/(LOSS) ON DISPOSAL

	2010 \$'000	2009 \$'000
<b>Loss on disposal of land</b>		
Proceeds from disposal	-	-
Carrying value of assets disposed (i)	475	11,490
Net loss on disposal of land and buildings	<u>475</u>	<u>11,490</u>
<b>Loss on disposal of plant and equipment</b>		
Proceeds from disposal	-	-
Carrying value of assets disposed	45	24
Net loss on disposal of plant and equipment	<u>45</u>	<u>24</u>
<b>Loss on disposal of Non-Current Assets</b>	<u>520</u>	<u>11,514</u>

(i) Loss reflects the difference between the carrying value and the value the transferee agency recognised the land at.

## 11b. OTHER LOSSES

Decrement on revaluation of coastal land	2,897	1,420
Write-off of bad debts	173	-
Conversion of Heritage Loans to Grants	-	710
	<u>3,070</u>	<u>2,130</u>

## 12. APPROPRIATIONS

### Recurrent Appropriations

Total recurrent drawdowns from NSW Treasury (per Summary of Compliance)	62,324	64,844
Less: Liability to Consolidated Fund (per Summary of Compliance)	-	-
<b>Total</b>	<u>62,324</u>	<u>64,844</u>

### Comprising:

Recurrent appropriations (per Statement of Comprehensive Income)	62,324	64,844
<b>Total</b>	<u>62,324</u>	<u>64,844</u>

### Capital Appropriations

Total capital drawdowns from NSW Treasury (per Summary of Compliance)	89	770
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### Comprising:

Capital appropriations (per Statement of Comprehensive Income)	89	770
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## 13. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

The following liabilities and expenses have been assumed by the Crown Entity:

Superannuation – defined benefits	1,698	1,831
Long service leave	2,020	1,566
Payroll tax	93	100
	<u>3,811</u>	<u>3,497</u>



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 14. SERVICE GROUP INFORMATION

#### Strategies and Land Release

Objective(s): This service group contributes to developing a strong and detailed strategic framework to guide land release, infrastructure and natural resource priorities in New South Wales by working towards a range of intermediate results that include the following:

- residential and employment growth aligns with infrastructure investment and the protection of valued natural resources,
- land supply and housing supply mix meets demand, and
- State agency planning and capital expenditure is led by planning strategies.

#### Plan Making & Urban Renewal

Objective(s): This service group contributes to effective strategy implementation which drives sustainable growth and prosperity across New South Wales by working towards a range of intermediate results that include the following:

- local councils have support and capabilities to prepare local plans and assess development proposals,
- planning systems and assessment processes are efficient and streamlined, and
- the community knows, values and cares for the State's heritage.

#### Development Assessment

Objective(s): This service group contributes to effective assessment processes and strategy implementation which drives sustainable growth and prosperity across New South Wales by working towards a range of intermediate results that include the following:

- effective land use, planning and development controls,
- increased level of job creation,
- increased level of capital investment, and
- effective and timely assessment of major projects and infrastructure Proposals.

#### Personnel Services

Objective(s): This service group provides personnel services to selected agencies as part of the State's Work Choices insulation legislation.

During the year there was a Section 24 transfer of functions and funding from the Department of Planning to the Land and Property Management Authority related to the Hunter Development Authority (\$2.0M) and to Communities NSW related to the Western Sydney Parklands Trust (\$8.0M)

# DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

2010	2009
\$'000	\$'000

## 15. CURRENT ASSETS - CASH & CASH EQUIVALENTS

Cash at bank and on hand	13,807	9,830
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For the purpose of the Statement of Cash Flows, cash includes cash on hand and cash at bank and short-term deposits at call.

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:

Cash and cash equivalents (per Statement of Financial Position)	13,807	9,830
Closing Cash and Cash Equivalents (per Statement of Cash Flows)	13,807	9,830

Details regarding credit risk, liquidity risk and market risk are disclosed at Note 27.

## 16. CURRENT/NON CURRENT ASSETS – RECEIVABLES

Sale of Goods and Services	6,549	3,680
Less: Allowance for impairment	-	-
	6,549	3,680
Goods and Services Tax recoverable from ATO	830	744
Developer contributions	6,794	6,794
Accrued income-Sale of Goods and Services	1,757	1,785
Prepayments	6	-
	15,936	13,003
Current	15,936	13,003
	15,936	13,003

Details regarding credit risk, liquidity risk and market risk are disclosed at Note 27.

### Movements in impairment

Movements in the allowance for doubtful debts are set out below:

Opening Balance – 1 July	-	97
Amounts written off during the year	-	-
Amounts recovered during the year	-	(97)
Allowance recognised in profit or loss	-	-
Closing balance 30 June	-	-



# DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

## 17. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Land (under Coastal Protection Scheme) \$'000	Plant and Equipment \$'000	Total \$'000
<b>As at 30 June 2010 – fair value</b>			
Gross carrying amount	8,460	8,159	16,619
Accumulated depreciation & impairment	-	(2,502)	(2,502)
Net carrying amount	8,460	5,657	14,117
<b>As at 30 June 2009 – fair value</b>			
Gross carrying amount	11,829	9,157	20,986
Accumulated depreciation & impairment	-	(2,600)	(2,600)
Net carrying amount	11,829	6,557	18,386

### Reconciliations

A reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land (under Coastal Protection Scheme) \$'000	Plant and Equipment \$'000	Total \$'000
<b>Year ended 2010</b>			
Net Carrying amount at start of year	11,829	6,557	18,386
Additions	3	80	83
Net revaluation decrement taken to surplus/(deficit)	(2,897)	-	(2,897)
Disposals	(475)	(45)	(520)
Other movements (transfer to low value assets)	-	(44)	(44)
Depreciation expense	-	(915)	(915)
Transfers in/(out) - refer Note 22	-	24	24
Net carrying amount at end of year	8,460	5,657	14,117

	Land (under Coastal Protection Scheme) \$'000	Plant and Equipment \$'000	Total \$'000
<b>Year ended 2009</b>			
Net Carrying amount at start of year	24,282	5,577	29,859
Additions	562	640	1,202
Net revaluation decrement taken to surplus/(deficit)	(1,420)	-	(1,420)
Disposals	(800)	(24)	(824)
Write down to transferee fair value	(10,690)	-	(10,690)
Depreciation expense	-	(708)	(708)
Transfers in/(out) - refer Note 22	(105)	1,072	967
Net carrying amount at end of year	11,829	6,557	18,386

## 18. NON-CURRENT ASSETS – INTANGIBLE ASSETS

	Software \$'000
<b>At 1 July 2010</b>	
Cost (gross carrying amount)	1,127
Accumulated amortisation and impairment	(897)
Net carrying amount	230
<b>At 30 June 2009</b>	
Cost (gross carrying amount)	1,119
Accumulated amortisation and impairment	(669)
Net carrying amount	450



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### Reconciliations

A reconciliation of the carrying amounts of each class of intangibles assets at the beginning and end of the current reporting period is set out below:

	Software
<b>Year ended 30 June 2010</b>	
Net carrying amount at start of year	450
Additions	9
Amortisation (recognised in 'depreciation & amortisation')	(229)
<b>Net carrying amount at end of year</b>	<b>230</b>
<b>Year ended 30 June 2009</b>	
Net carrying amount at start of year	678
Amortisation (recognised in 'depreciation & amortisation')	(228)
<b>Net carrying amount at end of year</b>	<b>450</b>

### 19. CURRENT/NON-CURRENT LIABILITIES – PAYABLES

	2010 \$'000	2009 \$'000
Accrued salaries, wages and on-costs	679	537
Trade creditors	10,806	2,877
Accruals – other	1,431	738
Fees in advance	32	81
	<b>12,948</b>	<b>4,233</b>

Details regarding credit risk, liquidity risk and market risk are disclosed in Note 27.

### 20. CURRENT/NON-CURRENT LIABILITIES – PROVISIONS

#### Employee benefits and related on-costs

Recreation leave	5,438	5,704
Employee Benefits and related on-costs	2,195	1,943
<b>Total Provisions</b>	<b>7,633</b>	<b>7,647</b>

#### **Other Provisions**

Leasehold obligations	442	440
	<b>442</b>	<b>440</b>

#### Aggregate employee benefits and related on-costs

Provisions – current	7,633	7,647
Provisions – non-current	-	-
Total employee provisions	7,633	7,647
Accrued salaries, wages and on-costs (Note 19)	679	537
	<b>8,312</b>	<b>8,184</b>

#### **Employee benefits expected to be settled within 12 months from the reporting date**

Recreation leave	4,523	4,608
Employee Benefits and related on-costs	2,195	1,943
	<b>6,718</b>	<b>6,551</b>

#### **Employee benefits expected to be settled in more than 12 months from the reporting date**

Employee Benefits and related on-costs	915	1,096
	<b>915</b>	<b>1,096</b>

## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Leasehold Obligations \$'000	Total \$'000
<b>2010</b>		
Carrying amount at the beginning of the financial year	440	440
Additional provisions recognised	2	2
<b>Carrying amount at end of financial year</b>	<b>442</b>	<b>442</b>
	Leasehold Obligations \$'000	Total \$'000
<b>2009</b>		
Carrying amount at the beginning of the financial year	-	-
Additional provisions recognised	440	440
<b>Carrying amount at end of financial year</b>	<b>440</b>	<b>440</b>

Amounts relate to leasehold obligations for various properties leased by the Department. Amount of obligation is based on an estimated make good cost of \$120 per square metre. Settlement date is based on the expiry date of the various leases.

### 21. Current/Non-Current Liabilities - Borrowings

	2010 \$'000	2009 \$'000
<b>TCorp Borrowings</b>		
Face value of loans	17,012	10,233
Unamortised discount on face value of loans	(49)	(218)
<b>Balance at the end of year</b>	<b>16,963</b>	<b>10,015</b>

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above borrowings are disclosed in Note 27.

### 22. INCREASE/ DECREASE IN NET ASSETS FROM EQUITY TRANSFERS

Cash (a)		2,459
Current Receivables (a)	4	888
Current Receivables (d)	(27)	-
Non-Current Assets (a)	-	1,072
Non-Current Assets (b)	-	(105)
Non-Current Assets (c)	24	-
<b>TOTAL ASSETS</b>	<b>1</b>	<b>4,314</b>
Other Current Liabilities (a)	-	(2,199)
Other Non-Current Liabilities (a)	-	(10,125)
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>(12,324)</b>
<b>DECREASE IN NET ASSETS FROM EQUITY TRANSFER</b>	<b>1</b>	<b>(8,010)</b>

(a) The functions of the former Growth Centres Commission were transferred to the Department on 11 December 2008.

(b) Transfer out of Coastal Land to Department of Environment & Climate Change.

(c) Transfer in of plant and equipment from the former Department of Commerce.

(d) Transfer out of OSL staff to Land & Property Management Authority.



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 23. COMMITMENTS FOR EXPENDITURE

	2010 \$000	2009 \$000
<b>(a) Other Expenditure Commitments</b>		
Aggregate other expenditure for the acquisition of computer and office equipment and fees for services contracted for at balance date but not provided for:		
Not later than 1 year	130	1,438
Total (including GST)	<u>130</u>	<u>1,438</u>
<b>(b) Operating Lease Commitments</b>		
Aggregate operating lease commitments for office accommodation, motor vehicles and computer equipment contracted for at balance date but not provided for:		
Not later than 1 year	2,665	1,689
Later than 1 year but not later than 5 years	4,700	4,883
Later than 5 years	6,035	3,435
Total (including GST)	<u>13,400</u>	<u>10,007</u>
<b>(c) Grant Commitments</b>		
Aggregate grant commitments contracted for at balance date but not provided for:		
Not later than 1 year	600	199
Later than 1 year but not later than 5 years	4,531	3,840
Total (including GST)	<u>5,131</u>	<u>4,039</u>

The total commitments above includes input tax credits of \$1.696 million (2009 \$1.432 million) that are expected to be recoverable from the Australian Tax Office.

### 24. CONTINGENT LIABILITIES

The Department is not currently involved in any legal cases related to planning matters where costs may be awarded against it. The Department is involved in one insurance related case which is covered by the Treasury Managed Fund.

The Department receives development contributions under the *Environmental Planning and Assessment Act, 1979*. The Department has an obligation to use these contributions to build infrastructure in appropriate areas in the future.

### 25. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

<b>Net Cash (inflow)/outflow from Operating Activities</b>	<b>2,929</b>	<b>3,497</b>
Cash flows from Government	62,413	65,494
Increase/(decrease) in provision for doubtful debts	-	(97)
Depreciation and amortisation	1,144	936
Net loss / (gain) on disposal of non-current assets	3,417	13,644
Increase/(decrease) in provisions	(12)	1,936
Net increase/(decrease) in equity arising from non-cash equity adjustments	(3,425)	1,191
Increase in borrowings	6,948	42
(Increase)/decrease in other assets	(2,674)	(6,957)
Increase/(decrease) in creditors	8,715	1,228
<b>Net Cost of Services</b>	<u><b>79,455</b></u>	<u><b>80,914</b></u>



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### 26. ADMINISTERED ASSETS AND LIABILITIES

	2010 \$000	2009 \$000
<b>Administered Assets</b>		
Cash	666	-
Receivables	-	-
<b>Total Administered Assets</b>	<u>666</u>	<u>-</u>

### 27. FINANCIAL INSTRUMENTS

The Department's principal financial instruments are outlined below. These financial instruments arise directly from the Department's operations or are required to finance the Department's operations. The Department does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Department's main risks arising from financial instruments are outlined below, together with the Department's objectives, policies and processes for measuring and managing risk. Further qualitative disclosures are included throughout these financial statements.

The Director-General has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Department, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit Committee on a continuous basis.

#### (a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount 2010 \$'000	Carrying Amount 2009 \$'000
<b>Class:</b>				
Cash and cash equivalents	15	N/A	13,807	9,830
Receivables <sup>1</sup>	16	Loans and receivables (at amortised cost)	15,100	12,259
<b>Financial Liabilities</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount 2010 \$'000</b>	<b>Carrying Amount 2009 \$'000</b>
<b>Class:</b>				
Payables <sup>2</sup>	19	Financial liabilities measured at amortised cost	12,917	4,141
Borrowings	21	Financial liabilities measured at amortised cost	16,963	10,015

#### Notes

1. Excludes statutory receivables and prepayments of \$835,000 (i.e. not within scope of AASB 7)

2. Excludes statutory payables and unearned revenue of \$31,000 (i.e. not within scope of AASB 7)

#### (b) Credit Risk

Credit risk arises when there is the possibility of the Department's debtors defaulting on their contractual obligations, resulting in a financial loss to the Department. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Department, including cash and receivables. No collateral is held by the Department. The Department has not granted any financial guarantees.

## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

### *Cash*

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation 11 am unofficial cash rate, adjusted for a management fee to NSW Treasury.

### *Receivables – trade debtors*

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts, which are known to be uncollectable, are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience and current and expected changes in economic conditions. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 day terms.

The Department is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2010:\$4,662,000; 2009 \$2,473,000) and not less than three months past due (2010:\$8,073,000; 2009 \$514,000) are not considered impaired and together these represent 100 per cent of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the statement of financial position.

	Total <sup>1,2</sup>	Past due but not impaired <sup>1,2</sup> \$'000	Considered impaired <sup>1,2</sup> \$'000
<b>2010</b>			
< 3 months overdue	1,096	1,096	-
3 months – 6 months overdue	101	101	-
> 6 months overdue	6,876	6,876	-
<b>2009</b>			
< 3 months overdue	394	394	-
3 months – 6 months overdue	100	100	-
> 6 months overdue	19	19	-

### *Notes*

- Each column in the table reports 'gross receivables'.
- The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the balance sheet.

### **(c) Liquidity Risk**

Liquidity risk is the risk the Department will be unable to meet its payment obligations when they fall due. The Department continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and the minimisation of underutilised liquid financial assets.

The Department has NSW Treasury approved debt facilities with TCorp, as follows:

	2010 \$000	2009 \$000
TCorp debt facility	7,000	2,000
Sums drawn	7,000	-
<b>Unused facility</b>	<b>-</b>	<b>2,000</b>

The sums drawn are repayable on 1 May 2012.



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

There have not been any defaults or breaches on any loans payable during the current or prior years. No assets have been pledged as collateral. Based on the current assessment of risk and prior periods' date, the Department's exposure to liquidity risk is deemed to be insignificant.

The liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was awarded for late payments.

The table below summarises the maturity profile of the Department's financial liabilities, together with the interest rate exposure.

### *Maturity analysis and interest rate exposure of financial liabilities*

	Weighted Average Effective Int. Rate	Nominal Amount <sup>1</sup>	Interest Rate Exposure \$'000			Maturity Dates		
			Fixed Interest Rate	Variable Interest Rate	Non- interest bearing	<1 year	1-5 years	>5 years
<b>2010</b>								
Payables	-	12,917	-	-	12,917	12,917	-	-
TCorp								
Borrowings	6.19	18,883	18,883	-	-	-	18,883	-
		<b>31,800</b>	<b>18,883</b>	<b>-</b>	<b>12,917</b>	<b>12,917</b>	<b>18,883</b>	<b>-</b>
<b>2009</b>								
Payables	-	4,141	-	-	4,141	4,141	-	-
TCorp								
Borrowings	6.86	12,075	12,075	-	-	614	11,461	-
		<b>16,216</b>	<b>12,075</b>	<b>-</b>	<b>4,141</b>	<b>4,755</b>	<b>11,461</b>	<b>-</b>

1) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities and therefore will not reconcile to the statement of financial position.

### **(d) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Department has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Department operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis for 2009. The analysis assumes that all other variables remain constant.

Other price risk is immaterial.

### **(e) Interest Rate Risk**

Exposure to interest rate risk arises through the Department's interest bearing liabilities. This risk is minimised by undertaking fixed rate borrowings with NSW TCorp. The Department does not account for any fixed rate financial instruments at fair value through profit or loss or as available-for-sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1 per cent is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Department's exposure to interest rate risk is set out below.



## DEPARTMENT OF PLANNING

Notes to and forming part of the Financial Statements for the Year ended 30 June 2010

	Carrying Amount \$'000	-1 per cent Profit \$'000	1 per cent Profit \$'000
<b>2010</b>			
<i>Financial Assets</i>			
Cash and cash equivalents	13,807	(138)	138
<i>Financial Liabilities</i>			
Borrowings	16,963	-	-
		(138)	138
<b>2009</b>			
<i>Financial Assets</i>			
Cash and cash equivalents	9,830	(98)	98
<i>Financial Liabilities</i>			
Borrowings	10,015	-	-
		(98)	98

### (f) Fair Value

With the exception of the TCorp borrowings, all of the Department's financial assets and financial liabilities are of a short-term nature. They are recognised in the balance sheet at amortised cost.

The TCorp borrowings are fixed term loans at a fixed rate of interest. The loans are recognised in the statement of financial position at their fair values plus transaction costs, with their attaching discount being amortised over the lives of the respective loans.

The Department is of the opinion that the values at which these instruments are recognised in the statement of financial position reflect their fair value.

## 28. BUDGET REVIEW

### (a) Net Cost of Services

The actual net cost of services was higher than budget by \$4.8m, primarily due to loss on transfer out of land (\$0.5m) and loss on revaluation of coastal land (\$2.9m). Total expenses were \$2.8m over budget and total revenue was \$2.2m over budget, mainly due to the Budget figures being restated to remove grant and employee related payments to Western Sydney Parklands Trust and the Hunter Development Corporation following the Government's Super Department restructure.

### (b) Assets and liabilities

Cash at bank was higher than budget by \$6.7m, primarily due to developer contributions held, which were expected to be paid out during 2009-10. Property, Plant and Equipment is \$7.2m less than budget due to the transfer out of land during the year (\$0.5m), under expenditure on the Coastal Land Acquisition Program of \$3.0m and a reduction in coastal land values following revaluation (\$2.9m). Current liabilities were \$8.8m more than budget mainly due to increased level of payables due to developer contribution of \$3.6m and increased grants, contractors, rent and payroll tax payables (\$2.2m). Borrowings were higher (\$2.5m) to include borrowings which were deferred in 2008-09.

### (c) Cash Flows

Cash flows used in investing activities were \$3.1m under budget due to under expenditure on capital programs. Cash inflows from financing activities were \$2.5m over budget due to increased borrowings.

## 29. AFTER BALANCE DATE EVENTS

The Department of Planning is not aware of any circumstances that occurred after balance date which would render particulars included in the financial statements to be misleading.

## END OF AUDITED FINANCIAL STATEMENTS



GPO BOX 12  
Sydney NSW 2001

## INDEPENDENT AUDITOR'S REPORT

### Corporation Sole 'Minister Administering the *Heritage Act 1977*'

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Corporation Sole 'Minister Administering the *Heritage Act 1977*' (the Corporation), which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

#### Auditor's Opinion

In my opinion the financial statements:

- presents fairly, in all material respects, the financial position of the Corporation as at 30 June 2010, and its performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

#### The Minister's Responsibility for the Financial Statements

The Minister is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements.



I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Corporation,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

### Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



David Nolan  
Director, Financial Audit Services

14 October 2010  
SYDNEY



**Corporation Sole**  
**"Minister Administering the *Heritage Act 1977*"**

**STATEMENT BY THE MINISTER**

Pursuant to Section 41C of the *Public Finance and Audit Act 1983*, and in my capacity as Corporation Sole, titled "Minister Administering the *Heritage Act 1977*", I declare that in my opinion:-

- 1) the accompanying financial statements exhibit a true and fair view of the financial position of the Corporation Sole, "Minister Administering the *Heritage Act 1977*", as at 30 June 2010 and transactions for the period 1 July 2009 to 30 June 2010;
- 2) The statements have been prepared in accordance with
  - Applicable Australian Accounting Standards (which includes Australian Accounting Interpretations);
  - the requirements of the *Public Finance and Audit Act 1983*, the Public Finance and Audit Regulation 2010 and the Financial Reporting Directions issued by the Treasurer under Section 9 (2) (n) of the Act.

Further, I am not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



**The Hon. Tony Kelly MP**  
**Minister for Planning**  
**Minister for Redfern Waterloo**

**- 7 OCT 2010**

**Corporation Sole**  
**"Minister Administering the *Heritage Act 1977*"**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

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Statement of Comprehensive Income
Statement of Financial Position
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Statement of Cash Flows
Notes to and forming part of the Financial Statements

**Corporation Sole**  
**"Minister Administering the *Heritage Act 1977*"**

**STATEMENT BY THE MINISTER**

Pursuant to Section 41C of the *Public Finance and Audit Act 1983*, and in my capacity as Corporation Sole, titled "Minister Administering the *Heritage Act 1977*", I declare that in my opinion:-

- 1) the accompanying financial statements exhibit a true and fair view of the financial position of the Corporation Sole, "Minister Administering the *Heritage Act 1977*", as at 30 June 2010 and transactions for the period 1 July 2009 to 30 June 2010;
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Further, I am not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

**The Hon. Tony Kelly MP**  
**Minister for Planning**  
**Minister for Redfern Waterloo**

**October 2010**



**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Statement of Comprehensive Income**  
**for the Year 30 June 2010**

	Notes	2010 \$'000	2009 \$'000
<b>Revenue</b>			
Interest on investments	2	249	128
Statutory fees and other charges	2	385	417
Other contributions	2	2,025	6
<b>Total Revenue</b>		<u>2,659</u>	<u>551</u>
<b>Expenses excluding losses</b>			
Administration expenses	3(a)	237	177
Depreciation and amortisation expenses	3(b)	69	19
Grants and contributions	3(c)	139	226
<b>Total Expenses excluding losses</b>		<u>445</u>	<u>422</u>
<b>Other Losses (conversion of loans to grants)</b>	4	-	(1,738)
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<u>2,214</u>	<u>(1,609)</u>
<b>Other Comprehensive Income</b>			
Net increase/(decrease) in property, plant and equipment asset revaluation reserve		(263)	3,325
<b>Total Comprehensive Income for the period</b>		<u>1,951</u>	<u>1,716</u>

The accompanying notes form part of these financial statements

**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Statement of Financial Position**  
**as at 30 June 2010**

	Notes	2010 \$'000	2009 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	4,068	1,708
Receivables	6	69	98
Financial assets at fair value	7	1,817	1,618
<b>Total Current Assets</b>		<b>5,954</b>	<b>3,424</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	8	4,164	4,496
<b>Total Non-Current Assets</b>		<b>4,164</b>	<b>4,496</b>
<b>Total Assets</b>		<b>10,118</b>	<b>7,920</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	295	48
<b>Total Current Liabilities</b>		<b>295</b>	<b>48</b>
<b>Total Liabilities</b>		<b>295</b>	<b>48</b>
<b>Net Assets</b>		<b>9,823</b>	<b>7,872</b>
<b>EQUITY</b>			
Asset Revaluation Reserve		3,062	3,325
Accumulated Funds		6,761	4,547
		9,823	7,872
<b>Total Equity</b>		<b>9,823</b>	<b>7,872</b>

The accompanying notes form part of these financial statements

**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Statement of Changes in Equity**  
**for the Year Ended 30 June 2010**

	Notes	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total \$'000
Balance at 1 July 2009		4,547	3,325	7,872
Surplus/(deficit) for the period		2,214	-	2,214
Other comprehensive income:				
Decrease in property, plant & equipment		-	(263)	(263)
Total other comprehensive income		-	(263)	(263)
Total comprehensive income for the period		2,214	(263)	1,951
Transactions with owners in their capacity as owners		-	-	-
Balance as at 30 June 2010		6,761	3,062	9,823
Balance at 1 July 2008		9,156	-	9,156
Surplus/(deficit) for the year		(1,609)	-	(1,609)
Other comprehensive income:				
Increase in property, plant & equipment		-	3,325	3,325
Total other comprehensive income		-	3,325	3,325
Total comprehensive income for the year		(1,609)	3,325	1,716
Transactions with owners in their capacity as owners				
(Decrease) in net assets from equity transfers	8	(3,000)	-	(3,000)
Balance as at 30 June 2009		4,547	3,325	7,872

The accompanying notes form part of these financial statements



**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Statement of Cash Flows**  
**for the Year Ended 30 June 2010**

	Notes	2010 \$'000	2009 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Administration expenses		(173)	(235)
Grants and contributions		(139)	(226)
<b>Total Payments</b>		<u>(312)</u>	<u>(461)</u>
<b>Receipts</b>			
Interest received		164	91
Contributions		2,000	-
Other		606	433
<b>Total Receipts</b>		<u>2,770</u>	<u>524</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	11	<u>2,458</u>	<u>63</u>
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>			
Purchase of Investments		<u>(98)</u>	<u>2</u>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<u>(98)</u>	<u>2</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
Cash and Cash Equivalents at the beginning of the financial year		<u>1,708</u>	<u>1,643</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	5	<u>4,068</u>	<u>1,708</u>

The accompanying notes form part of these financial statements

**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Reporting Entity**

The Corporation Sole "Minister Administering the *Heritage Act 1977*" was constituted under the *Heritage Act 1977*. The main activity is the administration of finance operations of the *Heritage Act 1977*. The Corporation is a not-for-profit entity with no cash generating units.

The financial statements has been authorised for issue by the Minister for Planning on October 2010.

**(b) Basis of Preparation**

The financial statements are a general purpose financial statements which has been prepared in accordance with:

- Applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010* and the *Financial Reporting Directions* issued by the Treasurer under Section 9 (2) (n) of the Act.

Property, plant and equipment are measured at fair value. Other financial statements items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

The following is a summary of the material accounting policies adopted by the Corporation in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

**(c) Income Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Corporation and the revenue can be reliably measured, and control of a right to receive consideration for the provision of, or investment in, assets has been attained.

Contributions from other bodies (including grants and donations) are generally recognised as revenue when the agency obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

**(d) Insurance**

A full comprehensive range of insurances covering areas such as Workers Compensation, Motor Vehicles, Fidelity Guarantee, Public Liability, and Industrial Special Risk is carried by the Department of Planning with the Treasury Managed Fund. This coverage extends to the operations of the Corporation. These insurance covers are reviewed periodically to ensure they are adequate.

**(e) Conservation Grants, Loans and Guarantees**

Section 106 of the *Heritage Act 1977* allows the payment of Conservation Grants and Loans to private individuals and organisations. The loans are repayable and may be interest bearing or interest free. The Act also allows the Corporation to guarantee bank loans that have been made for certain conservation purposes. No current guarantees are in place (2009: Nil).

**(f) Acquisition of Assets**

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the agency. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

**(g) Capitalisation Thresholds**

Property, plant and equipment and intangible assets costing \$5,000 and above individually are capitalised.

**(h) Revaluation of Property, Plant and Equipment**

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.



**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The agency revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2010 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as revenue in the surplus / deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

*(i) Impairment of Property, Plant and Equipment*

As a not-for-profit entity with no cash generating units, the Corporation is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

*(j) Depreciation of Property, Plant and Equipment*

Except for certain heritage assets depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Corporation.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

Depreciation rates for plant and equipment range from 10% to 20%.

Depreciation rate for property is 2.5%.

*(k) Restoration cost*

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent that it is recognised as a liability.

*(l) Maintenance*

The costs of day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

*(m) Trust Funds*

The Corporation receives monies in a trustee capacity for the Old Government House archaeological site at Port Macquarie as set out in Note 14. As the Corporation performs only a custodial role in respect of these monies and because the monies cannot be used for the achievement of the Corporation's own objectives, these funds are not recognised in the financial statements.



**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

(n) *Equity transfers*

The transfer of net assets between agencies as a result of an administrative restructure; transfers of programs / functions and parts thereof between NSW public sector agencies is designated as a contribution by owners and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with AASB 1004 *Contributions* and Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure between government departments are recognised at the amount at which the asset was recognised by the transferor government department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

(o) *Accounting for the Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of GST, except where:

- the amount of GST incurred by the agency as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- receivables and payables are stated with the amount of GST included.

Cashflows are included in the Statement of Cashflows on a gross basis.

(p) *Payables*

These amounts represent liabilities for goods and services provided to the agency and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(q) *Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost at face value. Subsequent measurement is at amortised cost using the effective interest rate method, less any allowance for impairment of receivables. Any changes are accounted for in the surplus/(deficit) for the year when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at original invoice amount where the effect of discounting is immaterial.

(r) *New Australian Accounting Standards issued but not effective*

Certain new Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective. The Corporation has decided not to early adopt any of these Standards and Interpretations. The Corporation does not anticipate any material impact of these accounting standards on the financial statements of the Corporation.

(s) *Financial Instruments*

Financial instruments give rise to positions that are both a financial asset of one entity and a financial liability (or equity instrument) of another entity.

In accordance with AASB 132 *Financial Instruments: Disclosure and Presentation*, the Corporation's financial assets include cash, accounts receivable and financial assets at fair value and its financial liabilities include accounts payable.

In accordance with AASB 139 *Financial Instruments: Recognition and Measurement*, the Corporation's financial assets and financial liabilities are disclosed at fair value through profit or loss. Detailed information is disclosed in Note 15.

**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

**2. REVENUE**

	2010 \$'000	2009 \$'000
Bank interest	20	78
Interest on investments	128	31
Investment revenue TCorp HourGlass facilities	101	19
Statutory fees and other charges	385	397
Developer Contributions – Heritage offset for mining approval (i)	2,000	-
Other	25	26
	<u>2,659</u>	<u>551</u>

(i) Contribution to offset for minor impacts on the Wambo Homestead Exclusion Zone following approval to allow mining through the Exclusion Zone.

**3. EXPENSES EXCLUDING LOSSES**

**(a) Administration expenses include the following:**

Board fees	138	121
Consultancy fees	10	14
General administration	41	-
Employee related	17	-
Travel	5	5
Auditors remuneration - Audit of financial statements	15	15
Corporate services	-	17
Repairs and routine maintenance	11	5
	<u>237</u>	<u>177</u>

**(b) Depreciation and amortisation expense**

Depreciation		
Buildings	69	19
	<u>69</u>	<u>19</u>

**(c) Grants and contributions:**

Grants	139	226
	<u>139</u>	<u>226</u>

**4. OTHER LOSSES**

Conversion of Heritage Loans to grants	-	1,738
	<u>-</u>	<u>1,738</u>

The Hon Minister for Planning and Minister for Redfern Waterloo, approved the conversion of 75 outstanding loans to grants in January 2009, under Section 106 of the *Heritage Act 1977*.

**5. CURRENT ASSETS – CASH AND CASH EQUIVALENTS**

Cash at Bank	3,373	1,042
Treasury Corporation (Hour-Glass) Cash Facility	695	666
	<u>4,068</u>	<u>1,708</u>

For the purposes of the Statement of Cash Flows, cash includes cash at bank and cash on hand, short term deposits and bank overdraft.

Cash and cash equivalent assets recognised in the Statement of Financial Position Sheet are reconciled at the end of financial year to the Statement of Cash Flows as follows:

Cash and cash equivalents (per Statement of Financial Position)	4,068	1,708
Closing Cash and Cash Equivalents (per Statement of Cash Flows)	<u>4,068</u>	<u>1,708</u>

**6. CURRENT ASSETS – RECEIVABLES**

Sundry Debtors	69	98
	<u>69</u>	<u>98</u>

No allowance for impairment has been made as all amounts are considered to be collectable. Details regarding credit risk, liquidity risk, and market risk are disclosed in Note 15



**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

**7. FINANCIAL ASSETS AT FAIR VALUE**

	2010 \$'000	2009 \$'000
Treasury Corporation (Hour-Glass) medium term growth investments	1,817	1,618
	<u>1,817</u>	<u>1,618</u>

Treasury Corporation (Hour-Glass) investments are classified at fair value through profit and loss (Note 15). Treasury Corporation (Hour-Glass) investments do not include Trust Funds of \$675,364 invested with Treasury Corporation (Note 14). Details regarding credit risk, liquidity risk, and market risk are disclosed in Note 15.

**8. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT**

	Land & Buildings \$'000
<b>As at 30 June 2010 – fair value</b>	
Gross carrying amount	4,237
Accumulated Depreciation	(73)
Net carrying amount	<u>4,164</u>
<b>As at 30 June 2009 – fair value</b>	
Gross carrying amount	4,500
Accumulated Depreciation	(4)
Net carrying amount	<u>4,496</u>

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

Year ended 30 June 2010	Land & Buildings \$'000
Net carrying amount at start of year	4,496
Additions	-
Net revaluation decrement taken to reserves	(263)
Depreciation expense	(69)
Net carrying amount at end of year	<u>4,164</u>

Year ended 30 June 2009	Land & Buildings \$'000
Net carrying amount at start of year	4,190
Land transferred to NSW Government Agency(i)	(3,000)
Net revaluation increment taken to reserves	3,325
Depreciation expense	(19)
Net carrying amount at end of year	<u>4,496</u>

(i) A Heritage property at Linwood was transferred to the Sydney Regional Development Fund for nil consideration.

**9. RESTRICTED ASSETS**

**Productivity Commission on Historic Heritage**

The Corporation previously held cash and cash equivalents (Note 5) for the preparation of a submission to the Productivity Commission on economic, social and environmental value of heritage on behalf of the States, Territories, Commonwealth and New Zealand. These funds have now been fully expended.

Opening balance	-	70
Less expensed in previous years	-	(70)
Restated Opening balance last year	-	-
Less: Expenditure this year	-	-
Cash balance at end of year	<u>-</u>	<u>-</u>



**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

**9. RESTRICTED ASSETS (continued)**

**Parramatta Road Project**

The Corporation holds \$66,000 in cash and cash equivalents (Note 5) for the payments of grants to Heritage owners to carry out restoration works and improve the look of Parramatta Road.

	2010 \$'000	2009 \$'000
Opening balance	66	66
Less expenses	-	-
Cash balance at end of year	<u>66</u>	<u>66</u>

**Parramatta Heritage Precinct Project**

The Corporation holds \$249,500 in cash and cash equivalents (Note 5) for the preparation of a Parramatta precinct National Heritage List nomination and comprehensive interpretation and tourism plan for the Parramatta precinct.

Cash balance at beginning of year	250	250
Less: Expenditure	-	-
Cash balance at end of year	<u>250</u>	<u>250</u>

**10. CURRENT LIABILITIES – PAYABLES**

Creditors	295	48
	<u>295</u>	<u>48</u>

Details regarding credit risk, liquidity risk, and market risk are disclosed in Note 15.

**11. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO OPERATING SURPLUS/(DEFICIT) FOR THE YEAR**

Operating Surplus/(Deficit)	2,214	(1,609)
Depreciation	69	19
(Decrease)/increase in payables	247	(30)
(Increase)/decrease in fair value of investments	(101)	(19)
Decrease/(increase) in receivables	29	1,702
Net cash flow provided by Operating Activities	<u>2,458</u>	<u>63</u>

**12. COMMITMENTS FOR EXPENDITURE**

**(a) Other Expenditure Commitments**

Aggregate other expenditure for the acquisition of computer and office equipment and fees for services contracted for at balance date but not provided for:

Not later than 1 year	6	-
Total (including GST)	<u>6</u>	<u>-</u>

**13. CONTINGENT LIABILITIES**

The Crown Solicitor is acting in a matter relating to a Deed of Agreement to a lease entered into by the Corporation with respect to the property "Hillview", owned by the Corporation.

It is estimated that the Crown Solicitor's fee, including disbursements will be \$205,000, of which \$140,000 has been paid to date. It is anticipated any liability will be met by the Treasury Managed Fund.

The lease agreement on Hillview was been signed on 4 August 2010 with a lease term from 1 January 2010 to 31 December 2049. The agreement allows for deferral of payment by the lessee for the first two years. As the valuation of rental rate has not been completed, no rental revenue has been recorded in the Corporation's financial statements for 2009-10.

**14. TRUST FUNDS**

The following funds are excluded from the financial statements as the Corporation must use them for the conservation purposes as detailed in agreements with the State and Commonwealth Governments.

**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

**14. TRUST FUNDS (continued)**

**Former Old Government House at Port Macquarie**

The Corporation holds \$675k (2009: \$675k) in trust for the conservation of the Old Government House archaeological site at Port Macquarie.

	2010 \$'000	2009 \$'000
Investment balance at the beginning of the year	675	675
Add: Receipts	-	-
Less: Expenditure	-	-
Investment balance at the end of the financial year	<u>675</u>	<u>675</u>

**15. FINANCIAL INSTRUMENTS**

The Corporation's principal financial instruments are outlined below. These financial instruments arise directly from the Corporation's operations or are required to finance the Corporation's operations. The Corporation does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**(a) Financial instrument categories**

Financial Assets	Note	Category	Carrying Amount 2010 \$'000	Carrying Amount 2009 \$'000
<b>Class:</b>				
Cash and cash equivalents	5	N/A	4,068	1,708
Receivables <sup>1</sup>	6	Loans and receivables (at amortised cost)	69	88
Financial assets at fair value	7	At fair value through profit or loss - classified as held for trading	1,817	1,618
<b>Financial Liabilities</b>	<b>Note</b>	<b>Category</b>	<b>Carrying Amount 2010 \$'000</b>	<b>Carrying Amount 2009 \$'000</b>
<b>Class:</b>				
Payables <sup>1</sup>	10	Financial liabilities measured at amortised cost	110	48

Note

1. Excludes statutory receivables of \$0 (2009: \$10k) and statutory payables of \$185k (2009: \$0)

**(b) Credit Risk**

Credit risk arises when there is the possibility of the Corporation's debtors defaulting on their contractual contributions, resulting in a financial loss to the Corporation. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Corporation, including cash, receivables, and authority deposits. No collateral is held by the Corporation. The Corporation has not granted any financial guarantees.

Credit risk associated with the Corporation's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority deposits held with NSW Treasury Corporation are guaranteed by the State.

**Cash**

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury. The TCorp Hour-Glass cash facility is discussed in paragraph (d) below.

**Receivables – trade debtors**

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. An allowance for impairment is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 day terms.



**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

**15. FINANCIAL INSTRUMENTS (continued)**

The Corporation is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2010 \$9,018; 2009: \$0) and not less than three months past due (2010: \$13,805; 2009: \$0) are not considered impaired and together these represent 100% of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the balance sheet.

	Total <sup>1,2</sup>	Past due but not impaired <sup>1,2</sup> \$'000	Considered impaired <sup>1,2</sup> \$'000
<b>2010</b>			
< 3 months overdue	-	-	-
3 months – 6 months overdue	-	-	-
> 6 months overdue	14	14	-
<b>2009</b>			
< 3 months overdue	-	-	-
3 months – 6 months overdue	-	-	-
> 6 months overdue	1	1	-

**Notes**

- Each column in the table reports 'gross receivables'.
- The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the balance sheet.

**(c) Liquidity Risk**

Liquidity risk is the risk the Corporation will be unable to meet its payment obligations when they fall due. The Corporation continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

No assets have been have been pledged as collateral. The Corporation's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

**Maturity analysis and interest rate exposure of financial liabilities**

	Nominal Amount	Interest Rate Exposure \$'000			Maturity Dates		
		Fixed Interest rate	Variable Interest rate	Non- Interest bearing	<1 year	1-5 years	>5 years
<b>2010</b>							
Payables	110	-	-	110	110	-	-
	<b>110</b>	<b>-</b>	<b>-</b>	<b>110</b>	<b>110</b>	<b>-</b>	<b>-</b>
<b>2009</b>							
Payables	48	-	-	48	48	-	-
	<b>48</b>	<b>-</b>	<b>-</b>	<b>48</b>	<b>48</b>	<b>-</b>	<b>-</b>

The liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was awarded for late payments during the year (2009: nil).



**15. FINANCIAL INSTRUMENTS (continued)**

**(d) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Corporation's exposures to market risk are primarily through interest rate risk in the Corporation's borrowings and other price risks associated with the movement in the unit price of the Hour-Glass investment facilities. The Corporation has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Corporation operates and the time frame for the assessment (i.e. until the end of the next reporting period). The sensitivity analysis is based on risk exposure in existence at the balance sheet date. The analysis is performed on the same basis for 2009. The analysis assumes that all other variables remain constant.

**Interest Rate Risk**

The Corporation does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore, for these financial instruments, a change in interest rate would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Corporation's exposure to interest rate risk is set out below.

	Carrying Amount	\$'000			
		-1%		+1%	
		Profit	Equity	Profit	Equity
<b>2010</b>					
<i>Financial assets</i>					
Cash and cash equivalents	4,068	(41)	(41)	41	41
Receivables	69	-	-	-	-
Financial assets at fair value	1,817	(18)	(18)	18	18
<i>Financial liabilities</i>					
Payables	110	-	-	-	-
<b>2009</b>					
<i>Financial assets</i>					
Cash and cash equivalents	1,708	(17)	(17)	17	17
Receivables	88	-	-	-	-
Financial assets at fair value	1,618	(16)	(16)	16	16
<i>Financial liabilities</i>					
Payables	48	-	-	-	-

**Other price risk – TCorp Hour-Glass facilities**

Exposure to 'other price risk' primarily arises through the investment in the TCorp Hour-Glass investment facilities, which are held for strategic rather than trading purposes. The Corporation has no direct equity investments. The Corporation holds units in the following Hour-Glass investment trusts:

Facility	Investment Sectors	Investment Horizon	2010 \$'000	2009 \$'000
Cash facility	Cash, money market instruments	Up to 1.5 years (pre-June 2008 - Up to 2 years)	695	666
Medium-term growth facility	Cash, money market instruments, Australian and International bonds, listed property, Australian and International shares	3 years to 7 years (pre-June 2008 - 4 years to 7 years)	1,817	1,618

The unit price of each facility is equal to the total fair value of net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp is trustee for each of the above facilities is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp acts as manager for part of the Cash Facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

**CORPORATION SOLE "MINISTER ADMINISTERING THE HERITAGE ACT 1977"**  
**Notes to and forming part of the Financial Statements for the year ended 30 June 2010**

**15. FINANCIAL INSTRUMENTS (continued)**

Investment in the Hour-Glass facilities limits the Corporation's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the investment facilities, using historically based volatility information collected over a ten year period, quoted at two standard deviations (i.e. 95% probability). The TCorp Hour-Glass Investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity). A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year for each facility (balance from Hour-Glass statement).

		Impact on profit/loss	
	Change in Unit price	2010 \$'000	2009 \$'000
Hour Glass Investment - Cash facility	-1%	(7)	(7)
Hour Glass Investment - Medium-term growth facility	-7%	(127)	(89)

**(e) Fair Value**

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. As discussed, the value of the Hour-Glass Investments is based on the Corporation Sole's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using 'redemption' pricing.

The amortised cost of financial instruments recognised in the balance sheet approximates the fair value, because of the short-term nature of many of the financial instruments.

**(f) Fair value recognised in the statement of financial position**

The Corporation uses the following hierarchy for disclosing the fair value of financial instruments by valuation technique:

- Level 1 – Derived from quoted prices in active markets for identical assets/liabilities.
- Level 2 – Derived from inputs other than quoted prices that are observable directly or indirectly.
- Level 3 – Derived from valuation techniques that include inputs for the asset/liability not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	2010 Total \$'000
<b>Financial Asset at fair value</b>				
Derivatives	-	-	-	-
TCorp Hour-Glass Investment Facility	-	1,817	-	1,817
	-	1,817	-	1,817

(The table above only includes financial assets, as no financial liabilities were measured at fair value in the statement of financial position).

There were no transfers between level 1 and 2 during the period ended 30 June 2010.

**16. AFTER BALANCE DATE EVENTS**

There are no events subsequent to balance date which affect the financial statements.

**END OF AUDITED FINANCIAL STATEMENTS**





GPO BOX 12  
Sydney NSW 2001

## INDEPENDENT AUDITOR'S REPORT

### Building Professionals Board

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Building Professionals Board (the Board), which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

#### Auditor's Opinion

In my opinion the financial statements:

- presents fairly, in all material respects, the financial position of the Board as at 30 June 2010, and its performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

#### The President's Responsibility for the Financial Statements

The President of the Board is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements.



I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

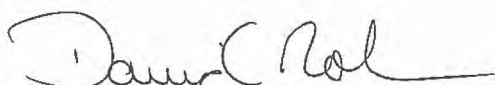
My opinion does *not* provide assurance:

- about the future viability of the Board,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

#### Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



David Nolan  
Director, Financial Audit Services

14 October 2010  
SYDNEY

**Building Professionals Board**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

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Statement of Comprehensive Income
Statement of Financial Position
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**Building Professionals Board**

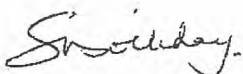
**STATEMENT BY MEMBERS OF THE BOARD**

Pursuant to Section 41C of the Public Finance and Audit Act 1983 we declare, on behalf of the Board, that in our opinion:-

- 1) The accompanying financial statements exhibit a true and fair view of the financial position of the Building Professionals Board as at 30 June 2010 and transactions for the period 1 July 2009 to 30 June 2010;
- 2) The statements have been prepared in accordance with
  - Applicable Australian Accounting Standards (which includes Australian Accounting Interpretations);
  - the requirements of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010 and the Financial Reporting Directions issued by the Treasurer under Section 9 (2) (n) of the Act.

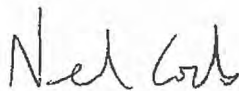
Further, the Members of the Board are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

On behalf of the Board.



**SUE HOLLIDAY, President**

8/10/10  
Date



**NEIL COCKS, Director**

8/10/10  
Date



# **BUILDING PROFESSIONALS BOARD**

## **STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	2010 \$'000	2009 \$'000
<b>Revenue</b>			
Contributions	2	3,300	3,700
Other income	2	803	896
<b>Total Revenue</b>		<b>4,103</b>	<b>4,596</b>
<b>Expenses excluding losses</b>			
Personnel services	3(a)	2,769	2,790
Other operating expenses	3(b)	1,436	1,179
Depreciation and amortisation	3(c)	50	10
<b>Total Expenses excluding Losses</b>		<b>4,255</b>	<b>3,979</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	9	<b>(152)</b>	<b>617</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>(152)</b>	<b>617</b>

The accompanying notes form part of these financial statements

# BUILDING PROFESSIONALS BOARD

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Notes	2010 \$'000	2009 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	2,186	2,212
Receivables	5	23	65
<b>Total Current Assets</b>		<b>2,209</b>	<b>2,277</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	6	93	143
<b>Total Non Current Assets</b>		<b>93</b>	<b>143</b>
<b>Total Assets</b>		<b>2,302</b>	<b>2,420</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	7	195	168
Provisions	8	337	330
<b>Total Current Liabilities</b>		<b>532</b>	<b>498</b>
<b>Non-Current Liabilities</b>			
Provisions	8	130	130
<b>Total Non-Current Liabilities</b>		<b>130</b>	<b>130</b>
<b>Total Liabilities</b>		<b>662</b>	<b>628</b>
<b>Net Assets</b>		<b>1,640</b>	<b>1,792</b>
<b>EQUITY</b>			
Accumulated Funds		1,640	1,792
<b>Total Equity</b>		<b>1,640</b>	<b>1,792</b>

The accompanying notes form part of these financial statements

# BUILDING PROFESSIONALS BOARD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Accumulated Funds \$'000	Total \$'000
Balance at 1 July 2009		1,792	1,792
Surplus/(deficit) for the period		(152)	(152)
Other comprehensive income:		-	-
Total other comprehensive income		-	-
Total comprehensive income for the period		(152)	(152)
Transactions with owners in their capacity as owners		-	-
Balance as at 30 June 2010		1,640	1,640
Balance at 1 July 2008		1,175	1,175
Surplus/(deficit) for the year		617	617
Other comprehensive income:		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year		617	617
Transactions with owners in their capacity as owners		-	-
Balance as at 30 June 2009		1,792	1,792

The accompanying notes form part of these financial statements



# BUILDING PROFESSIONALS BOARD

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 \$'000	2009 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Contributions received		3,300	3,700
Interest received		79	94
Other		683	740
<b>Total Receipts</b>		<b>4,062</b>	<b>4,534</b>
<b>Payments</b>			
Personnel Services and contractor expenses		3,498	3,157
Other		590	735
<b>Total Payments</b>		<b>4,088</b>	<b>3,892</b>
<b>NET CASH FLOWS FROM/(USED BY) OPERATING ACTIVITIES</b>	9	<b>(26)</b>	<b>642</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>(26)</b>	<b>642</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>2,212</b>	<b>1,570</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	4	<b>2,186</b>	<b>2,212</b>

The accompanying notes form part of these financial statements

Notes to and forming part of the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Reporting Entity*

The Building Professional Board was established under the *Building Professionals Act, 2005*. The Board is a not-for-profit entity with no cash generating units. It commenced activities on 17 March 2007.

These financial statements have been authorised for issue by the President on 8 October 2010.

(b) *Basis of Preparation*

These financial statements are general purpose financial statements which have been prepared in accordance with:

- Applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010 and the Financial Reporting Directions issued by the Treasurer under Section 9 (2) (n) of the Act.

Property, plant and equipment are measured at fair value. Other financial statements items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

The following is a summary of the material accounting policies adopted by the Board in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(c) *Income Recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Board and the revenue can be reliably measured, and control of a right to receive consideration for the provision of, or investment in, assets has been attained.

(d) *Personnel Services*

The Board's accounts include a Provision for Personnel Services. This reflects the Board's liability to Department of Planning (DoP) for the recreation leave entitlements due to personnel providing services to the Board.

The Board's accounts do not include Provisions for Long Service Leave or Superannuation, nor is there any comparable Provision for Personnel Services to reflect these liabilities. All of the Board's liabilities for Long Service Leave and Superannuation up to the end of the financial year have been paid. As staff are employed by DoP, any unfunded liability for these items has been transferred to the State, in accordance with Treasury Guidelines.

(e) *Insurance*

A full comprehensive range of insurances covering areas such as Workers Compensation, Motor Vehicles, Fidelity Guarantee, Public Liability, and Industrial Special Risk is carried by the Department of Planning with the Treasury Managed Fund. This coverage extends to the operations of the Building Professionals Board. These insurance covers are reviewed periodically to ensure they are adequate.

(f) *Acquisition of Assets*

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the agency. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

(g) *Capitalisation Thresholds*

Property, plant and equipment and intangible assets costing \$5,000 and above individually are capitalised.

(h) *Revaluation of Property, Plant and Equipment*

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.



Notes to and forming part of the Financial Statements

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The agency revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2010 and was conducted by agency officers.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as revenue in the surplus / deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(i) *Impairment of Property, Plant and Equipment*

As a not-for-profit entity with no cash generating units, the Agency is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(j) *Depreciation of Property, Plant and Equipment*

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the agency.

All material separately identifiable components of assets are depreciated over their shorter useful lives.

Depreciation rates for plant and equipment range from 10% to 20%.

(k) *Equity transfers*

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector agencies is designated as a contribution by owners and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with AASB 1004 *Contributions* and Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure between government departments are recognised at the amount at which the asset was recognised by the transferor government department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

(l) *Maintenance*

The costs of day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.



BUILDING PROFESSIONALS BOARD FOR THE YEAR ENDED 30 JUNE 2010

Notes to and forming part of the Financial Statements

(m) *Accounting for the Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of GST, except where:

- the amount of GST incurred by the agency as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- receivables and payables are stated with the amount of GST included.

Cashflows are included in the Statement of Cashflows on a gross basis.

(n) *Payables*

These amounts represent liabilities for goods and services provided to the agency and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(o) *Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost at face value. Subsequent measurement is at amortised cost using the effective interest rate method, less any allowance for impairment of receivables. Any changes are accounted for in the surplus/(deficit) for the year when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at original invoice amount where the effect of discounting is immaterial.

(p) *New Australian Accounting Standards issued but not effective*

Certain new Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective. The Board has decided not to early adopt any of these Standards and Interpretations. The Board does not anticipate any material impact of these accounting standards on the financial statements of the Board.

(q) *Financial Instruments*

Financial instruments give rise to positions that are both a financial asset of one entity and a financial liability (or equity instrument) of another entity.

In accordance with AASB 132 *Financial Instruments: Disclosure and Presentation*, the Board's financial assets include cash and accounts receivable and its financial liabilities include accounts payable.

In accordance with AASB 139 *Financial Instruments: Recognition and Measurement*, the Board's financial assets and financial liabilities are disclosed at fair value through profit or loss. Detailed information is disclosed in Note 12.

**BUILDING PROFESSIONALS BOARD FOR THE YEAR ENDED 30 JUNE 2010**

**Notes to and forming part of the Financial Statements**

**2. REVENUE**

	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>
Contributions from Department of Planning	3,300	3,700
Sale of goods and services	520	563
Other	283	333
	<u>4,103</u>	<u>4,596</u>

**3. EXPENSES**

**(a) Personnel Services**

Personnel Services are acquired from Department Of Planning & the cost comprises;

Salaries and wages (including recreation leave)	2,327	2,349
Superannuation entitlements	247	216
Long Service Leave	43	68
Workers' compensation insurance	18	-
Payroll tax and fringe benefits tax	134	157
	<u>2,769</u>	<u>2,790</u>

**(b) Other Operating Expenses:**

Auditor's remuneration – audit of financial report	7	7
Contractors	924	548
Fees for services	67	116
Operating lease rental expense - accommodation	238	205
Staff training and conferences	31	54
Travel Costs	20	11
Minor equipment purchases	3	6
Other	146	232
	<u>1,436</u>	<u>1,179</u>

**(c) Depreciation and amortisation:**

Leasehold Improvements	43	4
Plant and equipment	7	6
	<u>50</u>	<u>10</u>

**4. CURRENT ASSETS – CASH AND CASH EQUIVALENTS**

Cash at Bank	<u>2,186</u>	<u>2,212</u>
	<u>2,186</u>	<u>2,212</u>

For the purposes of the Statement of Cash Flows, cash includes cash at bank and cash on hand.

Cash assets recognised in the Statement of Financial Position are reconciled at the end of financial year to the Statement of Cash Flows as follows:

Cash and cash equivalents (per Statement of Financial Position)	<u>2,186</u>	<u>2,212</u>
Closing Cash and Cash Equivalents (per Statement of Cash Flows)	<u>2,186</u>	<u>2,212</u>

**5. CURRENT ASSETS - RECEIVABLES**

Goods and services tax	<u>23</u>	<u>65</u>
	<u>23</u>	<u>65</u>

Details regarding credit risk, liquidity risk, and market risk are disclosed in Note 12.



**BUILDING PROFESSIONALS BOARD FOR THE YEAR ENDED 30 JUNE 2010**

**Notes to and forming part of the Financial Statements**

**6. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT**

	<b>Plant and Equipment \$'000</b>	<b>Leasehold Improvement \$'000</b>	<b>Total \$'000</b>
<b>As at 30 June 2010 – fair value</b>			
Gross carrying amount	31	130	161
Accumulated Depreciation	(21)	(47)	(68)
Net carrying amount	<u>10</u>	<u>83</u>	<u>93</u>
<b>As at 30 June 2009 – fair value</b>			
Gross carrying amount	31	130	161
Accumulated Depreciation	(14)	(4)	(18)
Net carrying amount	<u>17</u>	<u>126</u>	<u>143</u>

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

<b>Year ended 30 June 2010</b>	<b>Plant and Equipment \$'000</b>	<b>Leasehold Improvement \$'000</b>	<b>Total \$'000</b>
Net carrying amount at start of year	17	126	143
Additions	-	-	-
Depreciation expense	(7)	(43)	(50)
Net carrying amount at end of year	<u>10</u>	<u>83</u>	<u>93</u>

<b>Year ended 30 June 2009</b>	<b>Plant and Equipment \$'000</b>	<b>Leasehold Improvement \$'000</b>	<b>Total \$'000</b>
Net carrying amount at start of year	23	-	23
Additions	-	130	130
Depreciation expense	(6)	(4)	(10)
Net carrying amount at end of year	<u>17</u>	<u>126</u>	<u>143</u>

**7. CURRENT LIABILITIES – PAYABLES**

	<b>2010 \$'000</b>	<b>2009 \$'000</b>
Creditors	165	144
Accrued Personnel Services	30	24
	<u>195</u>	<u>168</u>

Details regarding credit risk, liquidity risk, and market risk are disclosed in Note 12.

**8. CURRENT/NON-CURRENT LIABILITIES - PROVISIONS**

Personnel Services Provision	337	330
Leasehold Obligations	130	130
Total provisions	<u>467</u>	<u>460</u>

**Aggregate Personnel Services**

Provisions – current	337	330
Provisions – non-current	-	-
Total provisions per Statement of Financial Position	<u>337</u>	<u>330</u>
Accrued Personnel Services (Note 7)	30	24
	<u>367</u>	<u>354</u>



# BUILDING PROFESSIONALS BOARD FOR THE YEAR ENDED 30 JUNE 2010

## Notes to and forming part of the Financial Statements

### 9. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO OPERATING SURPLUS

	2010	2009
	\$'000	\$'000
Operating Surplus/(deficit)	(152)	617
Depreciation expenses	50	10
Decrease/(Increase) in receivables	42	(56)
(Decrease)/Increase in provisions	7	44
(Decrease)/Increase in payables	27	27
<b>Net cash flow provided by/(used by)</b>		
<b>Operating Activities</b>	<b>(26)</b>	<b>642</b>

### 10. COMMITMENTS FOR EXPENDITURE

#### (a) Other Expenditure Commitments

Aggregate other expenditure for the acquisition of computer and office equipment and fees for services contracted for at balance date but not provided for:

Not later than 1 year

Total (including GST)

6	1
<b>6</b>	<b>1</b>

#### (b) Operating Lease Commitments

Aggregate operating lease commitments for office accommodation and motor vehicles

Contracted for at balance date but not provided for:

Not later than 1 year

Later than 1 year but not later than 5 years

Later than 5 years

Total (including GST)

443	435
450	869
-	-
<b>893</b>	<b>1,304</b>

The total commitments above includes input tax credits of \$82k (2009 \$118k) that are expected to be recovered from the Australian Tax Office.

The lease commitments for Level 3, 10 Valentine Ave, Parramatta are for 100% of the leased area, whereas actual expenditure paid was only 60% of the total amount; the remainder was paid by the Department of Planning.

### 11. CONTINGENT LIABILITIES

The Building Professionals Board has one legal case (2009 1) with the Crown Solicitor's Office. It is estimated that these costs may total \$25,000 (2009 \$49,000).

### 12. FINANCIAL INSTRUMENTS

The Board's principal financial instruments are outlined below. These financial instruments arise directly from the Board's operations or are required to finance the Board's operations. The Board does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board's main risks arising from financial instruments are outlined below, together with the Board's objectives, policies and processes for measuring and managing risk. Further qualitative disclosures are included throughout this financial report.

The Director has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Board, to set risk limits and controls to monitor risks. Compliance with policies is reviewed by the Audit Committee on a continuous basis.

# BUILDING PROFESSIONALS BOARD FOR THE YEAR ENDED 30 JUNE 2010

## Notes to and forming part of the Financial Statements

### 12. FINANCIAL INSTRUMENTS (continued)

#### (a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			2010	2009
			\$'000	\$'000
<b>Class:</b>				
Cash and cash equivalents	4	N/A	2,186	2,212
Receivables <sup>1</sup>	5	Loans & receivables (at amortised cost)	-	-
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
			2010	2009
			\$'000	\$'000
<b>Class:</b>				
Payables	7	Financial liabilities measured at amortised cost	165	144

Note

1. Excludes statutory receivables

#### (b) Credit Risk

Credit risk arises when there is the possibility of the Board's debtors defaulting on their contractual contributions, resulting in a financial loss to the Board. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Board, including cash, receivables, and authority deposits. No collateral is held by the Board. The Board has not granted any financial guarantees.

#### Cash

Cash comprises cash on hand and bank balances. Interest is earned on daily bank balances.

#### Receivables – trade debtors

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. An allowance for impairment is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 day terms.

The Board is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2010: \$0; 2009: \$0) and not less than three months past due (2010: \$0; 2009: \$0) are not considered impaired and together these represent 100% of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

#### (c) Liquidity Risk

Liquidity risk is the risk the Board will be unable to meet its payment obligations when they fall due. The Board continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

No assets have been pledged as collateral. The Board's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods and services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was awarded for late payments during the year.



**BUILDING PROFESSIONALS BOARD FOR THE YEAR ENDED 30 JUNE 2010**

**Notes to and forming part of the Financial Statements**

**12. FINANCIAL INSTRUMENTS (continued)**

	Nominal Amount	Interest Rate Exposure \$'000			Maturity Dates		
		Fixed Interest rate	Variable Interest rate	Non-Interest bearing	<1 year	1-5 years	>5 years
<b>2010</b>							
Payables	165	-	-	165	165	-	-
	<b>165</b>	<b>-</b>	<b>-</b>	<b>165</b>	<b>165</b>	<b>-</b>	<b>-</b>
<b>2009</b>							
Payables	144	-	-	144	144	-	-
	<b>144</b>	<b>-</b>	<b>-</b>	<b>144</b>	<b>144</b>	<b>-</b>	<b>-</b>

**(d) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Board has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Board operates and the time frame for the assessment (i.e. until the end of the next reporting period). The sensitivity analysis is based on risk exposure in existence at the balance sheet date. The analysis is performed on the same basis for 2009. The analysis assumes that all other variables remain constant.

**Interest Rate Risk**

A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Board's exposure to interest rate risk is set out below.

	Carrying Amount \$'000	-1% Profit \$'000	+1% Profit \$'000
<b>2010</b>			
<i>Financial Assets</i>			
Cash and cash equivalents	2,186	(22)	22
Receivables	-	-	-
<i>Financial Liabilities</i>			
Payables	165	-	-
<b>2009</b>			
<i>Financial Assets</i>			
Cash and cash equivalents	2,212	(22)	22
Receivables	-	-	-
<i>Financial Liabilities</i>			
Payables	144	-	-

**(e) Fair Value**

All of the Board's financial assets and liabilities are of a short-term nature. They are recognised in the statement of financial position at amortised cost.

The Board is of the opinion that the values at which these instruments are recognised in the statement of financial position reflect their fair value.

**13. AFTER BALANCE DATE EVENTS**

The Building Professionals Board is not aware of any circumstances that occurred after balance date which would render particulars included in the financial statements to be misleading.

**END OF AUDITED FINANCIAL STATEMENTS**





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# APPENDICES

# APPENDICES

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## SENIOR EXECUTIVE SERVICE POSITIONS

CES/SES level	Total 2008-09	Total 2009-10
8	-	-
7	1	1
6	3	3
5	3	3
4	4	4
3	-	-
2	-	-
1	-	-
<b>Total</b>	<b>11</b>	<b>11</b>

*\* Excludes one unattached SES officer administered by Department of Planning but working for reporting period at Sydney Metro Authority*

**Name:** Sam Haddad

**Position and level:** Director General, SES Level 7

**Period in position:** whole of reporting period

**Remuneration:** \$377,250 plus recruitment allowance of \$35,000

### Key achievements:

- Drove the Department's delivery of State Plan targets, including:
  - increase the number of jobs closer to home
  - grow cities and centres as functional and attractive places to live, work and visit
  - improve housing affordability
  - speed up planning decisions.
- Oversaw the exhibition of the Metropolitan Strategy review and commencement of work on a five-year review and production of the integrated Metropolitan Plan.
- Provided strong policy guidance to drive opportunities for growth in housing and employment opportunities under metropolitan and regional strategies, as well as via a number of new policies and the local environmental plan (LEP) Priority Program.
- Implemented the Local Infrastructure Fund to bring forward local infrastructure to support new urban development in growth areas.
- Managed the review of local development contribution schemes to ensure they are justified and do not place an unfair burden on new homes.
- Oversaw the Department's major project assessment system and the delivery of comprehensive development assessment of major economic developments and infrastructure projects.
- Launched the Department's Communication Strategy to improve communication of key messages to stakeholders and the wider

community, and build stronger relationships with stakeholders.

- Oversaw the blueprint implementation of the Planning Cluster which includes the addition of a larger Land and Property Management Authority (LPMA) with the Sydney Harbour Foreshore Authority, the State Property Authority, the Redfern Waterloo Authority, the Barangaroo Development Authority and Landcom.

Mr Haddad met the requirements of his performance agreement with the Minister for Planning and the Premier in his role as a lead executive for State Plan targets.

**Name:** Ian Reynolds

**Position and level:** Deputy Director General, Strategies and Land Release, SES Level 6

**Period in position:** whole of reporting period

**Remuneration:** \$300,800

**Key achievements:**

- Secured rezoning and adopted detailed planning controls for Riverstone West precinct in North West Growth Centre, providing land for up to 12,000 jobs.
- Secured rezoning and adopted detailed planning controls for Riverstone and Alex Avenue precincts in the North West Growth Centre, providing land for up to 15,500 new dwellings.
- Released second tranche of precincts in Sydney's growth centres to facilitate planning for further 35,000 dwellings and 200 hectares for employment purposes and major town centre (Leppington).
- Implemented Local Infrastructure Fund to assist local government to provide essential infrastructure to support development.
- Developed a rapid greenfields release process to enable efficient planning of releases in areas of NSW outside the growth centres.
- Successful launch of a review process for Metropolitan Strategy.
- Release of the updated Metropolitan Development Program including significant industry consultation.
- Implemented government decisions regarding State infrastructure contributions.
- Draft Murray Regional Strategy exhibited.
- Draft guidelines exhibited for new Development Contributions Framework under Part 5B of the EP&A Act.

The Director General has expressed satisfaction with Mr Reynold's performance. Mr Reynolds has successfully met the performance criteria in his performance agreement.

**Name:** Tom Gellibrand

**Position and Level:** Deputy Director General, Plan Making & Urban Renewal, SES Level 6

**Period in position:** whole of reporting period

**Remuneration:** \$284,230

**Key achievements:**

- Finalised standard instrument local environmental plans for 12 local government areas (96% of the June 2010 target was achieved).
- Revised the program for finalising all standard instrument local environmental plans with a target for 100% completion by June 2012.
- Completed 156 local environmental plan Gateway determinations (83% approved).
- Made 27 local environmental plans as delegate of the Minister for Planning and finalised 12 local environmental plans for ministerial review (under new Part 3 of the EP&A Act).
- Re-organised the Department's local plan making functions into one streamlined work unit.
- Recommended grants of \$1.28 million under the Coastal Cycleway Program.
- Finalised a draft state environmental planning policy (SEPP) for urban renewal.
- Finalised city centre plans for Coffs Harbour and Tweed councils.
- Made recommendations on six State significant site applications, generating capacity for 43,000 jobs and 12,000 dwellings.
- Recommended listing of 26 items onto the State Heritage Register.

The Director General has expressed satisfaction with Mr Gellibrand's performance. Mr Gellibrand has successfully met the performance criteria in his performance agreement.

**Name:** Richard Pearson

**Position and level:** Deputy Director General, Development Assessment & Systems Performance, SES Level 6

**Period in position:** whole of reporting period

**Remuneration:** \$284,230

**Key achievements:**

- Managed the assessment and determination of 407 Part 3A major projects and other projects for infrastructure, mining, manufacturing, residential, commercial and retail development worth \$19 billion and generating 64,000 jobs.
- Achieved benchmarks since establishment of new benchmarks in February 2009 of 70% of projects finalised in three months, 91% of projects finalised in five months and 100% of projects finalised in eight months.
- Established and implemented a system of Joint Regional Planning Panels throughout NSW which determined 102 projects of regional significance worth \$1.02 billion, with an average determination time of 134 days.
- Continued the ongoing development of the NSW Exempt and Complying Development Code including a new Commercial and Industrial Code, new Housing Internal Alterations Code and a package of variations sought by local councils.
- Developed a series of assessment guidelines and support documents to ensure the Department undertakes robust, rigorous and timely



environmental assessments, including a draft guideline for proponents, draft guideline for declaring commercial, residential and retail projects and an internal Part 3A assessment officer's guideline.

- Undertook key policy initiatives relating to environmental assessment, including a review of landfill capacity and demand for the Sydney region, a review of cumulative impacts of coal mining in Camberwell Village, and commenced a NSW coal mining strategy.

The Director General has expressed satisfaction with Mr Pearson's performance. Mr Pearson has successfully met the performance criteria in his performance agreement.

**Name:** Donna Rygate

**Position and level:** Executive Director, Corporate Governance & Policy, SES Level 5

**Period in position:** whole of reporting period

**Remuneration:** \$267,650 plus recruitment allowance of \$20,000

**Key achievements:**

- Delivered a strong planning policy and reform agenda:
  - Reviews of the Infrastructure SEPP, places of public entertainment arrangements and the EP&A Regulation progressed
  - Planning controls to facilitate the rollout of the National Broadband Network in NSW established
  - Coastal Planning Guideline: Adapting to Sea Level Rise developed
  - Standard Instrument LEP template and the Affordable Housing SEPP strengthened and implemented.
- Implemented a strategic communication plan to achieve best practice in public sector communication. Key components include engagement with stakeholders through forums, events and reports:
  - Nine local government forums held with general managers and senior planning professionals, three statewide and six regional, which facilitated engagement on key policy initiatives
  - Sydney Leaders' Forum, which focused on emerging key themes in the Metropolitan Strategy review and examined issues in the Sydney Towards 2036 discussion paper
  - Local and major development monitoring reports published.
- Established an integrated approach to deliver, in collaboration with the Local Government and Shires Associations of NSW, electronic planning services to the community.
- Introduced a new approach to governance:
  - A governance health check enabled the review, prioritisation and allocation of accountabilities within an ethics and governance framework
  - Corporate and business planning systems revitalised to ensure achievement of key deliverables

- The restructured Audit and Risk Committee oversaw and monitored the Department's governance, risk and control frameworks as well as its external accountability requirements.

• Launched a range of corporate initiatives:

- Strengthened procurement policy and management practices
- Improved systems for budget management and financial reporting
- Implemented a whole-of-agency electronic records and document management system
- Established a job rotation policy.

The Director General has expressed satisfaction with Ms Rygate's performance. Ms Rygate has successfully met the performance criteria in her performance agreement.

**Name:** Giovanni Cirillo

**Position and level:** Executive Director, Urban Renewal and Major Sites, SES Level 5

**Period in position:** whole of reporting period

**Remuneration:** \$267,650

**Key achievements:**

- Completed the assessment of State significant site assessments for:
  - Sydney Olympic Park - development of the site into a high-density specialised economic centre
  - Wahroonga Estate - expansion of the Sydney Adventist Hospital setting aside land for environmental conservation
  - Sandon Point and Rise, Bilambil Heights - new residential developments providing employment opportunities close to where people live
  - Macquarie University - expansion of the academic facilities including increased commercial land uses for employment generation and student accommodation to address housing affordability
  - Western Sydney Employment Area - expansion of existing employment areas to provide employment opportunities in the Penrith, Blacktown and Fairfield local government areas.
- Progressed a further 19 potential State significant site assessments with the potential to provide a further 21,000 dwellings and 50,000 jobs.
- Established a new team dedicated to the delivery of centres and urban renewal projects, working with government agencies and councils to assist in the delivery of housing and jobs targets set by the Metropolitan Strategy.
- Developed and exhibited a suite of draft city centre planning documents in partnership with the Coffs Harbour and Tweed councils including an LEP, development control plan and vision for each centre.

The Director General has expressed satisfaction with Mr Cirillo's performance. Mr Cirillo has successfully met the performance criteria in his performance agreement.

**Name:** Christopher Wilson

**Position and level:** Executive Director, Major Projects Assessment, SES Level 5

**Period in position:** whole of reporting period

**Remuneration:** \$258,723

**Key achievements:**

- Consistent with the Government's major projects legislation, assessed, recommended and/or determined:
  - 127 Part 3A proposals for major physical and social infrastructure, mining, manufacturing, remediation, commercial, residential and tourism development
  - 55 Part 4 proposals predominantly Government lands-related
  - 225 Part 4 and Part 3A modifications to existing approvals.

Where approved, these projects had a combined capital investment value (CIV) in excess of \$20 billion with the potential to generate up to 68,384 jobs.

- Improved performance in the timeframes taken to assess major project assessments.
- Achieved sound assessment outcomes through the ongoing implementation of best practice administrative and environmental assessment techniques and relevant balancing of

environmental, social and economic factors. This is reflected in the Department's ability to secure successful outcomes on behalf of the Minister in all 12 matters (relevant to the division) determined by the Land and Environment Court (11) and the Court of Appeal (1) in 2009-2010.

- Significant increase in environmental compliance activity:
  - 86 inspections and audits across a wide range of industry sectors (more than double the number undertaken in 2008-09)
  - 114 enforcement actions, ranging from negotiated outcomes through to warning letters, orders, penalty notices and prosecutions (up from 78 in 2008-09).

The Director General has expressed satisfaction with Mr Wilson's performance. Mr Wilson has successfully met the performance criteria in his performance agreement.

## EQUAL EMPLOYMENT OPPORTUNITY

During 2009-10, the Human Resources Branch continued to coordinate the internal equity and diversity initiatives of the Department.

For administrative reasons, the data covers the staff of the Department and the Building Professionals Board.

### Trends in the representation of EEO groups

EEO group	2007-08	2008-09	2009-10	Benchmark
Women	54%	55%	53%	50%
Aboriginal People & Torres Strait Islanders	0.8%	1.2%	2.3%	2.6%
People whose language first spoken as a child was not English	17%	16%	33%	20%
People with a disability	8%	8%	7%	12%
People with a disability requiring work-related adjustment	2.3%	2.6%	1.6%	7%

### Trends in the distribution of EEO groups

EEO group	2007-08	2008-09	2009-10	Benchmark
Women	88	91	92	100
Aboriginal people and Torres Strait Islanders	n/a*	n/a	n/a	100
People whose language first spoken as a child was not English	90	90	93	100
People with a disability	96	95	99	100
People with a disability requiring work-related adjustment	n/a*	n/a	n/a	100

\*The distribution index is not calculated if EEO group or non-EEO group numbers are less than 20.

A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equal to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency, the lower the index.

An index of more than 100 indicates the EEO group is less concentrated at lower salary levels.

## Significant EEO initiatives

The Department supported participation of staff in a range of events celebrating diversity, including:

- International Women's Day activities
- NAIDOC week events.

The Department supported young people to enter the workforce and develop their careers, by:

- Continued support for the network of Young Planning Professionals Group (for staff 35 years and under)
- Employment of 14 student planners
- Participation in the NSW Jumpstart Program, by employing six administrative cadets under 25 years of age.

In addition, the Department:

- Progressed an Aboriginal and Torres Strait Islander employment and retention strategy
- Employed three Indigenous cadets

- Participated in 'Dressed for Work', an event where staff donated used professional clothing for women entering/returning to the workforce.

## Planned EEO initiatives for 2010-11

- Implementation of the Aboriginal and Torres Strait Islander employment and retention strategy
- Revised training program for staff in merit selection including a refresher course for those staff who have had previous training – to ensure equal opportunity is given to all candidates
- Continuation in support for the employment and development of young people, through:
  - Our participation in Jumpstart Program to employ administrative cadets aged under 25 years
  - Employment of student planners
  - Continued support for the network of young planning professionals group

## Total staff by level

Level	Total staff	Respondents	Men	Women	Aboriginal people & Torres Strait Islanders	People from racial, ethnic, ethno-religious minority groups	People whose language first spoken as a child was not English	People with a disability	People with a disability requiring work-related adjustment
< \$38,144	9	3	4	5	3	0	0	0	0
\$38,144 - \$50,099	22	18	11	11	0	2	7	1	0
\$50,100 - \$56,008	10	10	1	9	0	2	7	0	0
\$56,009 - \$70,873	74	60	27	47	0	14	29	4	1
\$70,874 - \$91,652	150	119	53	97	0	25	43	12	4
\$91,653 - \$114,566	180	146	91	89	2	30	44	9	1
> \$114,566									
(non SES)	95	71	60	35	1	9	13	3	1
> \$114,566 (SES) *	12	5	11	1	0	0	1	0	0
<b>Total</b>	<b>552</b>	<b>432</b>	<b>258</b>	<b>294</b>	<b>6</b>	<b>82</b>	<b>144</b>	<b>29</b>	<b>7</b>

\* Includes one unattached SES officer administered by Department of Planning but working for reporting period at Sydney Metro Authority.

## Staff profile

Level	Total staff	Men	Women
< \$38,144	9	44%	56%
\$38,144 - \$50,099	22	50%	50%
\$50,100 - \$56,008	10	10%	90%
\$56,009 - \$70,873	74	36%	64%
\$70,874 - \$91,652	150	35%	65%
\$91,653 - \$114,566	180	51%	49%
> \$114,566 (non SES)	95	63%	37%
> \$114,566 (SES) *	12	92%	8%
<b>Total</b>	<b>552</b>	<b>47%</b>	<b>53%</b>

\* Includes one unattached SES officer administered by Department of Planning but working for reporting period at Sydney Metro Authority.



# OCCUPATIONAL HEALTH & SAFETY

The Department is committed to providing a safe and healthy work environment for staff, contractors, clients and visitors.

For administrative purposes, the data below covers the staff of the Department and the Building Professionals Board.

Activity	2007-08	2008-09	2009-10
Accident or incident reports	16	19	19
Workers compensation claims	15	7	17
Claims open at end of June 2010	15	4	24
Working days lost to workers compensation claims	135	111	112
Average days lost between injury and return to work per claim	9.5	15.9	9.3
Suitable duties provided within one week of medical certificate notifying fitness to return	100%	100%	100%
Prosecution for breach of OHS Act	Nil	Nil	Nil
<b>Total cost of claims</b>	<b>\$109,717</b>	<b>\$178,007</b>	<b>\$106,451</b>

## In 2009-10 the Department:

- Completed an audit against the OHS and Injury Management Improvement Standards
- Strengthened the Department's commitment to a harassment-free workplace by training all staff in their responsibilities and accountabilities under the Harassment and Bullying Free Workplace policy
- Worked towards the achievement of OHS targets outlined in the Working Together: Public Sector OHS & Injury Management Strategy
- Offered free seasonal and swine influenza vaccinations
- Promoted staff wellbeing through a seminar exploring work/life balance and referral to an employee assistance program
- Tested air quality, temperature and lighting
- Encouraged staff to lead an active lifestyle and to use active transport to work by providing lockers and ironing facilities for cyclists
- Entered a team of staff in the City of Sydney Spring Cycle, Walk to Work Day and Ride to Work Day.

## Occupational Health and Safety Committee

The Occupational Health and Safety Committee met regularly to discuss and manage health and safety issues.

The Committee conducted 11 workplace inspections during the year.

The Department continued its strategy of early intervention and structured return-to-work to manage the impact and cost of work-related injuries through:

- Continued commitment to support return to work plans and workplace modifications
- Improved communications with healthcare providers and the insurer
- Timely and effective case management.

## OHS Committee employee representatives

Kieran Thomas, Major Infrastructure Assessments

Margaret Kirton, Sydney East

Paul Smith, Corporate Governance

Colleen Klingberg, Heritage

Lynne Barnes, Building Professionals Board

Nerida Ashby, Illawarra

## OHS Committee management representatives

Helen Dalton, Human Resources

John Robertson, Human Resources

Frank Azzopardi, Finance

Damian Furlong, Corporate Governance

Tony Sauchella, Building Services

# DISABILITY ACTION PLAN

This year the Department's Disability Action Plan was submitted to and approved by the Department of Human Services.

The Department is committed to implementing the actions of the Disability Action Plan which identifies and seeks to minimise barriers that prevent people with a disability from accessing information, services and employment.

The Department undertook 11 workplace assessments for staff with disabilities and implemented appropriate adjustments.

The Department administers the State Environmental Planning Policy (Housing for Seniors and People with a Disability) 2004 which encourages the development of housing for people with a disability.

Under that policy, housing for people with a disability can be provided in areas where this form of housing may otherwise not be permissible, such as self-contained dwellings, in-fill self care housing, serviced self care housing, hostels and residential care facilities.

In-fill developments of adaptable housing allow people with a disability to live near family, friends and support networks while remaining part of the general community. Independent living and some residential care facilities are an attractive, viable and affordable option for people with disabilities that may otherwise have to live with family members or in a large institution.

## HUMAN RESOURCES

The data below includes the staff of the Department and the Building Professionals Board.

		2006-07			2007-08			2008-09			2009/10		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	Full-time	156	151	307	167	175	342	217	219	436	208	200	408
	Part-time	2	32	34	6	46	52	6	50	56	8	57	65
Temporary	Full-time	20	17	37	28	27	55	23	36	59	26	27	53
	Part-time	4	3	7	6	7	13	5	13	18	3	8	11
	Non-SES	0	0	0	0	0	0	0	0	0	0	0	0
Trainee											2	1	3
SES *		12	2	14	12	1	13	13	2	15	11	1	*12
Total		194	205	399	219	256	475	264	320	584	258	294	552

\* Includes one unattached SES officer administered by Department of Planning but working for reporting period at Sydney Metro Authority.

### Key achievements

#### In 2009-10 the Department:

- Implemented an approved organisational structure improving functional alignment with business objectives
- Implemented Achievement Planning (a framework for managers and staff to plan the delivery of work objectives in line with corporate goals)
- Conducted an entry-level recruitment campaign and student placement program resulting in:
  - recruitment of three Indigenous cadets
  - recruitment of six entry-level administrative cadets
  - placement of 14 student planners
- Promoted a training and development program including a variety of lunchtime seminar sessions
- Implemented Employee and Manager Self Service allowing employees and managers to access a range of online functions relating to leave, attendance and payroll processes
- Promoted the Department's Health and Wellbeing Program by offering flu vaccinations and discounted health insurance
- Continued to support the Young Planning Professionals Group (for planning professionals 35 years and under), Green Group (to support sustainable practices) and Women in Planning (provides career enhancing opportunities for women).
- Improved recruitment process efficiency.

### Exceptional movements in wages, salaries or allowances

The Crown Employees (Public Sector-Salaries 2007) Award provided a salary increase of four per cent effective from the first full pay period on or after 1 July 2009.

The Department met its required savings targets to fund this increase.

### Industrial relations policies and practices

The Department, its staff and the Public Service Association (PSA) have maintained commitment to joint consultation. A Joint Consultative Committee operates to discuss and evaluate industrial issues and workplace change.

### Management representatives:

**Sam Haddad** (Director General),  
**Donna Rygate** (Executive Director Corporate Governance & Policy),  
**Damian Furlong** (Director, Strategic Business Development),  
**Helen Dalton** (Acting Manager Human Resources),  
**John Robertson** (Senior Industrial Relations Coordinator)

### Staff and union representatives:

**Jim Clark** (Team Leader, Northern Region)  
**Brook Scarlett** (Acting Ministerial Liaison Officer)  
**Jonathon Lynch** (Team Leader, Building Professionals Board)  
**Annabel Teague** (Acting Manager Urban Planning Policy)  
**Louise Wells** (Planning Officer, Southern Region)  
**Geo Papas** (Industrial Officer, PSA)  
**Latu Sailosi** (Organiser, PSA)

# INTERNATIONAL TRAVEL

Name	Title	Destination	Purpose	Funding
Tom Gellibrand	Deputy Director General, Plan Making and Urban Renewal	United States of America	Part of a delegation with Infrastructure Australia to look at national policy and local delivery initiatives to revitalise cities and centres with particular emphasis on transit-orientated development, metropolitan planning and housing affordability.	The University of Sydney's US Study Centre organised the tour. The Department of Planning paid for Tom Gellibrand's airfare and accommodation.
Gabrielle Kibble	Chair, Heritage Council of NSW	Christchurch, New Zealand	Attend the Heritage Chairs and Officials of Australia and New Zealand meeting, providing an opportunity to participate in discussions developing national strategic frameworks for consistent management of heritage across Australia and New Zealand as well as developing policy initiatives.	The Department of Planning paid for all costs.
Petula Samios	Director, Heritage Branch	Christchurch, New Zealand	Attend the Heritage Chairs and Officials of Australia and New Zealand meeting and the Historic Shipwrecks Delegates meeting. These provide an opportunity to participate in discussions developing national strategic frameworks for consistent management of heritage across Australia and New Zealand as well as developing policy initiatives.	The Department of Planning paid for all costs.

## Building Professionals Board

Name	Title	Destination	Purpose	Funding
Neil Cocks	Director, Building Professionals Board	New Zealand	To attend the Australasian Building Certification Forum.	Planning Reform Fund.

## MULTICULTURAL POLICIES & SERVICES PROGRAM

The Department remains sensitive to the cultural, racial, religious and linguistic traditions of communities in NSW.

Effective communication and consultation strategies ensure that all people in NSW are able to be considered in the policy process, have full access to appropriate information and services can contribute to planning outcomes that affect their lives.

The Department continues to review and update brochures, fact sheets and forms published to include a statement referring clients with difficulties in English to the Translation and Interpreting Service (advertised in prevalent languages for the applicable area). In some instances whole fact sheets are available in multiple languages (e.g. the BASIX fact sheet is available in 16 languages at [www.basix.nsw.gov.au](http://www.basix.nsw.gov.au)).

### Community consultation

Consultation with the public is conducted taking into consideration racial, religious and cultural communities. Where possible, venues for

consultation on planning issues were chosen to ensure diverse community access, for example, one information session was held at a mosque.

### Interpreter services

Interpreters are used as required for community events, the community information phone line and by the Department's Information Centre.

### Community language skills

The Department employs staff who speak languages in addition to English and who use their skills to assist culturally and linguistically diverse clients.

### Building Professionals Board

The Board is reviewing the delivery of documents and the presentation and format of publications on its website. The Board will endeavour to ensure that, as part of this comprehensive review, the many varied cultural, racial and religious backgrounds of both the Boards' existing and future audiences will be suitably accommodated.



# ELECTRONIC SERVICE DELIVERY

## Planning websites

In line with a commitment to improving and expanding electronic service delivery, the Department's website content is updated regularly and revised to ensure it is appropriate and easily accessible to key stakeholder groups.

Providing a platform for the NSW community, government, businesses and industry to access a large volume of planning documents, the website at [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au) is one of the key channels for delivering state planning information - including planning circulars, practice notes and fact sheets - to practitioners and the general public. In 2009-10, the website received 2,061,194 visits (an average of 171,766 visits per month). Users spent an average of four minutes on the site.

In March, website traffic was at its peak for the year with 29,798 visits and 60,889 page hits. This surge in website visits was largely due to an invitation to comment on the use of exempt and complying development in rural areas.

The latest developments in planning attracted a high level of interest. The most visited topics included:

- NSW Housing Code
- Planning reforms
- Legislation and planning instruments
- On exhibition - major projects
- Media releases.

The Building Sustainability Index (BASIX) website ([www.basix.nsw.gov.au](http://www.basix.nsw.gov.au)) is also maintained by the Department. A web-based planning tool, the site was introduced largely to ensure new homes are designed and built to use less water and produce fewer greenhouse gas emissions. Using the assessment tool, certificates are generated online. In 2009-10, the BASIX website received more than 42 million hits divided between new dwellings (receiving 229,181 visits; a decrease of 9.6% compared to the previous year) while BASIX for alterations and additions received 66,080 visits (a decrease of 2.9% from the previous year).

A number of other useful sites were launched including:

- Joint Regional Planning Panels (Regional Panels) ([www.jrrp.nsw.gov.au](http://www.jrrp.nsw.gov.au))
- NSW Planning Assessment Commission ([www.pac.nsw.gov.au](http://www.pac.nsw.gov.au))
- M24 Japanese midget submarine ([www.m24maritime.heritage.nsw.gov.au](http://www.m24maritime.heritage.nsw.gov.au))
- Sydney Metropolitan Strategy ([www.metrostrategy.nsw.gov.au](http://www.metrostrategy.nsw.gov.au))
- Local Plan Making Tracking System ([www.leptracking.planning.nsw.gov.au](http://www.leptracking.planning.nsw.gov.au))
- NSW Housing Code ([www.housingcode.planning.nsw.gov.au](http://www.housingcode.planning.nsw.gov.au))
- NSW Commercial and Industrial Code ([www.commercialcode.planning.nsw.gov.au](http://www.commercialcode.planning.nsw.gov.au))

In addition the Department supports the NSW state heritage site ([www.heritage.nsw.gov.au](http://www.heritage.nsw.gov.au)). For more information see this report's section on the Heritage Council of NSW.

## Building Professionals Board website

The Building Professionals Board website ([www.bpb.nsw.gov.au](http://www.bpb.nsw.gov.au)) provides information for accredited certifiers on professional practice, practitioners seeking to apply for accreditation, certifying authorities on the operation of the certification system, and consumers looking to appoint certifiers for their developments. The Board's website features an online register of all accredited certifiers in NSW as well as a disciplinary register. A range of useful publications for both practitioners and the public is also provided on this site.

In 2009-10, the site received 601,820 visits.

# CONSUMER RESPONSE

The Department is committed to handling public feedback courteously and efficiently and, in the case of formal complaints, to responding to issues quickly and equitably. Consumer compliments and complaints can be communicated through our network of offices. This network allows responses to be provided at the local level to assist with the timely resolution of issues.

In 2007-08 we refined our general complaints handling policy to ensure that strict external procedures were in place to assist us in responding to complaints in a timely and appropriate way. The policy and procedure builds on the Department's well established protocols for dealing with allegations of serious misconduct or corruption by the Department, a departmental officer or a third party. It also provides guidelines for dealing with complaints about the performance of local councils, which are often referred to the Division of Local Government within the Department of Premier and Cabinet.

The guidelines require all formal complaints whether written or verbal to be forwarded to the Complaints Committee. Nine complaints about the Department were forwarded in the 2009-10 year. Issues of complaint ranged from staff rudeness to non-specific cross-agency allegations of corruption. There were no 'repeat' issues, nor any indications of systemic problems, arising from the complaints.

Most matters were referred back to the local level for resolution, in accordance with the guidelines. Examples of outcomes of these matters are:

- The Department revisited and changed a statutory decision to exclude a complainant's land from an LEP draft amendment
- After receiving an inquiry letter from the Independent Commission Against Corruption (ICAC) the Department conducted an independent desktop review of compliance reports regarding a coal mine start-up - it provided the review report to the ICAC
- The staff member accused of rudeness was advised on appropriate methods of dealing with difficult phone conversations.

Two matters were dealt with centrally by the Complaints Committee. In one of these the circumstances indicated the regional office had already spent much time with the complainant on the issue of complaint. The Committee conducted an investigation on the papers and found the complaint unsubstantiated. It provided a full explanation of its findings in writing and on the phone to the complainant.

The Department's Information Centre provides a single, coordinated customer interface between specialist staff and the public, other government agencies, local government and industry. The range of services provided includes information on the Department's programs and regulatory functions, publication distribution and sales, and statutory and promotional displays.

	2008-09	2009-10
Information Centre		
Phone requests	23,085	23,936
Email requests	4010	5,855
Counter enquiries	3720	4,800
Mail-outs	2632	1089
Building Code of Australia advisory line	605	903
Smoke alarm dedicated helpline	*	300
BASIX calls	3539	4047
BASIX emails	3985	3412
<b>Total</b>	<b>41,576</b>	<b>44,342</b>

\* Last year all smoke alarm helpline inquiries were counted in Information Centre telephone request numbers. This year the numbers have been separated and only those few referred to the helpline from the Information Centre have been counted in centre numbers.

The three most popular requests were housing codes, development proposals and the Metropolitan Strategy Review.

## FREEDOM OF INFORMATION

During 2009-10, the Department received 104 new Freedom of Information (FOI) applications (compared to 90 the previous year and 121 in 2008-09). This includes Building Professionals Board applications. All but two of the applications were non-personal and the majority related to statutory planning functions of the Department. With five cases brought forward from the previous year, the Department had 109 applications to be processed (compared to 103 the previous year). The Department finalised 94 applications (compared to 98 the previous year) and carried 15 forward to the next reporting period.

Of the 94 applications finalised:

- 36 were granted full access or were otherwise available in full
- 18 were granted partial access or were otherwise available in part
- Four were refused access because they were held to be exempt
- Five sought access to documents not held by the Department
- One was transferred to another agency
- 24 were withdrawn at the applicant's request
- Four were discontinued when the applicant failed to pay an advance deposit
- Two were refused as the applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1))

As in 2008-09 no applications were received for an amendment or notation of personal records, and no ministerial certificates were issued.

Compliance with the provisions of the *Freedom of Information Act 1989* (FOI Act) did not have a significant overall impact on the administration of the Department. However, as in previous years some applications were large in scope and staff in certain branches spent considerable time locating and assessing documents. The third party consultation requirements of the FOI Act imposed a significant burden on the FOI Unit's time.

Please note in the following tables, (which as required by the FOI Regulation follow Appendix B of the NSW FOI Manual), in rows where all entries for a category are zero the relevant row has been left out.

### Section A - new FOI applications from 2009-10

How many FOI applications were received, discontinued or completed?	Number of FOI applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
A1 New	1	2	89	102	90	104
A2 Brought forward	0	0	13	5	13	5
A3 Total to be processed	1	2	102	107	103	109
A4 Completed	1	1	78	62	79	63
A5 Discontinued	0	0	19	31	19	31
A6 Total Processed	1	1	97	93	98	94
A7 Unfinished (carried forward)	0	1	5	14	5	15

## Section B – discontinued applications

Why were FOI applications discontinued?	Number of discontinued applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
B1 Request transferred out to another agency (s.20)	0	0	1	1	1	1
B2 Applicant withdrew request	0	0	16	24	16	24
B3 Applicant failed to pay advance deposit (s.22)	0	0	2	4	2	4
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1))	0	0	0	2	0	2
<b>B5 Total discontinued</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>31</b>	<b>19</b>	<b>31</b>

## Section C – completed applications

What happened to completed FOI applications?	Number of completed FOI applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
C1 Granted or otherwise available in full	0	1	47	35	47 (3 used s.25(1)(b))	36
C2 Granted or otherwise available in part	1	0	19	18	20	18
C3 Refused	0	0	3	4	3	4
C4 No documents held	0	0	9	5	9	5
<b>C5 Total completed</b>	<b>1</b>	<b>1</b>	<b>78</b>	<b>62</b>	<b>79</b>	<b>63</b>

*Note: A request is granted or otherwise available in full if all documents requested are either provided to the applicant (or the applicant's medical practitioner) or are otherwise publicly available. Figures in C5 should correspond to those in A4.*

## Section D – applications granted or otherwise available in full

How were the documents made available to the applicant? (granted or otherwise available in full)	Number of FOI applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
All documents requested were:	0	1	43	35	43	36
D1 Provided to applicant						
D5 Library material	0	0	1	0	1	0
D7 Available by a combination of any of the reasons listed in D1-D6 above	0	0	3	0	3 (D1+D3)	0
<b>D8 Total granted or otherwise available in full</b>	<b>0</b>	<b>1</b>	<b>47</b>	<b>35</b>	<b>47</b>	<b>36</b>



## Section E – applications granted or otherwise available in part

How were the documents made available to the applicant? (Granted or otherwise available in part)	Number of FOI applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
All documents requested were:						
E1 Provided to the applicant	1	0	19	16	20	16
E7 Available by a combination of any of the reasons listed in E1-E6 above – for 2008-09 just E1 & E3	0	0	0	2	0	2
<b>E8 Total granted or otherwise available in part</b>	<b>1</b>	<b>0</b>	<b>19</b>	<b>18</b>	<b>20</b>	<b>18</b>

## Section F – refused FOI applications

Why was access to the documents refused?	Number of refused FOI applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
F1 Exempt	0	0	2	4	2	4
*F2 Deemed refused	0	0	1	0	1	0
<b>F3 Total refused</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4</b>

*\*In processing applications exceeding statutory timeframes, in all cases actual determinations were made. In order to incorporate outcomes details for these determinations made outside time we have taken “deemed refused” applications to be those where the applicant has claimed a deemed refusal by requesting an internal review before an initial determination has been made outside the statutory time frame. In this sense no applications were deemed refused.*

## Section G – exempt documents

Why were the documents classified as exempt?	Number of fully and partially exempt FOI applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09*	2009-10
G1 Cabinet documents (Clause 1)	0	0	4	5	4	5
G2 Executive Council documents (Clause 2)	0	0	1	0	1	0
G3 Documents affecting law enforcement & public safety (Clause 4)	0	0	1	0	1	0
G6 Documents affecting personal affairs (Clause 6)	1	0	2	3	3	3
G7 Documents affecting business affairs (Clause 7)	0	0	2	4	2	4
G19 Documents subject to legal professional privilege (Clause 10)	0	0	7	4	7	4
G20 Documents containing confidential material (Clause 13)	0	0	1	0	1	0
G25 Internal working documents (Clause 9)	0	0	4	3	4	3
<b>G27 Total applications including exempt documents</b>	<b>1</b>	<b>0</b>	<b>22</b>	<b>19</b>	<b>23</b>	<b>19</b>

## Section H – ministerial certificates (s.59)

There were no ministerial certificates issued in the period.

## Section I – formal consultations

Number of requests requiring formal consultations – 50

Number of consultations undertaken – 222

## Section J – amendment of personal records

There were no requests for amendments of personal records.

## Section K – notation of personal records

There were no requests for notation of personal records.

## Section L – fees and costs

What fees were assessed and received for FOI applications processed (excluding applications transferred out)?	Assessed costs		Fees received	
	2008-09	2009-10	2008-09	2009-10
L1 All completed applications	25,228.50	30,658.50	16,330.00	21,147.00

## Section M – fees discounts

How many fee waivers or discounts were allowed and why? (where fees were waived or discounted)	Number of FOI applications					
	Other		Personal		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
M1 Processing fees waived in full	0	0	0	1	0	1
M2 Public interest discounts	0	0	8	6	8	6
M3 Financial hardship discounts – pensioner or child	0	0	4	0	4	0
M4 Financial hardships discount – non-profit organisation	0	0	1	0	1	0
M5 Total	0	0	13	7	13	7

## Section N – fees refunds

How many fee refunds were granted as a result of significant correction of personal records?	Number of refunds	
	2008-09	2009-10
N1 Number of fee refunds granted as a result of significant correction of personal records	0	0

## Section O – days taken to complete request

How long did it take to process completed applications? (Note: calendar days)	Number of completed FOI applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
O1 0-21 day – Statutory determination period	1	1	30	16	31	17
O2 22-35 days – extended statutory determination period for consultation or retrieval of archived records (s.59B)	0	0	25	35	25	35
*O3 Over 21 days – deemed refusal where no extended determination period applied	0	0	7	2	7	2
*O4 Over 35 days – deemed refusal where extended determination period applied	0	0	16	9	16	9
<b>O5 Total</b>	<b>1</b>	<b>1</b>	<b>78</b>	<b>62</b>	<b>79</b>	<b>63</b>

\* See note under Section F

## Section P – processing time

How long did it take to process completed applications?	Number of completed FOI applications					
	Personal		Other		Total	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
P1 00-10 hours	1	1	57	35	58	36
P2 11-20 hours	0	0	12	13	12	13
P3 21-40 hours	0	0	6	12	6	12
P4 Over 40 hours	0	0	3	2	3	2
<b>P5 Total</b>	<b>1</b>	<b>1</b>	<b>78</b>	<b>62</b>	<b>79</b>	<b>63</b>

## Section Q – number of reviews

How many reviews were finalised?	Number of reviews	
	2008-09	2009-10
Q1 Internal reviews	*8	7
Q2 Ombudsman reviews	3	1
Q3 ADT reviews	0	1

\* In fact 10 were received, but of these, the first two were received in early July 2008 and were counted in last year's total of five, so to avoid double counting this year's total has been reduced by two.

## Section R – results of internal reviews

Grounds on which the internal review was requested	Number of internal reviews					
	Personal		Other		Total	
	Original agency decision	Original agency decision	Original agency decision	Original agency decision	Original agency decision	Original agency decision
	Upheld	Varied	Upheld	Varied	Upheld	Varied
R1 Access refused	0	0	4	0	4	0
R6 Third parties views disregarded	0	0	2	1	2	1
<b>R8 Total</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>1</b>	<b>6</b>	<b>1</b>



## Statement of Affairs

The *Freedom of Information Act 1989* (FOI Act) was replaced by the *Government Information (Public Access) Act 2009* (GIPA Act) on 1 July 2010. Under transitional arrangements the Department is still required to publish a statement of its affairs as required under the FOI Act.

Some requirements of the Statement of Affairs are found elsewhere in this annual report, namely the structure and functions of the Department, how these functions affect the public, and how the public can participate in the Department's policy development. Much of this information is also available on the Department's website at [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au).

### Documents held

The Department holds the following categories of documents:

- policy documents and correspondence
- documents on internal administration
- policy, minutes and correspondence to/from boards and committees
- policy documents and correspondence concerning grants, agreements and contracts
- documents to do with plan-making – local and state
- development applications and associated documents
- development assessment documents
- publications
- documents concerning complaints about local government and about the Department.

### Accessing the Department's documents

Policies and publications can be accessed in several ways:

- Internet [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au)
- Library, 10 Valentine Avenue, Parramatta - Phone 9860 1042 - access is by inter-library loan arrangements
- Information Centre, 23–33 Bridge Street, Sydney. Unless otherwise indicated, policy documents are free but many publications are available for purchase. Tel 9228 6333 or email: [information@planning.nsw.gov.au](mailto:information@planning.nsw.gov.au). Copies of the Department's publications may also be obtained from the online bookshop at [www.shop.nsw.gov.au](http://www.shop.nsw.gov.au)
- By making an informal request to the Department – access in this way will depend on the nature and extent of the information
- Public Access to the Information & Privacy Unit. (see below).

Informal requests under the GIPA Act for access to information held by the Department can be dealt with by officers at director level and above - who may decide to deal with the request informally or, depending on the nature of the information, may advise that a formal access application must be made – and by the Public Access to Information & Privacy Unit.

Formal access applications under the GIPA Act are the responsibility of the Department's Public Access to Information and Privacy Unit.

Formal applications for access to documents under the provisions of the GIPA Act must be in writing, either on an application form or by letter, accompanied by the \$30 application fee and directed to:

Public Access to Information & Privacy Unit (PAI Unit)

NSW Department of Planning  
GPO Box 39  
Sydney NSW 2001  
Tel 02 9228 6116, Tel 02 9228 6597 or  
Fax 02 9228 6120

GIPA Act application forms may be obtained by contacting the PAI Unit or on the Department's website [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au) by searching for 'GIPAA application form' and selecting Formal Access – the link to the form is close to the bottom of that page. Copies of documents can be requested, or originals may be made available for examination in certain circumstances.

## Processing a formal GIPA application

The PAI Unit will acknowledge the application within five working days and provide a decision concerning access, normally within 20 working days. If the processing time has to be extended or suspended, the PAI Unit will keep the applicant informed as to the progress of the application. The applicant may be required to clarify the request and sometimes a request may be referred to another agency if it is more closely connected to the functions of that agency.

Access to information may be refused if there is found to be an overriding public interest against disclosure. The PAI Unit will provide reasons why the information is refused in a notice of decision. If a request for access is refused, the applicant has rights both of internal review, and external review by the Information Commissioner (IC) and the Administrative Decisions Tribunal (ADT). The links to the websites of the IC and the ADT are:

IC - [www.informationcommissioner.nsw.gov.au](http://www.informationcommissioner.nsw.gov.au)

ADT - [www.lawlink.nsw.gov.au/adt](http://www.lawlink.nsw.gov.au/adt)

## Charges for access

Charges for processing a GIPA application are set out in the table below. There is a 50 per cent discount for people who hold a Commonwealth Pensioner Concession Card, for full-time students and for non-profit organisations, or if the information requested is of special benefit to the public generally.

Nature of application	application Fee	Processing
Access to information about your personal affairs (the first 20 hours)	\$30	\$30 an hour after the first 20 hours
All other requests	\$30	\$30 per hour
Internal review (all circumstances)	Nil	Nil

## Amendment to personal records

If you think that your personal information held by the Department is incorrect, you can ask the agency to correct it under:

- Information Protection Principle 8 in the *Privacy and Personal Information Protection Act 1998*, or
- Part 6A of the Privacy and Personal Information Protection Act.

If you wish to request correction of your personal information contact the PAI Unit. Contact details are given above.

For further information on your rights under the Privacy and Personal Information Protection Act (or Health Records Information and Privacy Act), please visit the website of Privacy NSW - [www.lawlink.nsw.gov.au/privacynsw](http://www.lawlink.nsw.gov.au/privacynsw).

## PRIVACY

Under the Privacy and Personal Information Protection Act, in the 2009-10 reporting period, there were:

- no requests for access to documents
- two requests for internal review about breaches of privacy, one received directly by the Department, the other passed on to the Department by Privacy NSW.

The Department conducted both internal reviews, informed the complainants of the outcomes and provided the Department's final determinations to the Privacy Commissioner.

Both matters concerned publication of personal information collected by the Department in submissions made by the complainants about development applications. The Department found in one matter that it had inadvertently breached Information Protection Principles (IPPs) 2 and 11 by publishing the complainant's name and address on its website. In the other matter, the Department found that it had complied with the *Privacy and Personal Information Protection Act 1998*, and with the EP&A Act in collecting and passing on the personal information of the complainants (which the development proponent happened then to publish independently along with all other submissions). Privacy NSW complimented the Department on the quality of this review.

Following the first review a number of actions were approved, including a review of the advertisement template for major projects, which led to adjustments to that document.

As required under the *Privacy and Personal Information Protection Act 1998*, the Department has a Privacy Management Plan governing the collection, retention, accuracy, use and disclosure of personal information, including rights of access and correction. The Department intends to review that plan to ensure it reflects recent and previous changes to the Department's structure.

The Department is committed to ensuring the protection of the right to privacy of its staff and clients and has a designated privacy officer. There is a privacy page on the Department's website and an internal site on the Department's intranet, containing privacy guidelines for staff. Privacy notices are required on all compliance documentation.

The Privacy Manager can be contacted at:

NSW Department of Planning  
23-33 Bridge St  
Sydney NSW  
Tel 02 9228 6116  
Fax 02 9228 6120

## ADMINISTERED ACTS

The following Acts are administered by the Department:

- *Barangaroo Delivery Authority Act 2009* No 2
- *Blue Mountains Land Development (Special Provisions) Act 1985* No 55
- *Botany and Randwick Sites Development Act 1982* No 99
- *Building Professionals Act 2005* No 115 (administered in conjunction with the Building Professionals Board)
- *Callan Park (Special Provisions) Act 2002* No 139
- *Clyde Waste Transfer Terminal (Special Provisions) Act 2003* No 88
- *Crown Lands Act 1989* No 6 (so far as it relates to the Luna Park Reserve within the meaning of the *Luna Park Site Act 1990*)
- *Environmental Planning and Assessment Act 1979* No 203
- *Growth Centres (Development Corporations) Act 1974* No 49 (except parts administered by the Minister for Lands and the Minister for the Hunter)
- *Heritage Act 1977* No 136
- *Kooragang Coal Terminal (Special Provisions) Act 1997* No 138
- *Land Development Contribution Act 1970* No 24
- *Land Development Contribution Management Act 1970* No 22
- *Landcom Corporation Act 2001* No 129
- *Luna Park Site Act 1990* No 59
- *National Trust of Australia (New South Wales) Act 1990* No 92
- *Port Kembla Development (Special Provisions) Act 1997* No 40
- *Sir Henry Parkes National (War) Memorial Museum and Library Act 1957* No 47
- *State Environmental Planning (Permissible Mining) Act 1996* No 27
- *Sydney Entertainment Centre Act 1980* No 135
- *Sydney Harbour Foreshore Authority Act 1998* No 170
- *Walsh Bay Development (Special Provisions) Act 1999* No 3
- *Warnervale Airport (Restrictions) Act 1996* No 57
- *Western Sydney Regional Park (Revocation for Western Sydney Orbital) Act 2001* (No 6)

# LEGISLATIVE CHANGE

## Acts

- *Environmental Planning and Assessment Amendment (Development Consents) Act 2010* No 25, assented to 26 May 2010.

## Regulations

- Environmental Planning and Assessment Amendment (Asbestos) Regulation 2009
- Environmental Planning and Assessment Amendment (Entertainment Venues) Regulation 2009
- Environmental Planning and Assessment Amendment (General Commercial and Industrial Code) Regulation 2009
- Environmental Planning and Assessment Amendment (Wagga Wagga and Western Region Regional Planning Panels) Regulation 2009
- Environmental Planning and Assessment Amendment (Western Sydney Employment Area) Regulation 2009
- Luna Park Site Regulation 2009
- Environmental Planning and Assessment Amendment (Site Compatibility Certificates) Regulation 2009
- Heritage Amendment (Heritage and Conservation Register) Regulation 2010
- Environmental Planning and Assessment Amendment (Transitional Arrangements) Regulation 2010
- Environmental Planning and Assessment Amendment (Miscellaneous) Regulation 2010
- Environmental Planning and Assessment Amendment (Planning Certificates) Regulation 2010
- Environmental Planning and Assessment Amendment (Burwood Town Centre Levies) Regulation 2010
- Environmental Planning and Assessment Amendment (Sydney International FIFA Fan Fest) Regulation 2010.

## State environmental planning policies

- State Environmental Planning Policy No 62 – Sustainable Aquaculture (Amendment No 4)
- State Environmental Planning Policy (Exempt and Complying Development Codes) Amendment (Asbestos) 2009
- State Environmental Planning Policy (Major Development) Amendment (Wahroonga Estate) 2009
- State Environmental Planning Policy (Housing for Seniors or People with a Disability) Amendment (Site Compatibility Certificates) 2009
- State Environmental Planning Policy (Major Development) Amendment (Sandon Point) 2009
- State Environmental Planning Policy (Infrastructure) Amendment (Riding for the Disabled Centre) 2009
- State Environmental Planning Policy (Temporary

Structures and Places of Public Entertainment) Amendment (Temporary Structures) 2009

- State Environmental Planning Policy (Major Development) Amendment (Sydney Olympic Park) 2009
- State Environmental Planning Policy (Western Sydney Employment Area) Amendment (Savings) 2009
- State Environmental Planning Policy (Major Development) Amendment (Redfern Waterloo Authority Sites) 2009
- State Environmental Planning Policy (Affordable Rental Housing) Amendment (Public Transport) 2009
- State Environmental Planning Policy (Major Development) Amendment (Macquarie University) 2009
- State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) Amendment 2009
- State Environmental Planning Policy (Exempt and Complying Development Codes) Amendment (Commercial and Industrial) 2009
- State Environmental Planning Policy (Sydney Region Growth Centres) Amendment (Riverstone West Precinct) 2009
- State Environmental Planning Policy (Infrastructure) Amendment (Associated Public Transport Facilities) 2009
- State Environmental Planning Policy (Major Development) Amendment (Wagga Wagga and Western Region Regional Panels) 2009
- State Environmental Planning Policy (Western Sydney Employment Area) 2009
- State Environmental Planning Policy (Affordable Rental Housing) 2009
- State Environmental Planning Policy (Major Projects) Amendment (Three Ports) 2009
- State Environmental Planning Policy (Major Projects) Amendment (Redfern Waterloo Authority and Channel 7) 2009
- State Environmental Planning Policy (Infrastructure) Amendment (Educational Establishments) 2009
- State Environmental Planning Policy (Major Development) Amendment (Huntlee New Town Site) 2009
- State Environmental Planning Policy (Major Development) Amendment (Southern Highlands Regional Shooting Complex) 2010
- State Environmental Planning Policy (Exempt and Complying Development Codes) Amendment (Extension) 2010
- State Environmental Planning Policy (Sydney Region Growth Centres) Amendment (Miscellaneous) 2010
- State Environmental Planning Policy (Major Development) Amendment (Maps) 2010
- State Environmental Planning Policy (Major Development) Amendment (Three Ports) 2010
- State Environmental Planning Policy (Standard



Instrument) Amendment (Miscellaneous) Order 2010

- State Environmental Planning Policy Amendment (Capital Investment Value) 2010
- State Environmental Planning Policy (Major Development) Amendment (Joint Regional Planning Panels and Consent Functions) 2010
- State Environmental Planning Policy (Sydney Region Growth Centres) Amendment (Alex Avenue and Riverstone Precincts) 2010
- State Environmental Planning Policy (Mining and Infrastructure) Amendment 2010
- State Environmental Planning Policy (Exempt and Complying Development Codes) Amendment (City of Sydney Special Events) 2010
- State Environmental Planning Policy (Western Sydney Employment Area) Amendment (Food and Drink Premises and Service Stations) 2010
- State Environmental Planning Policy No 53 – Metropolitan Residential Development Amendment (Ku-ring-gai) 2010

### Commencement proclamations

- Commencement proclamation under the *Environmental Planning and Assessment Amendment Act 2008* No 36 (notified on the NSW Legislation website on 23 October 2009)
- Commencement proclamation under the *Heritage Amendment Act 2009* (notified on the NSW Legislation website on 16 October 2009)
- Commencement proclamation under the *Heritage Amendment Act 2009* (notified on the NSW Legislation website on 29 January 2010).

### Orders

- Environmental Planning and Assessment Amendment (Hunter Special Contributions Area) Order 2009, made pursuant to section 94EG
- Standard Instrument (Local Environmental Plans) Amendment (Entertainment Venues) Order 2009, made pursuant to section 33A
- Environmental Planning and Assessment (Wagga Wagga Interim Joint Planning Panel) Order 2009, made pursuant to section 23G(1)
- Environmental Planning and Assessment (Western Region Joint Planning Panel) Order 2009, made pursuant to section 23G(1)
- Standard Instrument (Local Environmental Plans) Amendment (Affordable Rental Housing) Order 2009, made pursuant to section 33A
- Environmental Planning and Assessment Amendment (Wollongong City Centre Special Contributions Area) Order 2009, made pursuant to section 94EG
- Standard Instrument (Local Environmental Plans) Amendment (Miscellaneous) Order 2010, made pursuant to section 33A
- Environmental Planning and Assessment Amendment (Fairfield Local Environmental Plan 1994) Order 2010, made pursuant to section 75R(3A)
- Order under section 4(6) of the EP&A Act to declare land within the local government areas of Gosford and Wyong to be a region.

### Directions

- Direction pursuant to section 34 of the Heritage Act 1977 to list an item on the State Heritage Register, being the Balgownie Migrant Workers Hostel (Huts 201, 204 and 210 Cowper Street, Fairy Meadow – SHR No 1767) (gazetted 28 August 2009)
- Direction pursuant to section 34 of the Heritage Act 1977 to amend the State Heritage Register listing boundary for Pipehead, Water Supply Canal and Associated Works (Frank Street, Guildford as shown on plan catalogued HC 2299 – SHR No 01629) (gazetted 9 October 2009)
- Direction pursuant to section 34 of the Heritage Act 1977 to list an item on the State Heritage Register, being Raby (1025 Camden Valley Way, Catherine Field, SHR No 1694 – gazetted 1 March 2010)
- Direction pursuant to section 34 of the Heritage Act 1977 to list an item on the State Heritage Register, being the Holy Trinity Greek Orthodox Church (Lot 7-9, DP 314, Bourke Street, Surry Hills as shown on plan catalogued HC 2316 – SHR No 1816) (gazetted 28 May 2010)
- Direction under section 94EF of the EP&A Act to revoke previous direction dated 19 February 2007 that directed the Wollongong City Council to impose a condition on the granting of development consent requiring a special infrastructure contribution (gazetted 22 January 2010)

### Compulsory acquisition notices

- Notice of compulsory acquisition of land in the local government area of Blacktown, being Lot 40, DP 262886, South Street, Marsden Park (gazetted 21 August 2009).

### Declarations

- Declaration of Critical Infrastructure Project pursuant to section 75C of the EP&A Act for priority developments delivering the Metropolitan Transport Plan (gazetted 12 March 2010)
- Declaration of Critical Infrastructure Project pursuant to section 75C of the EP&A Act for development of the M5 West Widening in conjunction with the existing M5 South West Motorway (gazetted 12 March 2010)
- Declaration of Critical Infrastructure Project pursuant to section 75C of the EP&A Act for the Murrumbidgee to Googong Water Transfer Project (gazetted 10 July 2009)
- Declaration of Critical Infrastructure Project pursuant to section 75C of the EP&A Act for a biofuel production facility (gazetted 14 May 2010)
- Declaration of Critical Infrastructure Project pursuant to section 75C of the EP&A Act for the purpose of an electricity generation facility (gazetted 27 November 2009)
- Declaration of Critical Infrastructure Project pursuant to section 75C of the EP&A Act for renewable energy projects involving wind farms (gazetted 27 November 2009)
- Declaration under clause 276 of the EP&A Regulation to declare precincts in the North West and South West Growth Centres (gazetted 23 October 2009)

- Declaration under section 57 of the Major Events Act 2009 in relation to the Sydney International FIFA Fan Fest (gazetted 28 May 2010)

## Instruments of delegation

- Instrument of Delegation pursuant to section 23 of the EP&A Act delegating some functions of the Minister under Part 3A and Part 4 of the EP&A Act, EP&A Regulation, State Environmental Planning Policy (Major Development) 2005, Sydney Regional Environmental Plan No. 26 – City West and Sydney Local Environmental Plan 2005 and in relation to the Kosciuszko Alpine Resorts to officers within the Department, Sydney Olympic Park Authority, Redfern Waterloo Authority and Canada Bay City Council (gazetted 5 February 2010)
- Instrument of Delegation pursuant to section 23 of the EP&A Act delegating some functions of the Director-General relating to Part 3A of the EP&A Act and Part 1A (Major Projects) and clauses 73 and 231 (Preparation of Environmental Impact Statements) of the EP&A Regulation to officers within the Department (gazetted 6 November 2009)
- Instrument of Delegation pursuant to section 23 of the EP&A Act delegating functions under section 75P(1)(c) relating to a concept plan application for a bulky goods retail store, warehouse and commercial headquarters at 630-726 Princes Highway, Tempe to the Planning Assessment Commission (gazetted 11 September 2009)
- Instrument of Delegation pursuant to section 23 of the EP&A Act delegating some functions in section 116E to modify a development consent to the Planning Assessment Commission (gazetted 11 September 2009)
- Instrument of Delegation pursuant to section 23 of the EP&A Act delegating functions in State Environmental Planning Policy (Kosciuszko National Park – Alpine Resorts) 2007 to officers within the Department (gazetted 2 October 2010)
- Instrument of Delegation pursuant to section 23 of the EP&A Act delegating some functions of the Minister under Part 3 of the EP&A Act to officers within the Department (gazetted 7 May 2010)
- Instrument of Delegation pursuant to section 23 of the EP&A Act delegating some functions of the Director-General under Part 3 of the EP&A Act to officers within the Department (gazetted 7 May 2009)
- Instrument of Delegation pursuant to section 23 of the EP&A Act delegating functions under section 75P(1)(c) relating to a concept plan application for the Hoxton Park Warehouse Project to the Planning Assessment Commission (gazetted 31 May 2010).

## Building Professionals Board (BPB)

### Commencement proclamations

- Commencement proclamation under the *Building Professionals Amendment Act 2008* (notified on the NSW Legislation website on 26 February 2010).

## Regulations

- Building Professionals Amendment (Savings and Transitional) Regulation 2010
- Building Professionals Amendment (Accreditation of Council Employees) Regulation 2010.

## BPB notices

- Notices of amendment of the Building Professionals Board Accreditation Scheme under section 4(e) of the *Building Professionals Act 2005* (gazetted 11 September 2009 and 26 February 2010)

# SIGNIFICANT JUDICIAL DECISIONS

## Rivers SOS Inc v NSW Minister for Planning & Ors

This was an unsuccessful challenge to the validity of the approval granted by the Minister, for the Metropolitan Coal Project on land near Helensburg. The project involved longwall mining of the Bulli Coal Seam. Rivers SOS, an incorporated association of about 40 environmental and community groups across NSW, failed to establish any of its grounds for challenging the Minister's approval and the proceedings were dismissed by the Land and Environment Court. The judgment supported the processes undertaken by the Department in relation to the Part 3A process, and the functions of the Planning Assessment Commission, which had undertaken a review of the project.

## Dates v NSW Minister for Planning [2009] NSWLEC 38

This was an unsuccessful challenge to the validity of the Minister's approval for the construction of a dual carriage highway bypass by the Roads and Traffic Authority. The approval included conditions to enable the protection of Aboriginal heritage. The Court dismissed the applicant's argument that the conditions relating to Aboriginal heritage were in breach of or inconsistent with the *Racial Discrimination Act 1975* (Commonwealth).

## King & anor v Minister for Planning; Parkesbourne-Mummel Landscape Guardians Inc v Minister for Planning; Gullen Range Wind Farm Pty Limited v Minister for Planning [2010] NSWLEC 1102

This case was a merit appeal against the Minister's consent for the Gullen Range Wind Farm near Crookwell. It involved the construction of 73 turbines and associated infrastructure.

Senior Commissioner Moore and Commissioner Fakes of the Land and Environment Court, in a 184-page judgement, granted consent to the wind farm but directed that 13 properties are to be acquired by the proponent (the Minister's approval required six to be acquired) or, in the alternative, for particular turbines to be deleted from the project.

The Court also upheld the Minister's decision to delete 11 turbines near a local airstrip.

The parties negotiated a number of amendments to the conditions.

## Minister for Planning v Moolarben Coal Mines Pty Ltd [2010] NSWLEC 147

This was a successful prosecution brought by the Minister against Moolarben Coal Mines, the operator of a coal mine located near Ulan in the Central Tablelands. The operator pleaded guilty to clearing 4.1 hectares of vegetation, the clearing of which was not permitted by the Minister's project approval for the coal mining activities. The cleared vegetation included an ecologically endangered community.

The Land and Environment Court imposed a fine of \$70,000 and ordered the defendant to pay the Department's costs in the agreed sum of \$55,000.

## Cumerlong Holdings Pty Ltd v Dalcross Properties Pty Ltd [2010]

These Supreme Court proceedings involved a dispute between landowners about the operation of a restrictive covenant over land at Killara. The Minister appeared in the proceedings as a 'friend of the Court' as it raised important questions about the operation of local environmental plans. The litigation involved the proper construction of section 28 of the *Environmental Planning and Assessment Act 1979* which relates to suspension of covenants clauses in local environmental plans (LEPs) and what procedures need to be followed when inserting such a clause in a LEP.

In this case, the issue was whether the approval of the Governor was required before a section 28 suspension clause could be included in an amending LEP, when approval had already been given by the Governor to include such a clause in the principal LEP. The effect of the rezoning in the amending LEP was to apply the suspension clause to the rezoned land.

The Supreme Court upheld the validity of the amending LEP. Cumerlong Holdings has appealed this decision. The Court of Appeal proceedings have been heard and a decision is imminent.

## Kennedy v NSW Minister for Planning [2010] NSWLEC 129

The Sandon Point development has been the subject of several court cases.

In these proceedings, the Land & Environment Court dismissed a challenge to the validity of the Minister's project approval for a residential subdivision. Roy 'Dootch' Kennedy, on behalf of the Sandon Point Aboriginal Tent Embassy, alleged that the Minister's approval was invalid because (1) his decision to grant the approval was manifestly unreasonable and (2) that there was a failure to take into account mandatory relevant matters.

The Court rejected the challenge on all grounds.

The Court was satisfied that the Director General's report clearly informed the Minister about the consultation that had been undertaken with the Aboriginal community groups and that there had been adequate consideration given to flood impacts and risk and climate change.

The Court also rejected arguments that Stockland, the applicant for the approval, had failed to disclose its political donations. The political donations provisions in the *Environmental Planning & Assessment Act 1979* did not apply to this application as its lodgment predated their commencement. Also, making political donations

does not, of itself, provide a ground for challenging the validity of an approval.

Mr Kennedy has indicated that he may appeal this decision.

# RISK MANAGEMENT

The Department participates in the NSW Treasury Managed Fund, a self-insurance scheme which provides workers' compensation, comprehensive motor vehicle, property, public liability and miscellaneous cover.

One of the conditions of this insurance coverage is a requirement to place a high priority on the implementation of sound risk management practices. In 2009-10, the Department has sought to strengthen and strategically manage links between risk management, premium measurement and claims management, along with monitoring to minimise contingent risks and reduce premiums.

The Audit and Risk Committee was restructured during 2009-10 to comply with the requirements of the Internal Audit and Risk Management Policy for the NSW Public Sector.

## Internal Audit and Risk Management Statement for the 2009-10 financial year for the Department of Planning

I, Sam Haddad, am of the opinion that the Department of Planning has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

I, Sam Haddad, am of the opinion that the Audit and Risk Committee for the Department of Planning is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Carol Holley, independent Chair (term of appointment: four years starting 1 December 2009)
- Dr Elizabeth Coombs, independent member (term of appointment: three years starting 1 December 2009)
- Michael Leavey, non-independent staff member (term of appointment: two years starting 16 January 2010)

These processes provide a level of assurance that enables the senior management of the Department of Planning to understand, manage and satisfactorily control risk exposures.



Sam Haddad  
Director-General



## Internal Audit and Risk Management Statement for the 2009-10 financial year for the Building Professionals Board

I, Sue Holliday, am of the opinion that the Building Professionals Board has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

I, Sue Holliday, am of the opinion that the Audit and Risk Committee for the Building Professionals Board is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and members of the Audit and Risk Committee are:

- Carol Holley, independent Chair (term of appointment: four years starting 1 December 2009)
- Dr Elizabeth Coombs, independent member (term of appointment: three years starting 1 December 2009)
- Michael Leavey, non-independent member (term of appointment: two years starting 16 January 2010)

These processes provide a level of assurance that enables the senior management of the Building Professionals Board to understand, manage and satisfactorily control risk exposures.



Sue Holliday  
President, Building Professionals Board

## CONSULTANTS ENGAGED

Name of consultant	Nature of work undertaken	Amount paid
<b>Consultants over \$50,000</b>		
GP Executive Services Pty Ltd	Review business structure of the Department and provide strategic advice	\$225,060
Stephen Barry Kerr	Strategic advice for planning reforms affecting parts 3 and 4 of the EP&A Act and guidelines for the Joint Regional Panels	\$131,220
Terry Barnes Consulting	Review and provision of strategic advice on planning legislation	\$126,551
Elton Consulting	Provision of strategic planning advice for planning reform including stakeholder engagement strategy	\$123,321
Peter James Lawrence	Consultancy to develop new regulations for P4 of the EP&A Act	\$70,254
<b>Sub total</b>		<b>\$676,406</b>
<b>Consultants under \$50,000</b>	Total number of minor consultancies (42)	<b>\$578,502</b>
<b>Total for all consultancies</b>		<b>\$1,254,908</b>

# FUNDS TO NON-GOVERNMENT COMMUNITY ORGANISATIONS

Name of organisation	Amount	Program area (Budget Paper)	Program (Budget Paper)	Purpose of the project	Clients
National Heart Foundation of Australia	\$5,500	Plan Making and Urban Renewal	Departmental contribution towards the Premier's Council for Active Living.	The Department's contribution is part of an interagency plan in consultation with the National Heart Foundation.	Grant is part of a program to develop strategies to encourage citizens of NSW to participate in active living programs.

## PAYMENT OF ACCOUNTS

### Quarterly schedule of accounts payable - aged analysis at the end of each quarter

Quarter	Current (i.e. within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
September quarter	\$407,878	0	\$13,870	\$1,612	\$8,822
December quarter	\$173,312	0	\$7,211	\$12,420	\$8,266
March quarter	\$192,343	0	\$8,209	\$10,912	\$23,816
June quarter	\$1,244,245	\$602,845	\$202	\$841	\$51,637

### Accounts paid on time within each quarter

Quarter	Total Accounts Paid on Time			Total Amount Paid
	Target %	Actual %	\$	\$
September quarter	90	90	\$25,396,401	\$27,031,478
December quarter	90	86	\$14,459,496	\$16,704,282
March quarter	90	79	\$11,724,663	\$13,577,424
June quarter	90	88	\$24,454,942	\$26,502,821

### Building Professionals Board [Co. 9000]

### Quarterly schedule of accounts payable - aged analysis at the end of each quarter

Quarter	Current (i.e. within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
September quarter	\$96	\$2,830	0	\$375	0
December quarter	\$140	\$23,522	\$10,422	\$962	\$2,457
March quarter	\$278	0	0	0	\$720
June quarter	\$188	0	0	0	0

## Accounts paid on time within each quarter

Quarter	Total Accounts Paid on Time			Total Amount Paid
	Target %	Actual %	\$	\$
September quarter	90	88	\$440,942	\$454,298
December quarter	90	80	\$203,266	\$215,089
March quarter	90	70	\$359,876	\$420,060
June quarter	90	89	\$418,219	\$469,799

## Heritage Council of NSW [Co. 1250]

### Quarterly Schedule of Accounts Payable - aged analysis at the end of each quarter

Quarter	Current (i.e. within due date)	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
September quarter	\$12,343	0	0	0	0
December quarter	0	0	0	0	0
March quarter	0	0	0	0	0
June quarter	\$45,057	0	0	0	0

## Accounts paid on time within each quarter

Quarter	Total Accounts Paid on Time			Total Amount Paid
	Target %	Actual %	\$	\$
September quarter	90	95	\$25,877	\$27,094
December quarter	90	85	\$32,497	\$49,498
March quarter	90	73	\$6,907	\$17,391
June quarter	90	91	\$95,987	\$108,003

### Notes on above tables:

- Percentage of accounts paid on time is based on SAP Payment Analysis Report, which compares vendor master file payment terms, invoice document date and payment document date to determine if payment was made on time, and if not, how many days it was late. The dollar value is the actual dollar value of the documents in each column (i.e. paid on time, not paid on time), so the percentage is based on documents, not dollar value.

### Comments

Initiatives to improve payment performance include:

- Tightened controls to ensure correct data entry of payment terms and invoice dates in SAP.
- Prioritising vouchers as they are received in Financial Operations so invoices due for payment first get processed first.
- Use of extra resources, to ensure smooth workflow during peak periods.
- Improved compliance with the tax system by vendors and Departmental staff.

Procure-to-pay was established in Accounts Payable in November 2006. This is an across-government initiative to streamline payment of accounts.

### Penalty interest paid

There was no penalty interest paid during financial year 2009-10.

### Payment by corporate card

Subject to meeting Departmental requirements, eligible staff members are issued with corporate cards to facilitate travel, accommodation and limited purchases.

The Department's corporate card policies represent best practice in accordance with Treasury and the Auditor General's guidelines. The Corporate Card Guidelines/Procedures satisfy the requirements of the Revised Treasurer's Directions TD 205.01-205.08 and are based on the NSW Treasury Review of Credit Card Use Best Practice Guide (TPP 99-2). Corporate card expenditures are monitored for compliance with guidelines on a transaction basis and usage was considered to comply with best practice guidelines.

The Department incurred no late payment fees as a result of corporate card usage.



# WASTE REDUCTION

During 2009-10 the Department implemented its own sustainability policy, which commits the organisation to work with staff, suppliers and stakeholders to develop practices that: reduce unnecessary waste; minimise the organisation's impact on the environment; and promote recycling and reuse.

The organisation has adopted a number of practical measures that support the sustainability policy. They are:

- Increasing use of recycled paper
- Using electronic media to circulate messages and distribute documents
- Reusing furniture and fittings for office fit-outs
- Establishing a series of worm farms in the Department's head office in Bridge Street
- Collecting computers in accordance with the State Government Contract. These were auctioned for revenue and reuse, or recycled if no longer operational
- Supporting the implementation of Employee Self Service (ESS), replacing numerous manual, forms-driven processes with electronic transactions.

By recycling eight tonnes of paper and cardboard, the Department of Planning saved:

- 141 gigajoules of energy (enough energy to power seven homes for a year)
- 25 cubic metres of landfill
- Three tonnes of CO<sub>2</sub> or the equivalent of permanently removing one car off the road
- 185 thousand litres of water or the equivalent of three average-sized backyard swimming pools.

## MAJOR ASSETS

There were no major acquisitions during the year. Additions for the year totalled \$89,000. Details of non-land asset holdings are listed below:

Carrying value* as at 30 June	Last year \$'000	This year \$'000
Leasehold improvements - Heritage Office, Parramatta	4,098	3,754
Leasehold improvements - Newcastle	210	180
Leasehold improvements - Valentine Ave, Parramatta	510	340
Leasehold improvements - make good (various locations)	423	272
Computers	58	39
Plant and equipment	1,258	1,072
Software	450	230
<b>Total assets</b>	<b>7,007</b>	<b>5,887</b>

*\*includes depreciation and write-downs*

## CONTACT DETAILS

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### HEAD OFFICE

23-33 Bridge Street, Sydney NSW 2000  
GPO Box 39, Sydney NSW 2001  
Tel: 02 9228 6111 Fax: 02 9228 6455  
Email: [information@planning.nsw.gov.au](mailto:information@planning.nsw.gov.au)

### Information Centre

23-33 Bridge Street, Sydney NSW 2000  
GPO Box 39, Sydney NSW 2001  
Tel: 02 9228 6333 Fax: 02 9228 6555  
Email: [information@planning.nsw.gov.au](mailto:information@planning.nsw.gov.au)

### Translating & Interpreting Service

Please telephone 131 450. Ask for an interpreter in your language and request to be connected to 02 9228 6333 – the Department of Planning Information Centre. Local call cost from fixed phones. Calls from mobile phones are charged at mobile rates.

### Strategies and Land Release Division

Level 5, 2-10 Valentine Ave, Parramatta  
Tel: 1300 730 550 Fax: 9895 7670

### HERITAGE BRANCH

3 Marist Place, Parramatta NSW 2150  
Locked Bag 5020, Parramatta NSW 2124  
Tel: 02 9873 8500 Fax: 02 9873 8599  
Email: [heritage@planning.nsw.gov.au](mailto:heritage@planning.nsw.gov.au)

### BUILDING PROFESSIONAL BOARD

Level 3, 2-10 Valentine Ave, Parramatta  
GPO Box 3720, Parramatta NSW 2124  
Tel: 9895 5930 Fax: 9895 5944  
Email: [bpb@bpb.nsw.gov.au](mailto:bpb@bpb.nsw.gov.au)

## REGIONAL OFFICES

### SYDNEY EAST REGION

23-33 Bridge Street, Sydney NSW 2000  
GPO Box 39, Sydney NSW 2001  
Tel: 02 9228 6333 Fax: 02 9228 6244  
Email: [information@planning.nsw.gov.au](mailto:information@planning.nsw.gov.au)

### SYDNEY WEST REGION

Level 3, Marist Place, Parramatta,  
PO Box 404, Parramatta NSW 2124  
Tel: 02 9873 8500 Fax: 02 9873 8599

### ACCESS

Business hours for the Department of Planning are 9.00am to 5.00pm.

### NORTHERN REGION

#### Grafton Office

76 Victoria Street  
Locked Bag 9022, Grafton NSW 2460  
Tel: 02 6641 6600 Fax: 02 6641 6601  
Email: [northcoast@planning.nsw.gov.au](mailto:northcoast@planning.nsw.gov.au)

#### Tamworth Office

Level 3, Noel Park House, 155-157 Marius Street  
PO Box 550, Tamworth NSW 2340  
Tel: 02 6701 9689 Fax: 02 6701 9690

### HUNTER AND CENTRAL COAST REGION

#### Newcastle Office

Price Waterhouse Coopers Centre  
Level 2, 26 Honeysuckle Drive  
PO Box 1226, Newcastle NSW 2300  
Tel: 02 4904 2700 Fax: 02 4904 2701  
Email: [hunter@planning.nsw.gov.au](mailto:hunter@planning.nsw.gov.au)

#### Gosford Office

Level 3, 107 Mann Street  
PO Box 1148, Gosford NSW 2250  
Tel: 02 4348 5000 Fax: 02 4323 6573  
Email: [centralcoast@planning.nsw.gov.au](mailto:centralcoast@planning.nsw.gov.au)

### SOUTHERN REGION

#### Wollongong Office

Level 2, 84 Crown Street  
PO Box 5475, Wollongong NSW 2520  
Tel: 02 4224 9450 Fax: 02 4224 9470  
Email: [wollongong@planning.nsw.gov.au](mailto:wollongong@planning.nsw.gov.au)

#### Queanbeyan Office

Level 1, 11 Farrer Place, Queanbeyan NSW 2620  
c/- PO Box 5475, Wollongong NSW 2520  
Tel: 02 6229 7900 Fax: 02 6229 7901

#### Alpine Resorts Assessments

Shop 5A, Snowy River Avenue  
PO Box 36, Jindabyne NSW 2627  
Tel: 02 6456 1733 Fax: 02 6456 1736

### WESTERN REGION

#### Dubbo Office

Area 1, Level 1  
188 Macquarie Street  
PO Box 58, Dubbo NSW 2830  
Tel: 02 6841 2180  
Fax: 02 6884 8483

