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Mr Neil Byron
Presiding Commissioner
Heritage Enquiry Productivity Commission
PO Box 80
BELCONNEN ACT 2616

Dear Mr Byron

**Conservation of Australia's Historic Heritage Places
Productivity Commission Draft Report**

Thankyou for the opportunity to make a submission in relation to the Productivity Draft Report on the *Conservation of Australia's Historic Heritage Places*.

The City of Yarra contains Melbourne's first suburbs and comprises an area of 19.5 square kilometres. The nineteenth century urban fabric dominates Yarra, with representations ranging from traditional Victorian terraces and workers cottages through to grand industrial buildings.

Under the Yarra Planning Scheme approximately 60% of properties in the municipality are covered by heritage overlay controls totalling approximately 25,000 properties. More specifically:

- The City of Yarra has 349 heritage overlays - 33 heritage overlays affecting heritage precincts and 316 heritage overlays affecting individual properties (118 of these properties are also included on the Victorian State Register);
- The City of Yarra has benefited from 8 heritage studies conducted in the past 27 years by the former Cities of Fitzroy, Collingwood, Richmond, Melbourne and Northcote. These studies form the basis of the existing heritage provisions and are Reference documents in the Yarra Planning Scheme; and
- The City of Yarra is currently undergoing an extensive heritage review of its heritage precincts in order to document and identify the levels of significance of all properties in the heritage precincts. This information will be incorporated in the Planning Scheme, including the relevant Statements of Significance.

Implementation of the recommendations made by the Commission is likely to have a significant impact on the City of Yarra due to the large number of heritage properties in the municipality. Accordingly the following comments are made in relation to the draft report:

1. Heritage overlays affecting properties can apply to a row of terraces, shops, trees or tram poles and as such the notion of “negotiated conservation agreements” as recommended by the Productivity Commission may require agreement from a number of different owners with different needs and expectations.
2. The heritage fabric is an important part of the cultural identity of the City of Yarra and has a high level of community support and interest. The Productivity Commission’s draft recommendations do not recognise the high level of community interest and participation in heritage conservation.
3. The recommendations of the draft report would require substantial on-going administration which will cause an additional financial burden to local government with minimal benefits for ratepayers, particularly as most properties under heritage overlay controls within the City of Yarra are currently covered by heritage overlays for heritage precincts.
4. The recommendations of the draft report do not utilise or build upon existing State and Territory statutory provisions. There are substantial opportunities within the Victorian legislative framework to improve the existing heritage system. Work is currently being done by Heritage Victoria to utilise the planning system to reduce the regulatory burden on heritage places. Opportunities to improve the existing planning system for heritage places include permit exemptions for minor works which do not impact on heritage places; greater use of Incorporated Plans; incorporating Statements of Significance and Conservation Management Plans into the Planning Scheme; and more standard assessment guidelines throughout the State.
5. The Commission has accepted the proposition that the site owners in a heritage precinct will not be disadvantaged by heritage controls, but those with individual sites will be. There is no testing of this assumption, or real recognition that the research has either not been done or is ambiguous.
6. It would have been valuable for the Commission to look at the various incentives and how they are able to be funded. The Commission outlined a number of financial incentives eg. rate concessions, but did not explore them. Documentation of where they have been successfully used and how they could be more widely encouraged would have been useful.
7. The recommendations of the draft report do not utilise the opportunities available at the Federal level and propose recommendations that require substantive agreement from local and State government, that is often contrary to their existing systems.
Opportunities for partnership across the government tiers should have been explored. Similarly the report should consider the real opportunities available at the Federal level to improve heritage conservation in Australia. Greater financial incentives including tax relief, loans schemes, educational and marketing programs are all examples of where a national approach would be more effective. The States and Territory have developed independent heritage conservation systems based on their own statutory procedures and their own historical development, not easily accommodating a national approach.

It is considered that the draft report does not provide for the opportunity for the achievement of real change in the existing heritage conservation framework. The recommendations as they stand would not be effective in providing better heritage or economic outcomes for a municipality such as Yarra. There is already substantial opportunity for negotiation in the existing planning system and all listed properties are based on rigorous heritage assessments that have undergone a statutory process.

The City of Yarra is committed to developing best practice models in managing and protecting the municipality's heritage assets based on extensive research and expertise. These practices are built upon 27 years of heritage conservation in the municipality and are a result of community needs and expectations. Substantial local government resources are already utilised to manage and protect heritage places however there are limited opportunities available to help individual owners. Financial incentives by the Federal government would greatly assist the local community in heritage conservation, recognising the value placed on heritage conservation in Australia.

The City of Yarra welcomes the Federal Government's inquiry into heritage conservation and further information can be provided if required by contacting Naomi Keung, Strategic Planner on (03) 9205 5075.

Yours sincerely

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