

**NSW SUBMISSION TO THE
PRODUCTIVITY COMMISSION INQUIRY
INTO THE POLICY FRAMEWORK AND
INCENTIVES FOR THE CONSERVATION
OF HISTORIC HERITAGE**

August 2005

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1. INTRODUCTION

- 1.1. This initial submission has been prepared by the NSW Heritage Office on behalf of the NSW Taskforce formed to respond to the Productivity Commission Inquiry into the Policy Framework and Incentives for the Conservation of Australia's Historic Heritage. The Taskforce includes The NSW Cabinet Office, NSW Treasury, the Historic Houses Trust of NSW, Department of Environment and Conservation, The Government Architect's Office (Commerce), Sydney Harbour Foreshore Authority and the NSW Heritage Office.
- 1.2. This submission is the first of two submissions that will be provided by the NSW Government, providing information on the policy framework in NSW and comments on the pressures affecting the conservation of historic heritage identified in the 2001 *Australia State of the Environment Report*.
- 1.3. A more detailed submission will be prepared and submitted to the Productivity Commission by October 2005. The second submission will discuss the issues relating to the role of government intervention in relation to identified market failures and the key pressures identified affecting heritage conservation in Australia. It will also address a number of the issues raised in the Productivity Commission Issues Paper in more detail.
- 1.4. For the purposes of this submission *historic heritage* includes sites, areas and cultural landscapes¹ as well as buildings and works (singly or grouped), relics, archaeological sites and movable objects and may include components, contents, spaces and views. Heritage *items* and *places* are synonymous terms.
- 1.5. *Heritage* is what we inherit, but more specifically what we retain of this inheritance.

¹ A cultural landscape is one modified by human intervention, or at least affected by human activity. This can range from minimal intervention such as open range grazing on pastoral properties to large-scale degradation such as mining landscapes.

- 1.6. The *heritage value* of a place is also known as its *cultural significance*, which means its aesthetic, historic, scientific, social or spiritual value for past, present or future generations. Cultural significance is embodied in the place itself, its fabric, setting, use, associations, meanings and records. Places may have a range of values for different individuals or groups.
- 1.7. The Productivity Commission has excluded natural, indigenous, movable and intangible cultural heritage from this inquiry. For the purpose of this submission, post-contact indigenous sites are included.
- 1.8. In this submission, the term *conservation* means all the processes of looking after a heritage place so as to retain its cultural significance. It includes preservation, maintenance, restoration, reconstruction, adaptation and interpretation. These terms have specific heritage definitions, as described in the Australia ICOMOS *Charter for the conservation of places of cultural significance*, 1999 (the *Burra Charter*).
- 1.9. *Heritage management* is used to describe all those processes involved in caring for historic heritage including identification of heritage places, policy development and guidelines and physical and practical care and conservation.
- 1.10. The NSW submission has recognised the relevance of the *Australia State of the Environment Report 2001*, which identifies the following sources of pressure on Australia's historic heritage:
- urban redevelopment pressures,
 - population shifts, losses or gains,
 - urban consolidation affecting the heritage character of older suburbs,
 - abandonment of rural structures due to new technology and new markets or products,
 - loss of cultural landscapes through changing rural land use patterns,
 - declining public sector budgets,
 - public building redundancy,

- information and awareness failures,
 - market and policy failures.
- 1.11. These pressures are also relevant in NSW, with the addition of:
- skill shortages and deficiencies in practical knowledge and skills in practical/physical conservation.
- 1.12. **Annexure A** describes these pressures in more detail and how they impact on the historic heritage of NSW.

2. THE NSW POLICY FRAMEWORK

- 2.1. In practice, state government agencies and the independent heritage councils have the responsibility for managing most of Australia's heritage places, although much 'hands on' work (identification of local heritage places and development assessment work) has been devolved to local government.
- 2.2. The state government heritage agencies have a role in setting the strategic framework for heritage management in their jurisdictions and are also involved in decisions in relation to works to heritage sites at a detailed level. State heritage agencies are therefore more 'hands on' than the Australian Government, due to their long-standing statutory approval role in relation to state and, in some cases, local heritage. State government is both well-placed to understand the 'big picture' in the state context and involved enough to understand the 'nitty gritty' of the day-to-day day heritage management that occurs at the local government level.
- 2.3. The legislative framework for the conservation of NSW's historic heritage commenced in 1977 with the introduction of the *Heritage Act* in response to increasing community concern about the loss of the environmental heritage of the state, particularly in localities such as the Rocks and Woolloomooloo and in towns such as Morpeth in the Hunter. In 1979, changes to the *Environmental Planning and Assessment Act* introduced additional heritage management controls within the general planning legislation.
- 2.4. In 1985 a Ministerial Directive commenced the involvement of local government in managing the historic heritage of the state. Major changes in the heritage system were announced in the 1996 Ministerial Heritage Policy (**Annexure B**), resulting in amendments to the *NSW Heritage Act* in 1999. These included the establishment of the NSW State Heritage Register. The amendments further clarified the roles of state and local government in heritage management. This policy also introduced new legislative

requirements for the NSW Government regarding stewardship of historic heritage in its ownership. This is discussed further below in Section 6.0.

- 2.5. The NSW Heritage Office was created as a distinct and separate government agency as a part of the Ministerial Heritage Policy in 1996 to provide independent advice to state government on heritage issues.
- 2.6. Historic heritage management encompasses both environmental and cultural practices. In Australia, the practice has been to locate heritage management in the environmental sector, recognising the importance of the relationship between cultural and natural heritage, as has been the case in Canada and the USA. European practice, which has evolved from monument protection dating back hundreds of years, has varied from place to place but is generally either a distinct entity on its own (for example France and Germany), or related to cultural portfolios (for example England, the Scandinavian countries, Italy and Spain).
- 2.7. The legislative framework for historic heritage management established through the various NSW legislative acts is summarised below.

Table 1: The regulatory framework for historic heritage in NSW

Legislation	Heritage Regulations and Statutory Lists	Agency responsible
<i>Heritage Act 1977 (NSW)</i>	State Heritage Register State Heritage Inventory (database only) Register of Historic Shipwrecks Unlisted historical archaeological 'relics' (older than 50 years)	NSW Heritage Office on behalf of the Heritage Council of NSW
	s.170 Register (agency registers of heritage items)	Individual state agencies (endorsed by the Heritage Council)
<i>Environmental Planning and Assessment Act 1979 (NSW) (EP&A Act)</i>	State Environment Planning Policies Regional Environmental Plans	Department of Infrastructure, Planning & Natural Resources (DIPNR) (made by the Minister on advice of the Department in consultation with the Heritage Office)
	Local Environmental Plans	Local government councils (made by the Minister on advice of DIPNR in consultation with the Heritage Office)
<i>National Parks and Wildlife Act 1974 (NSW)</i>	Aboriginal Sites Register	Department of Environment and Conservation

2.8. **Key State Government Heritage Agencies in NSW**

There are a number of government agencies in NSW with direct responsibility for the management of the state's historic heritage. These can be divided into three categories:

- those with regulatory responsibility for the identification of heritage and involvement in heritage management through the legislation they administer, (NSW Heritage Office, Department of Environment and Conservation, Department of Infrastructure, Planning and Natural Resources)
- those that have heritage places within their portfolios (approximately 85 agencies) and are therefore responsible for their conservation and management including those with heritage conservation as a core business activity (Historic Houses Trust, Sydney Harbour Foreshore Authority, Department of Environment and Conservation),
- a single agency that provides practical conservation services on a semi-commercial basis (Department of Commerce: Government Architect's Office).

The agencies are discussed in the following section. In this second category, only the key agencies that have conservation of historic heritage specifically within their identified core responsibilities are described in full..

2.9. **NSW HERITAGE OFFICE (www.heritage.nsw.gov.au)**

- 2.9.1. The NSW Heritage Office's primary role is to administer the *Heritage Act 1977* and ensure that the NSW government's heritage policy is carried out effectively. The mission of the NSW Heritage Office is 'Helping the community to conserve our heritage'. The Heritage Office and Heritage Council of NSW also provide independent expert advice on historic heritage matters to the NSW government.

- 2.9.2. The work of the Heritage Office is guided by the [Heritage Council of NSW](#), a body appointed by the Minister for Planning, the Hon. Frank Sartor, to reflect a cross-section of community, government and conservation expertise.
- 2.9.3. The [NSW Government Heritage Policy 1996](#) issued by the then Minister for Urban Affairs and Planning, the Hon Craig Knowles and the [Heritage Week Directions Statement 2000](#) issued by the then Minister for Planning, Dr Andrew Refshauge, provide the state government policy on historic heritage. These are provided at **Annexure B** and **Annexure C**.
- 2.9.4. The consolidated *Heritage Act 1977* and its amendments can be viewed via the website of the [Australasian Legal Information Institute](#).
- 2.9.5. The scope of heritage managed under the *NSW Heritage Act* includes buildings, objects, monuments, Aboriginal places, gardens, landscapes, archaeological sites, shipwrecks, relics, bridges, streets, industrial structures, natural heritage sites and conservation precincts. A breakdown of the number and types of places identified on the statutory heritage lists in NSW is provided in Section 7.0.
- 2.9.6. The NSW Heritage Office recognises that there are four essential ingredients needed to achieve its aims:
- a sound regulatory framework (regulatory instruments),
 - provision of adequate support, expertise and guidance for other regulators, owners and managers with heritage management responsibilities (regulatory instruments including policy advice support and guidelines),
 - provision of identified educative material to assist in the identification and management of heritage places (suasive measures),
 - an incentives package (economic instruments).

2.9.7. The NSW Heritage Office structure and programs are targeted around these four essential 'ingredients' and are reflected in the work of the Heritage Office that includes:

- providing specialist advice to the Minister responsible for heritage, the Heritage Council and the wider community about the management of heritage across New South Wales,
- maintaining the State Heritage Inventory ([heritage database](#)), an online list of all statutory-listed heritage items in NSW,
- administering the State Heritage Register, which lists items of particular importance to the people of New South Wales,
- supporting state government agencies in fulfilling their responsibilities for the care and conservation of heritage items within their portfolios,
- developing best practice management of items of heritage significance to the state, including the assessment of changes to items on the State Heritage Register,
- producing information and publications on heritage policy and heritage guidelines,
- supporting community heritage conservation projects around NSW through the [Heritage Incentives Program](#) and liaison with community groups,
- administering, under delegation to the Director of the Heritage Office, the Commonwealth *Historic Shipwrecks Act 1976* in relation to historic shipwrecks adjacent to the NSW coast.

2.9.8. Central to the rationale of the NSW Heritage Office is the understanding that a small agency's ability to deliver the conservation of the state's heritage is reliant on its ability to work in partnership with a wide range of stakeholders from the government and non-government sectors. This is enshrined in its mission statement, and is at the core of the Heritage Incentives Program, which is discussed in more detail in Section 3.0, and includes partnering with others to deliver regulatory responsibilities. These partnerships and relationships are illustrated in **Annexure D** and **Annexure E**.

- 2.9.9. This partnering is essential to leverage the Heritage Office resources and to build capacity and responsibility in the wider community for conserving the State's heritage. It recognises the fact that historic heritage is a public good, therefore the public plays an important role in its conservation.
- 2.9.10. The establishment of the NSW Heritage Office in 1996 has considerably raised the profile of historic heritage in NSW, enabling the state's heritage and its conservation to be viewed outside the planning system in the same way natural heritage has been managed in NSW, through a discrete agency. The advice of the Heritage Office is independent, which was recognised as necessary by the NSW Government (see NSW Heritage Policy 1996 at **Annexure B**). It has also ensured efficient and effective responses to the public and government on heritage issues.
- 2.9.11. Heritage is recognised as an environmental and cultural issue and governments internationally have recognised the need to separate planning and environmental management to some extent to ensure best conservation outcomes. Although the *Heritage Act* encompasses the listing process, heritage conservation is more than land management. The separation of the Heritage Office has achieved this in NSW. It is recognised that a large part of the work of the Heritage Office is in the cultural sector.
- 2.9.12. The creation of the Heritage Office has also served to give historic heritage in NSW a clear identity within government policy framework. The independence of the Heritage Council is also better recognised and respected.

- 2.9.13. The relocation of the Heritage Office to a best practice example of conservation practice in Parramatta has also been an important in promoting the profile of the State's heritage. It has achieved this through the demonstration of an adaptive reuse of a state heritage building which has become the catalyst for the regeneration of this sector of historic Parramatta. It was also a flagship in demonstrating the importance of Parramatta as Australia's second point of European settlement in the late eighteenth century.
- 2.9.14. The conservation of the building itself—which has achieved acclaim due to its conservation practice, urban and interior design qualities and green building credentials—shows government leading by example.
- 2.9.15. The work of the Heritage Office has increased considerably since it was created in 1996. In 2004-5, the Heritage Office processed 584 development applications. The value of the approvals work for heritage places that required a section 60 application (approx 30% of all development assessment work) totalled \$ 534,583,967 in 2004-5.
- 2.9.16. An important aim of the Heritage Office over the last five years has been to improve efficiency and effectiveness in its work in relation to development assessment. A number of initiatives have been introduced to streamline the system and how it interrelates with the *Environmental Planning and Assessment Act 1979 (NSW)* (EP&A Act)—the principal regulatory legislation for development assessment. The Heritage Office has seen this as essential for two reasons: firstly to provide as efficient a service as possible to the public and make the most effectively use of Heritage Office resources, and secondly to reduce any additional burden placed on owners of heritage properties as a result of the regulatory framework.

- 2.9.17. This has also enabled the Heritage Office to focus on issues where value is added to the process, rather than carrying out unnecessary processes that can be seen by the public as being bureaucratic and of little public benefit.
- 2.9.18. The Heritage Office manages six properties on behalf of the Corporation Sole (Minister administering the *Heritage Act 1977*), five of which are historic buildings, the sixth a moveable item.
- 2.9.19. The budget of the NSW Heritage Office in 2004-5 was \$7.732 million (of which \$2.38 million was the Heritage Incentives Program and \$ 0.4million was income). In 2004-5 the Heritage Office had 41 estimated full-time (eft) staff.
- 2.9.20. Further information on the role of the NSW Heritage Office is available in the Strategic Plan for 2000-2005 and the 2003-4 Annual Report, which may be downloaded from the Heritage Office website.
- 2.9.21. **The Heritage Council of NSW**
- 2.9.22. The NSW Heritage Council of NSW is an advisory body of 15 members appointed by the Minister, under the NSW *Heritage Act 1977* and includes members of the community, the government, the conservation profession and representatives of organisations such as the National Trust of Australia (NSW).
- 2.9.23. The Heritage Council receives advice and administrative support from the NSW Heritage Office. The NSW Heritage Office acts as a delegate of the Heritage Council in performing many of its day to day responsibilities.

2.9.24. Despite being a distinct body formed under the Heritage Act, the difference between the Heritage Council and the Heritage Office is not widely understood outside the major stakeholder groups, and the terms are often used interchangeably by the public. As the functions of the Heritage Council are clearly articulated in the *Heritage Act*, and the Heritage Office is a delegate when exercising any Heritage Council functions, this has not posed particular problems to date or affected the profile of the two entities.

2.9.25. The Heritage Office has promoted the roles and responsibilities of the Heritage Council in relation to its regulatory roles through the publication of leaflets and has promoted transparency in the carrying out of Heritage Council business. The Heritage Council posts its meeting agendas and minutes on the Heritage Office website. The Heritage Council papers are made available on request in advance of their meetings. Presentations and representations by applicants and members of the public in support or with concerns about particular issues are a regular feature of the Heritage Council meetings.

2.9.26. The NSW Heritage Council business involves three key areas:

- providing policy advice, setting standards and strategic direction for heritage management in NSW,
- identification and assessment of potential heritage places for the State Heritage Register and Local Environmental Plans, and
- assessment and determination of development proposals for places of state heritage significance.

2.9.27. Under Section 169(3) of the *Heritage Act* the Heritage Council may, with Ministerial consent, delegate to a person any of its functions. In relation to state government heritage management, the NSW Heritage Council has delegated certain of its approval powers to a limited number of state

government agencies that have adequate skills and expertise to carry out these functions. Agencies with delegation to carry out certain Heritage Council functions in relation to the approval of certain development applications for items listed on the State Heritage Register include the Department of Conservation (Cultural Heritage Division) and Sydney Harbour Foreshore Authority (Executive Director Tennant and Asset Management). The Historic Houses Trust of NSW is exempt from the necessity to gain approval from the Heritage Council for works to their State Heritage Register listed property due to the recognition that their function is to exemplify best practice heritage conservation and demonstrate this to the public.

2.9.28. All local government councils in NSW also have delegation to approve applications of works with negligible impact on state heritage items.

2.9.29. More information about the Heritage Council and its roles and responsibilities is available on the Heritage Office website.

2.10. **DEPARTMENT OF INFRASTRUCTURE, PLANNING AND NATURAL RESOURCES**

2.10.1. The Department of Infrastructure, Planning and Natural Resources (DIPNR) is the NSW government agency responsible for the administration of the planning legislation under the *Environmental Planning and Assessment Act 1979 (NSW)*.

2.10.2. DIPNR sets the strategic planning direction for the state through statutory and non-statutory policy documents. DIPNR also assesses major development of

state or regional significance for the approval of the Minister for Planning under the EP&A Act.

2.10.3. The EP&A Act provides local governments in NSW with the power to manage places of heritage significance within their local area through local environmental plans (LEPs). LEPs include standard heritage provisions and schedules of identified heritage items. The provisions set out any approvals requirements that a council has for development for a listed item, identifies the assessment process that the council has to follow and identifies incentives that the council may have in place to assist in the management of historic heritage places within the area.

2.10.4. The role of local government in relation to LEPs is described below in Section 4.0. LEPs are made by the Minister for Planning on advice from DIPNR, that is required to consult with the Heritage Office in relation to the heritage content of an LEP.

2.10.5. DIPNR is responsible for setting State Environmental Planning Policies (SEPPs) and Regional Environmental Plans (REPs), which may also include schedules of heritage items and provide provisions for their care. This is done in consultation with the NSW Heritage Office.

2.10.6. The consent authority for development assessments in NSW is either local government or, where identified in a SEPP or REPP, the Minister. The Heritage Office provides advice to DIPNR in relation to development applications affecting state and regional heritage items in SEPPs and REPs that include provisions for heritage management.

2.11. **DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

(www.environment.nsw.gov.au)

- 2.11.1. The NSW Department of Environment and Conservation (DEC) has a broad role as both an environmental regulator and a land manager. Within the historic heritage area, the main responsibilities for DEC include the management of public historic heritage assets within parks, reserves and other land owned or managed by the department, which includes some 8% of the total land in NSW. In addition, DEC is responsible for the administration of the *National Parks and Wildlife Act 1974* (NP&W Act) in relation to the protection and management of Aboriginal sites, places and relics.
- 2.11.2. DEC maintains a range of expertise in historic heritage management to undertake its responsibilities in this area. Within the **Cultural Heritage Division**, there are three units which contain historic heritage expertise: Policy and Planning (3.6 staff), Information Systems and Programs (1 staff) and Research (2 staff). There are also staff within the Parks and Wildlife Division, which assist with local management of historic heritage, but these positions are primarily located in the Central Branch, in the greater Sydney Region.
- 2.11.3. DEC maintains a Historic Heritage Information Management System (HHIMS), which presently contains over 9,000 entries for historic complexes, sites, structures and site elements within departmental owned land. The HHIMS Register functions as the Department's section 170 Heritage and Conservation Register (as required under the NSW *Heritage Act 1977*—see Section 6.00) and entries range in scale from individual site elements (eg a fence, or building) to whole complexes such as the Hill End or Hartley historic sites.

2.11.4. Funding for historic heritage management of DEC-managed properties comes from two main sources: the Historic Asset Maintenance Program (HAMP) and recurrent regional funding. The HAMP program is a \$2 million recurrent annual budget tied specifically for planning, maintenance and works to historic assets.

2.11.5. This program has been running since 1995 and has injected over \$20 million into historic heritage during this period. Additionally, individual branches and regions may spend elements of their recurrent budget on works to historic heritage, but these figures are not centrally recorded and would be considerably less than funds which are allocated via HAMP.

2.12. **THE HISTORIC HOUSES TRUST OF NSW** (www.hht.net.au)

2.12.1. The Historic Houses Trust of New South Wales (HHT) was established under the *Historic Houses Act 1980* to manage, conserve and interpret the properties vested in it, for the education and enjoyment of the public. The HHT is a statutory authority of the state government of New South Wales funded through the NSW Ministry for the Arts. Unique to NSW, the HHT is one of the largest state museums bodies in Australia and is a leader in conservation and management of historic places in the country. The HHT is guided by the view that museums must be relevant to and inform contemporary society, and that they need to be part of current debates in the community and open to new ideas, as well as being the repositories of important collections and the memories of the community.

2.12.2. The HHT's mission is to conserve, interpret and manage places of cultural significance with integrity and imagination, and in doing so to inspire an

understanding of New South Wales' histories and diverse cultural heritages for present and future generations.

- 2.12.3. The HHT's goals are influenced by this mission, which balances the twin goals of conservation and interpretation with public access. The HHT is committed to the highest standards of conservation of its properties to preserve them for future generations. The HHT is also committed to the highest standard of interpretation of its properties for the education and enjoyment of the public. The HHT aims to educate without being didactic, to embrace cultural diversity and to produce relevant and contemporary programs which relate to a wide range of communities. The HHT welcomes everyone and does its best to provide services that will attract all sectors of the community.
- 2.12.4. HHT has been established for 25 years. Its property portfolio includes 14 properties and their collections. These places are a diverse group representing different aspects of the history and cultural heritage of NSW. The portfolio was generally not selected by the HHT. The majority of its properties were already in government ownership because of their cultural significance and were transferred to the HHT. Although very broad, the portfolio is not representative of the state's cultural heritage, nor does it try to be.
- 2.12.5. HHT Properties include: Elizabeth Farm (from 1793), The Mint (1810), Rouse Hill estate (1813), Hyde Park Barracks (1817), Vaucluse House (1827), Government House (1837), Elizabeth Bay House (1839), Susannah Place (1844), Justice and Police Museum (1856), Meroogal (1885), Young St terraces (1870s), former Rouse Hill Public School (1880), Rose Seidler House (1947), and the Museum of Sydney (1788/1995).

2.12.6. HHT achieves its mission through:

- opening its properties to the public,
- offering targeted education programs oriented to school syllabuses,
- providing tertiary programs for university and adult audiences,
- staging public programs for all ages,
- staging major exhibitions at three venues, some travelling to regional NSW and interstate,
- producing major publications,
- outreach programs for hospitals, country schools, regional gallery exhibitions,
- providing a detailed web site,
- developing online catalogues for some of its collections and the library,
- partnerships with regional ‘companion districts’—presently Inverell, Hay and Shoalhaven Shires, as well as other professional groups eg DEC at Hill End,
- servicing a HHT Members organisation,
- an established volunteers program,
- creating the Endangered Houses Fund—a revolving fund to be used to purchase threatened houses, conserving and/or adapting them and on-selling back to private owners,
- establishing a fundraising foundation.

2.12.7. The budget of the HHT in 2004-5 was \$23.5 m of which \$18.2 was recurrent state government funding. The HHT employed 177 eft staff.

2.13. **SYDNEY HARBOUR FORESHORE AUTHORITY (www.shfa.nsw.gov.au)**

2.13.1. Sydney Harbour Foreshore Authority (Foreshore Authority) was established in 1998 under the provisions of the *Sydney Harbour Foreshore Authority Act 1998* and is responsible for Sydney’s most historically and culturally significant waterfront locations. Its role is to:

- restore, preserve, manage and promote some of Australia's most important heritage buildings and areas,
- run events, community and education programs,
- manage properties, carry out capital works and undertake major projects.

2.13.2. The Foreshore Authority is the second largest landholder in Sydney, owning 430 hectares. It also manages a number of other properties on behalf of other NSW Government agencies.

2.13.3. The Foreshore Authority is responsible for protecting and enhancing the natural and cultural heritage of Sydney's inner harbour foreshore. It has become a world-class leader in the management and redevelopment of harbourside lands. It has achieved this by carefully balancing the demands of heritage conservation, urban renewal, commercial development and community and visitor expectations.

2.13.4. The Foreshore Authority land holdings include two major Sydney precincts: The Rocks (a state heritage listed precinct) and Darling Harbour.

2.13.5. The Foreshore Authority has nationally significant natural and cultural heritage resources. Items of heritage significance in its precincts include:

- existing and potential archaeological sites,
- landscapes,
- buildings,
- engineering structures,
- monuments, and
- movable heritage.

- 2.13.6. The Foreshore Authority is responsible for the care and interpretation of heritage and archaeological sites in conjunction with sympathetic development.
- 2.13.7. The Rocks, in particular, is considered to be the most significant heritage precinct related to European settlement in Australia.
- 2.13.8. In 2003/04, Community Service Obligation expenditure on heritage maintenance programs was \$0.8 million.
- 2.13.9. In addition, in 2003/04, \$3.2m was paid for capital works that included works to heritage sites including precinct signage, lighting, construction of parks, Dawes Point seawall rectification and other infrastructure works. It also included work to Ballast Point open space development.
- 2.13.10. The Foreshore Authority also place-manages parks and other public open spaces within its precincts, including approximately nine hectares of parkland in Pyrmont/Ultimo, Tumbalong Park at Darling Harbour, and Dawes Point Park and First Fleet Park in The Rocks.
- 2.13.11. Under *State Environmental Planning Policy 56* (SEPP 56) the consent authority for the principal Foreshore Authority precincts (The Rocks, Darling Harbour, Luna Park and Ballast Point) is the Minister for Planning.

2.13.12. The Foreshore Authority undertakes planning assessment in accordance with the *Environmental Planning & Assessment Act 1979*, on behalf of the Minister, including development applications (DA's) and Master Plans for these areas. This role was transferred from the then Department of Infrastructure Planning and Natural Resources to the Authority on August 2003. The Planning Assessment team, a distinct planning unit within the Corporate Services division undertakes this assessment work.

2.13.13. Similarly, the Authority's heritage team assesses applications under section 60, section 57(1) and section 140 of the *Heritage Act 1977*, under delegation from the Heritage Council of NSW.

2.13.14. Staffing: At 1 February 2005 the Foreshore Authority had 175 eft staff of which seven are directly involved in heritage conservation.

2.13.15. The Foreshore Authority is a non-budget dependent agency. Sources of income of \$176m in 2003/04 were:

Rental revenue	-	\$134m (or 76%)
Development income	-	\$35.2m (or 20%)
Visitor Centre sales	-	\$4.0m (or 2%)
Interest	-	\$1.3m (or 1%)

2.14. **Other agencies with responsibility for managing state-owned heritage places**

2.14.1. There are approximate 85 other state government heritage agencies that own heritage places or items and are subject to the provisions of section 170 of

the NSW *Heritage Act*. Of these, approximately 15 have met their obligations under the 2004 *State Agency Heritage Guide: management of heritage assets by NSW government agencies*. Within that there is great range from agency to agency as to the number of heritage properties owned. The chart in Section 7.0 provides the number of state items currently included on registers. State government agency ownership and management of historic heritage sites is discussed in Section 6.0.

2.14.2. **Sydney Water Corporation (SWC)** is an example of a state infrastructure agency which, while not having heritage management as a core focus, has adopted a number of initiatives to appropriately manage its portfolio of 220 heritage assets.

2.14.3. SWC has taken the approach of resourcing heritage management at a level which facilitates appropriate management of heritage assets in these circumstances. This level of resourcing has risen and fallen in response to identified needs within the Corporation. SWC's approach has included the addition of permanent in-house heritage staff (two eft) and establishing teams of project-based contract heritage staff as required (currently one eft but has been up to 4.5 eft). SWC also undertakes occasional small-scale targeted heritage projects, including heritage publications and participation in public heritage programs. Works to heritage assets are being progressively integrated into normal works and budgeting cycles for infrastructure and property management. SWC manages these processes through procedures within an ISO 14001 certified Environmental Management System, which is audited annually.

2.14.4. Other state agencies with large numbers of heritage items within their portfolios include the Department of Lands, the Roads and Traffic Authority

(RTA), Railcorp, Attorney General's Department, the Department of Housing and the Department of Education.

2.15. **NSW DEPARTMENT OF COMMERCE: GOVERNMENT ARCHITECT'S OFFICE (www.dpws.nsw.gov.au)**

2.15.1. The **Government Architect's Office (GAO)** within the Department of Commerce is the NSW Government's primary source of independent design and advisory consulting services in the fields of architecture, structural and services engineering, heritage, landscape, indigenous design, urban design, surveying and quantity surveying resources for the provision of public building infrastructure and maintenance.

2.15.2. The GAO operates on a fee for service basis providing design, documentation and risk management advice to other state government agencies and local governments.

2.15.3. The **Heritage Design Services (HDS)** group within GAO provides a diverse range of built heritage conservation services to other government departments, as well to other GAO teams including the Project Management group and the department's maintenance and construction division. HDS is a unique service in Australia.

2.15.4. HDS is a group of skilled and experienced conservation professionals and technical officers led by the Principal Heritage Architect. It provides strategic and detailed technical services via the following in-house resources;

Conservation architects	14
Conservation technicians	2

Archaeologist	1
Researcher /archivist	1
Conservation planner	1
Interior design/ graphics	<u>1</u>
Total	20

2.15.5. The HDS group is complemented on heritage conservation projects by GAO structural engineering services and specialist private sector engineer consultants.

2.15.6. It is also complemented (as required) by private sector historians, industrial heritage, petrography, non-destructive diagnostics, and archaeology, interpretation and landscape consultants.

2.15.7. The HDS group is a fully fledged practical consultancy business offering the broadest range of professional heritage consultancy services in NSW ranging from heritage research and assessments to on-site works, collection management and specialist trade management. HDS offers a unique set of skills and services at the highest standards of conservation practice.

2.15.8. The annual revenue of the HDS team's service is approximately \$2.2m pa.

2.15.9. The Government Architect and Principal Heritage Architect provide advice to government on heritage matters through their role on the Heritage Council of NSW and various other committees.

2.15.10. The construction arm of Commerce is the **Heritage and Building Services (H&BS)** group which provides specialist conservation trade services in stone masonry, heritage roofing, lead work and conservation works scaffolding. It also undertakes significant general asset maintenance work.

2.15.11. This group collaborates closely with HDS to deliver various conservation projects including the Minister's Centenary Stonework Program which is discussed in Section 6.0.

2.15.12. The **Heritage Services Group** within Heritage & Building Services includes the following traditional trades skills;

- **Stone masons**

- master mason 1
- stone processors 5
- banker masons 9
- stone setters 8
- apprentices 3

28

- **Roofers / lead workers**

- Roofers 4
- lead workers 3
- apprentices 2

9

- **Heritage scaffolders**

Scaffold designer/

- Coordinators 2

2

2.15.13. The H&BS group is supplemented by private sector trade resources as projects and programs demand and depending on the sensitivity of the site and/or the works required.

2.15.14. The annual revenue for the heritage conservation component of Heritage and Building Services works is \$6.5m pa.

2.15.15. It is an indicative estimate only that the total expenditure by Commerce on the conservation of built heritage assets of its client agencies is approximately \$16m pa.

3. HERITAGE INCENTIVES IN NSW

3.1.1. There are various incentives available for historic heritage conservation in NSW. These are delivered either through local government programs (some of which are supported by state government) or by the NSW government, administered by the NSW Heritage Office. The flagship program is the NSW Heritage Incentives Program which is discussed in the following section.

3.2. THE NSW HERITAGE INCENTIVES PROGRAM

3.2.1. Introduction to the program

3.2.1.1. The NSW Heritage Office currently spends \$2.4 million per annum on a grants and loans program in NSW. The Heritage Incentives Program is a highly effective and successful program that has achieved a high level of leverage on government money and made a real difference in rural NSW, where it is almost exclusively targeted.

3.2.1.2. To ensure the best use of the available funds the Heritage Office has a very targeted program that since 2002 is run in eight parts as set out below.

3.2.1.3. The eight- part program enables the requirements of clients to be more realistically matched. For example, heritage management support funding to rural council is now automatic rather than by competitive application because it is a key priority area for the Heritage Office. The Heritage Office offers automatic funding to every one of the 107 rural councils in NSW to prepare full heritage listings for their areas, an advisory service and a local heritage fund. A summary of the funding allocation is provided below in Table 1.2

3.2.1.4. On the other hand funding for major conservation projects is now run every two years and is by competitive application to enable funding to be allocated

to the highest priority projects. Under the latest round, 2004-2006, a total of 83 applications were lodged and 73 were approved.

3.2.1.5. The incentives funding has not increased since 1996, although since 2002 the monies has been Treasury funded.

3.2.1.6. A summary of the eight heritage incentives programs is provided in Table 2.

Table 2: Summary of the Eight Heritage Incentive Programs

Program No	Purpose	Notional \$ per year
1	Conservation or presentation work projects (assessed as part of the advertised program). In 2004-2006, 73 projects approved totaling \$2.2 million	\$1,000,000
2	Thematic studies, education and promotional projects (assessed as part of the advertised program) In 2004-2006, 11 projects approved totaling \$250,000	\$200,000
3	Aboriginal heritage projects (assessed in batches throughout the year) In 2004-2005, 11 projects approved totaling \$199,000	\$200,000
4	Conservation management plans on items of state heritage significance - \$2,500 per project (assessed throughout the year) In 2004-2005, 8 projects approved totaling \$20,000	\$40,000
5	Special purpose grants and loans projects - upper limit of \$5,000 per project (assessed throughout the year) In 2004-2005, 10 projects approved totaling \$50,910	\$50,000
6	Three-year service agreements to local councils for heritage advisory services, heritage studies, local heritage funds etc In 2004-2005, 282 projects approved. Cost of this program in excess of \$700,000 per year.	\$600,000
7	Three year service agreements to partner organisations like the National Trust In 2002-2005, 12 projects approved totaling \$930,845 involving 5 organisations	\$314,000
8	Local history and archives projects through the Royal Australian Historical Society In 2004-2005, approx 35 projects approved totaling \$45,000	\$45,000

3.3. Further detail on the eight-part program is provided in **Annexure F**.

3.4. Other incentives for heritage in NSW via the NSW Heritage Office

3.4.1. The Heritage Office funds a part time officer at the NSW National Trust to run a tax deductible appeal system for restoration projects. In 2003-2004 this

generated \$1 million in funding to a range of community and church projects across the state.

3.4.2. The heritage advisory system across NSW enables owners to obtain free advisory services which would otherwise be a cost to owners.

3.4.3. The NSW Heritage Office maintains a regularly updated website, and hard copy advice, on avenues of funding for heritage projects in NSW. It includes reference to other grant programs (state and Commonwealth), fund-raising ideas, tax arrangements, transfer of floor space and equity loans from banks etc.

3.4.4. **Funding coverage in NSW**

3.4.5. The NSW Heritage Incentives program provides:

- access to the widest free heritage advisory service in Australia (see figures above),
- access to up-to-date information on all known incentives in NSW,
- high level (but low cost) coverage to all rural councils to achieve best possible management of their heritage resources,
- good coverage of Aboriginal heritage through the provision of \$200,000 in grants each year to projects where there is high confidence in outcomes,
- equitable arrangements for local rates and land tax through heritage restricted valuations. These provide the mechanism to ensure that no owner need pay local rates and land tax on a valuation which does not reflect its heritage status,
- good access to small grants throughout rural NSW through the automatic establishment of \$16,000 per year local funds, and
- practical support to partnership agencies like the National Trust, professional bodies (architects and engineers) and regional heritage project bodies (Great North Road and Cobb and Co projects).

3.5. The Importance of the Local Government Heritage Management Support

3.5.1. Of these eight programs, the most important in terms of positive flow-on effect is the Local Government Heritage Management Support. This is because by far the biggest number of heritage items exists at the local level (at July 2005, 31,176 heritage items were listed by local councils). To this can be added the many thousands of items within listed conservation areas.

3.5.2. The local government program is considered the mainstay of the Heritage Incentives Program for three reasons. Firstly, local government actions have a major influence on the historic environment as a whole, through management of the strategic planning at local level and their day-to-day management of the historic environment. Secondly, they exert a major influence on the management of heritage items through the development assessment process. Thirdly, as major owners of heritage places, they can demonstrate leadership in best practice management of our rural and urban historic environment.

3.5.3. While grant funding to councils is limited to rural councils, the Heritage Office provides an important networking role for all councils across the state including an electronic network, heritage advisory training and annual and regional seminars.

3.5.4. Through the Heritage Office, the NSW Government plays a critical role in supporting and sustaining local government heritage management through the program. Being on the end of the phone to provide day-to-day support, and influencing local government to become interested in their heritage and put systems in place to manage it are seemingly small, but crucial factors. Providing the money direct to local government without the support provided

by the NSW Government would not achieve the same value for money as the current system reaps.

3.5.5. The heritage advisory arrangement in NSW is an indicator of the success of this networking and targeted funding as shown by the following figures:

- 137 councils out of the 152 councils (90%) in NSW have access to heritage services—either a heritage advisor position (122) and/or an officer knowledgeable in heritage matters (15),
- 87% (93) of the 107 rural councils have an advisor position,
- 100% of the 45 metropolitan councils have either an advisor position (29) or officer position (16).

3.6. **Program Priorities for the Heritage Incentives Program 2004-2006**

3.6.1. In 2004-2006 priority is being given to projects that:

- conserve and present state significant non-residential heritage precincts (including main streets) in rural and regional areas (special priority will be given to projects linked to heritage tourism);
- assist ethnic communities to identify, assess and manage places, objects and collections they value;
- conserve and present state significant collections of movable items, except railway items; and
- undertake thematic studies which identify items of state heritage significance. Applications are particularly sought for state-wide studies of sporting places, World War II sites, bushranging sites, scientific/experimental sites, local council buildings and utilities such town halls, river transport and cemeteries.

3.7. The Heritage Incentives program is tightly run with carefully crafted criteria that have to be met before funding is provided. Applications are assessed by

the Heritage Office and then determined by a committee of the Heritage Council. This is to ensure that there is a high degree of certainty of a project being completed, and probity within the system.

3.8. Given that the Incentives fund has remained at its current sum since 1996, the criteria have been tightened to maximize the leverage from the money available.

3.9. The criteria for funding include:

- the place must be on listed as a heritage item on the Local Environmental Plan,
- the place must be of state significance,
- the project must be a minimum of \$20,000,
- the maximum contribution by the fund is 50%,
- the maximum funding provided is \$50,000,
- the Heritage Advisor must endorse the project,
- the works must exemplify best practice, and
- no privately owned buildings in the metropolitan area are eligible.

3.10. Because the program is so carefully targeted, applications are filtered so that those that are not eligible do not apply. Hence the high proportion of applications that receive funding.

3.11. The program does not fund locally significant properties, which in rural areas may achieve funding through a local government fund. In metropolitan areas, local funds are rare, so there are essentially no direct financial incentives for owners of residential properties through grant programs in NSW.

- 3.12. Given the size of the program and its demands, it cannot provide funding for larger projects. This is problematic as there are a number of needy and important places that languish without some incentives to leverage enough to facilitate an outcome.
- 3.13. In NSW, occasional one-off grants are made on a needs basis. These are funded by NSW Treasury but are subject to the same criteria as the existing program. Recent examples include a \$500,000 grant to the Great Synagogue in Sydney, \$200,000 for Murphy House (part of the St Patrick's Cathedral complex in Parramatta) and \$200,000 for the Saraton Theatre in Grafton.
- 3.14. **Other incentives in NSW**
- 3.15. *Making Heritage Happen: Incentives and Policy Tools for Conserving our Historic Heritage*, produced by the Australian Environment Protection and Heritage Council in 2004, outlines the available incentives for heritage conservation in NSW, and since the time it was written there has been no change in that status.
- 3.15.1. This includes heritage restricted valuations. All owners of local and state heritage items are eligible to receive a heritage restricted valuation to obtain lower local rate and land tax charges.
- 3.16. One state government initiative not mentioned in *Making Heritage Happen* is the Endangered Houses Fund, which is administered by the Historic Houses Trust of NSW (HHT). The Endangered Houses Fund was inspired by a project in 1993 when the HHT purchased a house designed by Walter Burley Griffith and Marion Mahoney in Castlecrag, (a Sydney suburb). The HHT conserved this house, also building a modest new 'infill' dwelling in the

substantial garden. Both houses were re-sold with statutory protection. The Historic Houses Trust plans to do this with various special properties as they arise. The Funds are raised by the HHT Foundation and invested and managed by the HHT to ensure there is capital to purchase endangered properties.

- 3.17. Local government incentives include local government local heritage funds which may be part funded by the Heritage Office as described above. Some councils fund these themselves, and the total amount available varies from council to council.
- 3.18. Local environmental plans (LEPs) can also provide incentives for owners of heritage places through various means such as broadening the range of development permissible subject to conditions requiring the conservation of the item.
- 3.19. Sydney City Council has a transferable heritage floor space scheme which allows owners to trade the lost development potential of an item that arises due to its listed status and the conservation of the building.
- 3.20. Two other incentive tools are possible in NSW, but are not currently active or are in limited use. These are land tax remissions and local council rate rebates.
- 3.21. Land tax remissions are facilitated by Heritage Agreements made under the *Heritage Act* and provided for under a specific Heritage Incentives Fund.

3.22. Local council rate remissions have been used in some areas in NSW and are provided for under a general provision of the *Local Government Act*. The current number of local councils providing rate relief is unknown. Gosford Council has operated a scheme for approximately 10 years, which provides a 50% rate rebate for properties listed in the LEP.

4. LOCAL GOVERNMENT HERITAGE MANAGEMENT

- 4.1. Since 1985, local governments in NSW have played an important role in heritage management by identifying, assessing and managing heritage places in their local areas. They fulfill this role through the preparation of heritage studies to inform their local environmental plans (LEPs), through the development control process, strategic planning, heritage promotion and education. As such, local government heritage management is well integrated into the planning framework.

- 4.2. All of these activities are conducted under the *Environmental Planning and Assessment Act 1979*.

- 4.3. The *Heritage Act 1977* requires that environmental planning instruments prepared by local councils affecting heritage items must be referred to the Heritage Council for advice.

- 4.4. In 2002, the Heritage Council delegated to all rural councils the ability to make Interim Heritage Orders under the *Heritage Act 1977*. This recognised that not all local council LEPs were comprehensive. Interim Heritage Orders provide time to investigate the significance of a potential heritage item.

- 4.5. In addition, the Heritage Council delegated to all local councils the ability to determine development applications to heritage items listed on the State Heritage Register, where the proposed works would have minor heritage impact. The intent of this delegation was to assist in streamlining the development approvals process in NSW—enabling local councils to act as a ‘one-stop shop’ when minor works are proposed to state heritage items.

- 4.6. Both delegations are conditional upon local council fulfilling specific requirements. The delegations have been used by a number of councils, but not by all.
- 4.7. Detailed information about local government's roles and responsibilities is provided on the Heritage Office website *Local Government Heritage Guidelines* at <www.heritage.nsw.gov.au/08files/guidelines/index.htm>.
- 4.8. There are a number of basic tools available to local councils to manage their local heritage. Many councils use all or a number of these tools, others use only one or two, and a number of councils are yet to establish a suitable framework for effective heritage management.
- 4.9. The tools available to local councils in NSW are as follows:
- 4.10. **Model Provisions for local environmental plans (LEPs)** are model provisions that are included in local council LEPs. The model provisions are set by the Department of Infrastructure, Planning and Natural Resources (DIPNR), and are prepared by the Heritage Office in consultation with that Department.
- 4.11. **Heritage officers and heritage advisors.** 90% of local councils in NSW have access to either a part-time heritage advisor or a heritage officer. The local government heritage support service provided by the NSW Heritage Office is fundamental to this service. This is discussed in Section 3.0. Heritage advisors or officers have specialised training and experience in heritage management that is targeted to council's roles and functions.

- 4.12. Heritage advisors play a crucial role in local heritage management. A description of their work is included in the *NSW Local Government Guidelines*, cited above.
- 4.13. **Local government incentives schemes** include programs available through the NSW Heritage Office's Heritage Incentives Program (discussed in Section 3.0). The model heritage provisions discussed above also encompass other incentives that can encourage the conservation of heritage items, such as the variation of statutory requirements in relation to issues like floor space ratios and car-parking.
- 4.14. **Local government heritage committees.** A number of councils in NSW have established local heritage committees to assist and advise councils on how to conserve and promote local heritage. The committees are formally constituted under the *Local Government Act 1993*. Well-defined objectives have been suggested by the Heritage Office for these committees, which are described in the *Local Government Guidelines*.
- 4.15. There are currently 152 local councils in NSW, covering vastly different geographic areas, land size and varying heritage issues. Many local councils have wholeheartedly embraced their responsibilities for local heritage management. The level of expertise, ability and political interest in heritage, however, varies widely from council to council. Many councils have established sound, professional and successful heritage programs that have reaped great benefits for the locality—such as Broken Hill and the City of Sydney. Others have scarcely begun, or have some way to go to achieve an appropriate standard.

- 4.16. In rural areas, councils may have limited access to professional planning advice and may have chosen not to resource specialist heritage advice, even with the support provided by the Heritage Office. This number has steadily fallen over the last 10 years.
- 4.17. The Heritage Office has designed the local government support service to assist local councils as much as possible to deal with their increasing responsibility for local heritage management.
- 4.18. The contributions provided to local councils through the local government Heritage Incentives Program provide extremely good value for money. The \$12,000 per annum contribution to a local council can make a major difference to the management of that council's heritage. It can be a major catalyst for regeneration of a town or provide an alternative form of economic model for towns that are losing their agrarian economic base. Case study examples will be provided in the later, detailed submission.
- 4.19. The relationship between state and local government in relation to heritage management is crucial, and local government is recognised as a key stakeholder by the NSW Government. In addition to the formal mechanisms in place to sustain a sound working relationship (such as the Heritage Incentive Program, discussed in Section 3.0), the Heritage Office works with local government in implementing the development assessment process and through regular consultation with local government bodies such as the Local Government Association of NSW and the Shires Association of NSW (LGSA).

- 4.20. Training to local government staff is provided through the LGSA (which is underwritten by the Heritage Office) and was developed by the Heritage Office in consultation with the LGSA.
- 4.21. The Heritage Office recognises that more support to local government is needed in all areas of local government's work in heritage. For many councils a part-time advisor is not enough to cope with the issues that need to be addressed in the time available. The *Improving Development Assessment Report* (2003) by the Regulation Review Local Development Taskforce to the Minister Assisting the Minister for Infrastructure and Planning (Planning Administration) identified the lack of professional staff as a problem at local government level in NSW.
- 4.22. Anecdotal evidence suggest that many heritage professionals working for owners of heritage places prefer to come to the Heritage Office for advice on development application issues, rather than to the local council, due to the depth of expertise available and the fact that the development approval process at local government is more politicised.
- 4.23. Local council structures vary, and so does the position of the heritage advisor in relation to the different sectors of council. For example, an advisor may be located in the development assessment area and be mainly utilised in that capacity. In other councils the advisor may be located in the strategic planning section and have more ability to influence the strategic planning framework at local level, and also tourism. In all cases, the roles and responsibility of an advisor are broad and extremely demanding. The politics of local government can also be difficult for part-time advisors to manage.

5. GOVERNMENT AND NON-GOVERNMENT RELATIONSHIPS IN HERITAGE MANAGEMENT

- 5.1. As stated previously, it is well recognised that an efficient and effective working relationship with other government and non-government heritage organisations is essential to deliver the conservation of the state's heritage.

- 5.2. This has been a major focus of the Heritage Office (see Annexures C & D for lists of partners), the Historic Houses Trust and the Sydney Harbour Foreshore Authority. Its importance cannot be underestimated.

- 5.3. There are a number of formal mechanisms in place to facilitate these relationships. For example, the National Trust is represented on the Heritage Council as a community body. The Royal Australian Institute of Architects, NSW Chapter (RAIA) and the Planning Institute of Australia are also represented and share a rotating position. The Royal Australian Historical Society (RAHS) and Unions NSW (formerly the Labour Council of NSW) represent their interests. Individual appointments often reflect a stakeholder sector, with the development industry playing a role since the 1990s through individual appointments. The Foreshore Authority and the Historic Houses Trust operate similarly by selecting suitable board members who can cement relationships with non-government organizations and bring different skill sets to bear in their work.

- 5.4. The Heritage Incentives Program also provides formal mechanisms for creating and sustaining partnerships with stakeholders. The National Trust NSW, the RAIA and the RAHS, for example, all receive grants from the program to fulfill specific tasks. The funding provides for the National Trust's resourcing of a Cemeteries Officer, who provides advice on cemetery matters to the public and to the Heritage Office. The RAIA plays a similar role in

relation to 20th century heritage. These initiatives aim to leverage the government's role in heritage management through joint educational or non-government initiatives that promote and celebrate heritage conservation to the widest sector of the community.

- 5.5. Targeting bodies with ready networks and established programs enhances government's capacity to deliver its messages. The NSW Government benefits in another way, by having its work supported, road tested and augmented by these expert and community-based groups.
- 5.6. The Heritage Office supports various heritage related initiatives of a broad range of organizations, e.g. sponsoring the Property Institute's Heritage Awards and the National Trust Heritage Awards, through a Volunteer Awards program that celebrates the contribution of the volunteer sector in conserving the state's heritage.
- 5.7. Informal mechanisms also provide important linkages such as joint projects, particularly training and seminars, research and joint publications. The NSW Heritage Office has carried out joint projects or partnered with organisations like the Property Council, the Property Institute, the RAlA, the National Trust and many others.
- 5.8. The other reason for the importance of sound working relationships is to minimise the messages about what heritage conservation is and how it is carried out. A unified message is important.

- 5.9. The non-government professional heritage organisations are also recognised as being of great importance. The Australian methodology as enshrined in the Burra Charter is a good example of their role. The expertise of the government staff is reliant on their involvement in these organisations, which in Australia deliver much of the professional training and capacity building through professional development.
- 5.10. Many of professional staff of government agencies involved in heritage management play a role in the various professional non-government heritage bodies in Australia and at an international level, and this is encouraged.

6. STATE GOVERNMENT OWNERSHIP AND MANAGEMENT OF HISTORIC HERITAGE IN NSW

6.1. The regulatory framework

- 6.1.1. All state government agencies in NSW have responsibilities under Section 170 of the *Heritage Act 1977 (NSW)*. Section 170 requires agencies to identify, conserve and manage heritage assets owned, occupied or managed by that agency.

- 6.1.2. Section 170 (3) requires government agencies to keep a register of heritage items, which is called a Heritage and Conservation Register or, more commonly, a *s.170 Register*. A *s.170 Register* is a record of the heritage assets of a government agency. Places on this register may be of state or local significance.

- 6.1.3. In NSW, approximately 85 state agencies require s.170 registers. Approximately half have some sort of register, varying from minimal to best practice demonstration. To date, approximately 45 state agencies have submitted s.170 registers as drafts or for endorsement (of which 15 have been submitted electronically and are therefore included on the Heritage Office's State Heritage Inventory (SHI) database).

- 6.1.4. s.170 registers are submitted to the Heritage Council of NSW for endorsement. Table 3 summarises the number of state-owned items on heritage lists in NSW.

Table 3: State-owned heritage items in NSW

	Metro	Rural/regional	Total items
State Heritage Register	444	270	716
s.170 Register	5,459	1,063	6,522*
Regional environmental plans	137	27	164
Local environmental plans	186	49	235

*This number includes the items listed on s.170 registers that have been endorsed by the Heritage Office and submitted electronically and so are included on the database. There are a number of agencies with large numbers of heritage items that have not yet been included. Therefore this number is likely to be much higher once state agencies have met their obligations and the database is comprehensive.

- 6.2. There are approximately 6,522 heritage items on the Heritage Office's SHI database that are owned by the NSW Government and are of local, state or national significance. This represents approximately 20% of NSW's estimated listed heritage places at current numbers.
- 6.3. While not all state agencies have yet completed heritage survey assessments of their assets, many places are listed on other local government, state government and non-statutory heritage schedules. It is known that there are, however, a substantial number of items yet to included on the SHI database which have, therefore, not been counted. For example, DEC has approximately 9,000 items in National Parks alone that are not yet included.

- 6.4. A s.170 register consists of a list of heritage assets, an assessment of the significance of each asset and a conservation assessment. It may also include a [thematic history](#) of the agency.
- 6.5. The register identifies buildings, but may also include [natural](#), [movable](#), archaeological and [Aboriginal heritage](#).
- 6.6. s.170 registers are prepared on the Heritage Office's free database software and form part of the [State Heritage Inventory](#) (SHI) . State significant items identified in a s.170 register are considered for listing on the State Heritage Register. Over 780 state significant items owned by the NSW Government are currently listed on the State Heritage Register.
- 6.7. The progress of agencies in preparing registers and managing their heritage assets is monitored by the Heritage Council.
- 6.8. The Heritage Office has recently issued the *State Agency Heritage Guide: management of heritage assets by NSW government agencies*. It incorporates *Part 1 State owned heritage managed principles* and *Part 2 heritage asset management (HAMS) guidelines*. The Guidelines establish strategies for managing state- owned properties, conservation standards and timelines (registers to be completed by 2009, HAMS by 2006) for state agencies to meet these obligations. This is a further step in the implementation of the NSW government leading by example and demonstrating best conservation practice in managing its own assets.

- 6.9. The Heritage Office is developing a state agency support structure modeled on the local government support network, that is: dedicated officers to provide 'on tap' phone advice for each key agency, an e-group network for state agencies involved in heritage management, and the provision of training for managers and those responsible for the s.170 registers.
- 6.10. Despite there being a strong framework for the management of NSW Government heritage assets, there are still challenges in meeting government's aims. Agencies that have conservation of heritage places within their charter have the necessary budgets, skills and expertise to meet this aim. But within agencies whose charter is to deliver other essential services, the heritage conservation of less-used, or orphan, assets must compete with service delivery.
- 6.11. The nature of the heritage assets owned by infrastructure service provision agencies means that they are often not valued beyond their core service, despite the public holding them in high esteem. But, given that it is often the publicly provided infrastructure that has shaped the physical environment, it is inevitable that it is of heritage value.
- 6.12. Like most other states and territories, NSW has undergone change in the delivery in many of its services over the last 20 years, resulting in a number of government assets becoming surplus to needs. Some heritage assets remain very much in use, such as the public housing stock in Sydney's Millers Point, the Harbour Bridge, Cataract Dam or Windsor Road. Some places such as local post offices, banks, and railways stations are able to be easily adaptively reused, sustaining their heritage values into the future. Others are more problematic. For example, the large number of timber bridges that scatter NSW are now in need of repair and face challenges such as the availability of

suitable repair timber, difficulties of upgrading for new traffic requirements and the costs associated with their upkeep. These timber bridges, which are particular to NSW, are an example of a type of heritage item that requires a strategic and long-term approach. They are expensive to manage for the state or local government agency with responsibility for them, but for local communities these timber bridges can be an important part of the historic landscape—as immortalized in Kate Grenville’s novel *The Idea of Perfection*. The Heritage Office and the Roads and Traffic Authority have provided monies to local government to help manage timber bridges, for example at Gundagai and Maldon.

6.13. There are also a number of major state government sites around NSW that are undergoing change. Former hospitals are a current example. In the community’s mind these places are public places and often play a very important role in the local community. The public has campaigned hard for such places to retain some vestige of public use, sometimes causing the issue of public land use and heritage conservation to become entangled (e.g. the Quarantine Station in Sydney or the Rozelle Hospital site).

6.14. In all cases where public heritage assets are proposed for retention or disposal, a good heritage outcome is dependent on the importance of these places being recognised early on by government and the factoring in of conservation outcomes from the outset. Like any major development, if the heritage issues are not integrated from the outset the development potential of the site is likely to be overestimated and the tension begins. Successful examples include the former Prince Henry Hospital site in southern Sydney, developed by the NSW government’s own development corporation, Landcom, which has used the sites heritage values as the catalyst for its regeneration. Although not yet completed, the project has already won a series of awards relating to urban planning, design and conservation.

6.15. **Strategic Initiatives & Interventions for Heritage Conservation by the State Government**

6.16. In addition to the regulatory and policy work, the NSW government is involved in a number of other activities that directly contribute to the conservation of the state's heritage. The Historic Houses Trust, which was described earlier, is one example. Others include the Minister's Centenary Stonework Program which is described below.

6.16.1. **The Minister's Centenary Stonework Program**

6.16.1.1. The Minister's Centenary Stonework Program is another unique NSW government initiative that recognises the importance of addressing a major challenge that arose some 20 years ago to the heritage of Sydney.

6.16.1.2. Sydney is a sandstone city, reflecting the scenario typical of traditional building construction, which demanded that abundant, durable local materials be used to create buildings. Sydney sandstone is what makes the government buildings and 19th century infrastructure projects of Sydney different to those in Melbourne where the predominant building material was bluestone, or to Brisbane which is a timber town. The use of local materials reflecting the geology of Sydney is what makes it unique, gives it a sense of place that relates directly to its physical environment and contributes to its character.

6.16.1.3. The Heritage Design Services of the Government Architects Office (as described in Section 2.0) provides specialised conservation service, in conjunction with the department's Project Management Group, to deliver the Minister of Public Works' Centenary Stonework Program of \$4.5 million p.a.

6.16.1.4. This Treasury-funded program began in 1991 and supports the Department of Commerce's responsibility to maintain the significant stone facades of more than 600 historic stone public buildings in Sydney, the greater metropolitan area and regional areas of NSW. It was considered that the Program would need to operate for 20 years to carry out essential catch-up maintenance on many buildings that had received little or no maintenance in the century or more since their construction.

6.16.1.5. The majority of work is on the sandstone façades of both major and minor public buildings, on significant engineering structures and on public monuments.

6.16.1.6. The Centenary Stonework Program funding is available for the conservation of assets of budget-dependent agencies only within the NSW Government of NSW.

6.16.1.7. Approx \$84 million has been expended over the last 14 years for stone conservation including the purchase of stone.

6.16.1.8. Revenue earning agencies must fund their own stonework conservation but can utilise Commerce's expertise and cost effective resources.

6.16.1.9. The Government's strategic purchase of high quality 'yellow block' sandstone from several development sites in Pyrmont and The Rocks has secured valuable matching stone from original sources for repairs and replacement works. Stone from other regional sources is also stockpiled for relevant projects. This stockpile contains approx 7,400 cubic meters of stone.

However, the first grade 'yellow block' stone (1,800 cubic metres quantity) has a shelf life which is possibly limited to 5–6 years before its case hardening qualities are lost. Fresh supplies are constantly being sought.

6.16.1.10. The recurring annual budget for the Program has been \$4.5 million pa. over the last 14 years. The program of catch-up maintenance cannot be completed within the initially envisaged 20-year period and, depending on levels of funding available, may need to continue indefinitely.

6.16.1.11. Through apprenticeship training, the Government's Centenary Stonework Program initiative and intervention in the industry has directly produced approximately 50 heritage experienced stonemasons for the wider stone industry. It has also trained at least ten conservation architects in detailed stone conservation assessment, documentation and supervision, half of whom now work in the private sector.

6.16.1.12. The program is a catalyst for contributory funding from occupying state agencies for associated, non-program conservation work to the value of approximately \$2 million pa.

6.16.2. **Strategic Client Partnerships: Department of Commerce and Department of Housing**

6.16.2.1. The Heritage Design Services group (HDS) of the Department of Commerce has developed a strategic heritage partnership with the NSW Department of Housing (DoH) to advise and assist in the management of the DoH's 2000 plus heritage listed public housing assets in the department's Central Sydney Division.

6.16.2.2. Over the last six years, conservation works have been undertaken by HDS to more than 70 of the 288 heritage DoH properties within the highly significant inner city heritage precinct of Millers Point. Previous threats to the loss of the heritage housing in this precinct, and the adjacent Rocks area in the 1970's, were a significant catalyst to public support for built heritage conservation around Australia.

6.16.2.3. The HDS and DoH joint initiative has provided exemplary catch-up maintenance and sympathetic adaptive reuse to many public housing places and contributed to the maintenance of an important living community and cultural tourism asset.

6.16.2.4. This critical investment of \$8 million over six years has developed multi-trade maintenance skills in the private sector to service this precinct, and other similar precincts around Sydney, and has also employed traditional trade skills to conserve the quite varied construction forms, styles and materials of houses, terraces and boarding houses in the precinct.

6.16.2.5. This work has been complemented by the development of conservation management guidelines, individual conservation management plans for sites and oral history programs for interpretation purposes.

6.16.2.6. The DoH program has also been a sufficiently large enough critical mass program to enable the development of fire-engineered solutions suitable for heritage public housing assets. The concepts developed minimise interventions to significant fabric and also minimize the subsequent costs.

6.16.2.7. A similar partnership is mooted between the GAO and the Attorney General's Department (AGD) which has many heritage courthouse assets. This partnership will amplify AGD's continuing and significant commitments to its heritage assets in addition to those made by the Centenary Stonework Program..

7. IDENTIFYING HISTORIC HERITAGE IN NSW

7.1. The NSW Heritage system is based on a three-step process:

Step 1: Investigate significance

Step 2: Assess significance

Step 3: Manage significance.

7.2. The listing system in NSW is step 1 of this process and is based on the premise that in order to manage the heritage of NSW we need to identify it.

7.3. The statutory listing system

7.3.1. Table 1 summarises the regulatory framework in NSW including the various statutory heritage lists.

7.3.2. The NSW Heritage Office plays the central role in the listing system in NSW, either through administration of the State Heritage Register, the maintenance of the State Heritage Inventory or through the provision of funding for heritage studies in preparation for local environmental plan (LEP) listings. The Heritage Office also comments on the heritage components of LEPs.

7.3.3. **The State Heritage Register (SHR)** is a list of places that are of significance to NSW.

7.3.4. **The State Heritage Inventory (SHI)**, which was implemented in 1997, is a database of statutory listed heritage items in NSW and is publicly available through the Heritage Office website. The objectives of SHI are to:

- provide an online information databank,
- function as an identification mechanism,
- raise community awareness of heritage,
- enable comparative analysis (to assist in identifying the level of significance of a place) and
- to improve management of heritage places.

7.3.5. The heritage lists in NSW at state and local level are not yet comprehensive. The State Heritage Register and the s.170 Register of government owned properties were created in 1999. Until that time, Permanent Conservation Orders were applied to places, generally when they were under threat. At that time approximately 700 items were transferred onto the State Heritage Register. In addition, approximately 600 state owned items were also included from the existing s.170 registers.

7.3.6. The development of the State Heritage Register (SHR) since then has been slow, with a large number of nominations received from the community, of varying qualities and levels of significance. The Heritage Office has estimated that there may be approximately 7,500 heritage items of potential state heritage significance.

7.3.7. The Heritage Office provides the data software and trains local councils and state government agencies to assist in maintaining the State Heritage Inventory (SHI). However, the currency of SHI is reliant on local government's provision of data and the ability of the Heritage Office to maintain the frequent updates required.

7.3.8. Table 3 summarises the current status of the lists in NSW.

Table 3: Summary of Heritage items on statutory lists in NSW

Heritage list	Metropolitan	Rural/ regional	Total
State Heritage Register	939	559	1,498
s.170 Register (state owned)	5,459	1,213	6,522*
Regional environmental plans	1,395	825	2,220
Local environmental plans	23, 387	7,788	31,175

- The s.170 registers are asset management lists and a listing on an s.170 register is not necessarily an indication that a place is covered by the *Heritage Act* or EP&A Act legislation. Items may appear on more than one list.

7.3.9. Local councils in NSW have been including heritage items on local environmental plans since 1985. There are currently 139 local councils with schedules of heritage items. These vary from councils with less than 10 items listed (of which there are 20 rural councils) to councils with over 1000 items (City of Sydney, Parramatta and North Sydney councils). A number of councils in NSW have heritage studies underway to update or initiate their heritage schedules.

7.3.10. The studies carried out prior to the 1999 *Heritage Act* amendments were largely for built items. Some councils have recently reviewed their earlier heritage studies to include a broader range of heritage places than covered by their earlier heritage studies and lists.

7.3.11. Table 4 illustrates the balance of types of heritage places on the State Heritage Register.

Table 4: Categories of heritage places on the State Heritage Register

	Metropolitan	Rural/regional	Total items
Archeological – maritime	2	0	2
Archaeological – terrestrial	10	16	26
Area/complex or group	211	176	387
Built	679	326	1,005
Landscape	19	21	40
Moveable/collection	19	18	37

7.3.12. The public process and criteria for listing places on the State Heritage Register are described on the Heritage Office website.

7.3.13. The listing system and issues arising are discussed in more detail below, This will be augmented in the final submission.

7.4. **Non-government heritage lists**

7.4.1. There are a number of organisations in NSW that have lists of significant heritage places. These include:

- Royal Australian Institute of Architects (NSW Chapter) Register of 20th Century Buildings of Significance (approximately 3,370 items).
 - National Trust of Australia (NSW) Register (approximately 12,000 items),
 - Professional Historians Association (NSW) Register of Historic Places and Objects (15 items),
 - Art Deco Society of NSW Building Register (approximately 6,000 items).
- As mentioned previously, the Heritage Office provides funds to the National Trust and the RAI to develop nominations of places of state heritage significance to augment the State Heritage Register.

7.5. **Issues relating to heritage lists**

- 7.5.1. The issue of thresholds for heritage lists has been raised by the Productivity Commission. For the National Heritage List and the NSW State Heritage Register, the listing criteria are explicit about the ‘bar’ for each tier of listing i.e. the values have to be at a national level for the National List and at a state level at that tier. Local government do not consistently identify at which level a place may have significance and generally use the criteria to determine whether it is of significance or not. Each level of government assesses places to determine whether it fits within their list. The fact that there are three different assessors for listing, however, leaves room for inconsistency at the local level if they do not distinguish between the different levels of significance.
- 7.5.2. The listing system is, in the main, rigorous with each tier involving a public process of advertisement and comment. Although this also occurs at the local level, the process there can be more politicised and the expertise applied to the assessment has been accused of being less rigorous. This can result in genuine heritage items being left out while other places that may be of a lesser value are included. In fact, the rigor applied to the listing system in 2005 is such that it is a slow and very careful process to include any item on the state or local lists in NSW, regardless of whether or not it has obvious heritage value. In NSW, 150 items have been included on the State Heritage Register since 2000, including 90 places within the Rocks and places such as the Sydney Opera House, St Mary’s and St Andrews’ Cathedral—places which the community immediately recognises as icons and that are clearly of heritage significance.
- 7.5.3. In terms of what is the optimum size of such a state or local list, the nature of heritage is such that as time passes some places that survive become more

valuable or acquire historic value. What constitutes Australia's heritage therefore continues to be redefined and evolve. That is not to say it is not appropriate to achieve a base case. Achieving the base case is important, as then the emergence of new places becomes the exception rather than a common occurrence, and listing decisions can be made in a more informed, comparative context. Until the base case is achieved, the uncertainty that currently exists in the system will remain. The achievement of a base case will take a large proportion of the uncertainty out of the system and also becomes the comparative base for future heritage listing i.e. how does a newly proposed item compare with others of its type already listed.

7.5.4. At local government level, progress has been variable but there are still areas where heritage studies and the lists that follow are still to be done. The condition of our heritage at local government level varies greatly from council to council, according to their resources. This is perhaps the level where there is most inconsistency in the identification and management of Australia's heritage, which is problematic given that this is where the bulk of heritage lies. That is not to say that local councils have not embraced, and in many cases, managed their heritage responsibilities rigorously and professionally. It is more a reflection of the broader issues of resourcing, and challenges relating to expertise, which are facing local government.

7.5.5. It is recognised that there are a number of issues arising from the current condition and comprehensiveness of the lists themselves. There are also issues that are likely to be raised by other submissions about the relationship between listing and the regulatory framework that then follows.

7.5.6. The importance of the non-statutory registers and lists should not be underestimated. They provide an important record of what community and

professional groups hold in high esteem, and until the statutory lists are comprehensive they provide some recognition and indication that a place may be of heritage significance and may fill the gaps in the statutory system. They provide credence to advocacy groups when they find themselves in the position of campaigning for a conservation outcome for a place. They are also an important historical record in themselves. However, they also contribute to the confusion that is prevalent within the community about what listing means, who is responsible for the process and what the obligations of an owner are in relation to the listing of a heritage property. This, coupled with the fact that the statutory lists are managed by three different levels of government, compounds the public's confusion and has served to undermine the intent of heritage listing.

7.5.7. In some instances, the non-statutory lists play a role in 'brand recognition' that in the absence of established statutory registers, was meaningful and useful, but which now compounds confusion. The nature and management of the non-statutory lists is such that it has been difficult for the NSW Heritage Office to keep its database up to date in order to retain comprehensive databases of all items.

7.5.8. The non-statutory lists pose another challenge. The rigorous process usually applied to the NSW and national statutory systems, and the public consultation process, does not necessarily apply to the non-statutory lists, which confuses the public about their credence. This is not problematic when the non-statutory lists are treated as internal indicative lists. But when their status is elevated by the media and they are marketed to the public as authoritative, then the challenges arise.

- 7.5.9. If non-government organizations had confidence in the statutory system such that their lists could become internal indicators that were passed on to government for inclusion on the statutory lists, this would reduce the confusion associated with lists and save resources.
- 7.5.10. It is recognised that the National Trust Register is an important advocacy and tool that is synonymous with the communities recognition of the national Trust, it also generates income for the organisation.
- 7.5.11. As long as the various lists exist in their current manner, the community will remain confused. At government level, the clarification of the future role and use of the Australian Government's Register of the National Estate would be a first step in reducing confusion about the number and role of heritage lists.

8. KEY ISSUES

8.1. NSW has identified a number of key issues that will be discussed in detail in the second submission. These include:

- the need for improved incentives for historic heritage conservation,
- the need for improved management and policy framework coordinated across all jurisdictions, including the importance of national leadership,
- the need for enhanced understanding of historic heritage and its conservation to address information failures, and
- the need to address the skill deficit and shortage in historic heritage conservation.

THE PRESSURES ON HISTORIC HERITAGE IN NSW

The *Australia State of the Environment Report 2001* identifies the following sources of pressure on Australia's historic heritage:

- urban redevelopment pressures,
- population shifts, losses or gains,
- urban consolidation affecting the heritage character of older suburbs,
- abandonment of rural structures due to new technology and new markets or products,
- loss of cultural landscapes through changing rural land use patterns,
- declining public sector budgets,
- public building redundancy,
- information and awareness failures, and
- market and policy failures.

These pressures are also relevant in NSW, with the addition of:

- skill shortages and deficiencies in practical knowledge and skills in practical/physical conservation.

Although some of these issues are interrelated they are described under these headings in more detail in the following section.

Urban redevelopment pressures

All urban areas in the major cities of NSW are currently experiencing urban development pressures that can have an impact on the conservation of urban heritage.

Urban development pressure results in change to both tiers of heritage significance in NSW.

Where development pressure is acute, the success of achieving good conservation outcomes is dependent on the statutory listing processes having identified heritage places in advance of this pressure, and on robust government policy managing change to, or in the vicinity of, a heritage place. Incentives can also play a role in sustaining heritage items in the face of urban development pressure.

The role of heritage conservation in urban regeneration has been well documented in the UK and in the USA. In both places, targeted incentive funds recognise the importance of local identity, character and amenity in urban renewal. In NSW the role of heritage conservation in urban regeneration is illustrated by urban renewal projects such as Walsh Bay in Sydney and the former Prince Henry Hospital site in southern Sydney. The success of these projects relied on early intervention by government through regulation to ensure the conservation of heritage significance. This is discussed further below.

It is interesting to note the public recognition heritage-led regeneration projects receive. This is evident in the number of (non-conservation) architecture and other awards given to projects involving the adaptive reuse of individual heritage buildings or the regeneration of heritage precincts. At the recent Royal Australian Institute of Architecture NSW Chapter awards, Walsh Bay, The Mint and the Bond all received architectural awards.

Population shifts losses or gains

The next three pressures are interrelated with urban consolidation and the loss of cultural landscapes, a consequence of population losses, gains and shifts in population patterns. Over the last 100 years there have been substantial changes in the settlement patterns in Australia, including NSW. Some of these shifts are recorded below.

Population distribution in Australia

	1900	2001	2021 (projected)
Total population	3.8 million	18.9 million	23 million
Inland and rural areas	2.3 (61%)	3.3 (17%)	3.6 (16%)
Capital cities	1.2 (32%)	12.5 (64%)	15 (65%)
Coastal	0.3 (7%)	3.6 (19%)	4.3 (19%)

From: Salt, B. (2004) *The Big Shift*

These figures represent a change, over the last century, from a primarily rural to a highly urbanized nation. At the same time as Australia's population is growing, the number of households is expanding with Australians shifting typically to smaller household units (Salt, 2004).

It is predicted that the move to the coastal areas of the eastern seaboard will continue as will growth in the eastern cities. Rural areas are predicted to decrease further with some growth in the 'sponge' cities such as Dubbo and Griffith.

The patterns of population growth and decline affect heritage in various ways. Firstly through development pressure and consolidation which, unless managed in a manner that recognises and sympathetically addresses heritage significance, robs places of their heritage values, character, sense of place and therefore identity. Population decline results in the redundancy of dwellings, public buildings and services that are often associated with places of heritage significance.

Heritage agencies have responded to this specific issue in a number of ways. The travelling exhibition and educational program run by the Historic Houses Trust, *Bush Lives, Bush Futures*, has examined the future of rural heritage in the state, and the NSW Heritage Incentives Fund is largely targeted at rural heritage to address these problems.

Urban consolidation affecting the heritage character of older suburbs

In key growth areas of NSW, urban consolidation in the inner and second ring suburban areas has created pressure on heritage places for demolition, subdivision and major adaptive reuse projects involving heritage places. This impacts particularly on the historic gardens and the settings of many heritage places.

Australia is predominately a suburban nation with 11 million people currently living in the suburbs (Salt, 2004). There is no evidence to suggest that this is likely to change markedly and geographers predict that urban consolidation will continue for at least the next 15 years or so. The critical period for older suburbs that may be of heritage significance is during this period of consolidation. The importance of knowing which places are of importance to communities is critical in planning for urban consolidation.

Urban consolidation impacts most on older suburban areas with a predominance of older homes and gardens. Subdivision of larger heritage properties, which sometimes have significant gardens, and increased density have impacted on the character, quality and identity of some suburban areas, drawing community concern. However, good planning based on an understanding of the heritage values of an area can guide the way in which consolidation occurs to meet the needs of new housing while retaining the identity and character of an area.

As mentioned above, in many countries the role of heritage conservation is well recognised in urban regeneration. But in Australia this has not been well understood despite there being evidence to suggest that regenerated areas of cities and towns that have capitalised on their heritage values are valued by communities, and that this has contributed to the economic and social wellbeing of the place.

Recent NSW planning initiatives have noted the community's preference for traditional suburban/urban patterns with smaller vibrant main street commercial centres and recognised how reviving these can re-energise areas. The move towards urban consolidation in inner city ring areas the tenacity of the suburb in Australian culture means that outer suburbs are likely to undergo further consolidation to facilitate the necessary increases for an ageing population and increased number of households.

Loss of cultural landscapes through changing rural land use patterns

The current heritage lists have few cultural landscapes identified and subject to relevant conservation management policies. In NSW, less than 3% of the NSW State Heritage register is composed of landscape items.

Cultural landscapes include homesteads and farmlands, designed gardens and landscapes, as well as remnant native vegetation, Aboriginal sites and places, wetlands, early settlements, disused cemeteries, defunct industrial complexes and so on. Cultural landscapes can preserve cultural values and ecological diversity, while offering economic gain through continued agriculture and tourism, and considerable scenic and amenity value to local areas and daily life.

Although the identification of scenic landscapes has occurred since the 1960s, there have been no long-term strategic policies to identify and manage important cultural landscapes systematically. While some endeavours have been undertaken to identify these cultural landscapes, policies and tools for management have lacked development and are yet to be shared with, and integrated into, comprehensive planning strategies across all levels of government. There is less understanding at the community level about the value of cultural landscapes as heritage places, although the public is well aware of the issue once a threat arises. The concept of cultural landscapes as heritage places is not well developed and understood by the community and work is needed in this area.

Planning for expansion does not always manage the conservation of significant cultural landscapes well. The heritage values of the cultural landscape may not be recognised with the remnant homesteads being identified as the only part worth retaining.

Abandonment of rural structures and industrial sites due to new technology and new markets or products

Industrial heritage is another heritage category that is not well represented on heritage lists. In rural areas, historic farm buildings are under threat from the abandonment of

traditional practices and the introduction of new technologies and the expense of maintaining redundant buildings. Yet some such places are important evidence of Australia's past and the stories associated with its pioneering past.

The issues associated with industrial heritage relating to the size of the sites, the types of buildings involved and often the presence of contamination means that remediation costs are high before conservation costs are added. There are, however, successful examples of remediated sites that have conserved significant segments of the site and interpreted its heritage values in a new use.

Public building redundancy

At the end on the 19th century, government was a major enterprise and service-provider across Australia with vast estate holdings. A huge number of government buildings were constructed towards the end of the 19th century and early 20th century, many of which are important contributors to a town or city's sense of character and identity. Over the last 30 years there have been major changes in the delivery of government services within the community. This has resulted in the redundancy of many government properties from their original use, particularly in rural areas of Australia, including NSW.

Many public properties have been demolished, passed into private hands or changed their use. In the first case, there is an irreversible loss to the community if the place is of heritage significance. In the second, private ownership may provide a way of sustaining the significance of many of the heritage places, but the loss of public access is, in some instances, seen as a loss to the community. In the case of changing use, adaptive reuse by public or private owners can also sustain many of the place's heritage values, although these may be compromised. Examples of this include the large number of post offices that have been sold over the last 20 years in Australia's cities, towns and rural areas. In city areas these usually grand buildings can often be successfully adaptively reused (the GPO in Sydney as the Westin Hotel for example).

In rural areas this can be more problematic. Many such public buildings have traditionally played an important role in defining the town centre and therefore the town's sense of place and character. Their limited capacity for reuse where there is a declining population, or conversion to private use has been perceived as problematic in rural communities. Co-ordination between government departments and government policies for reuse of existing buildings may assist in addressing this problem in some instances.

Information and awareness failures

This will be addressed comprehensively in the final submission.

Market and policy failures

This will be addressed in the final submission. This will include a detailed discussion on incentives as solutions to market failures.

Skill shortages and deficits in practical knowledge and skills to carry out physical conservation.

It has been internationally recognised that there is a declining skill base in relation to practical building conservation and a shortage of skilled tradespeople to deliver current demands. This arises because the majority of listed heritage places predate 1950, when the impact of large-scale industrialisation of the building industry exerted significant changes in the materials and construction techniques. Traditional trade and craft skills from this time began to decline as the impact of new construction technologies established themselves as the predominant typology.

Work by the International Specialist Skills Institute (ISSI) has identified the issues in relation to the trade and professional sector. ISSI has included the heritage sector as one specific area demanding attention. In NSW, studies following the Newcastle earthquake in 1989 articulated the scope of the skills shortage and deficit in NSW and led to the Heritage Trades Training Initiative.

NSW is the only state to have a specialist Technical Advisory Committee of its Heritage Council that augments the Heritage Office knowledge and skills in practical

conservation issues. It provides a technical service and assists the Heritage Office target strategic advice in this area.

A recent workshop in NSW run in partnership with the Heritage Council's Technical Advisory Panel, targeting the professional sectors, trade associations and educational institutions involved in both professional and heritage trades training, confirmed the range of issues affecting the industry and discussed the causes and implications of the problem.

Despite awareness in some sectors that this is a current issue, there is no available statistical data to quantify and qualify its scope in the way that has been recently carried out in the National Heritage Training Group's recent report entitled *Traditional building craft skills: skills needs analysis of the built heritage sector in England in 2005*, (available on line at www.english-heritage.org.uk).

Once established, the cycle of decline in the skill base for heritage conservation is difficult to reverse. It starts with a reduced demand for traditional building skills such as joinery, stonework, plasterwork, slate roofing and so on. Coupled with the lowered demand for skills comes a reduced market for the materials and tools of the trade. Closure of associated businesses feeding the market, due to reduced demand and lowered levels of imports for materials coming from further afield, means that when traditional materials are needed the price is increased. For example, if the market for Welsh slates (a major form of roofing in the late 19th/early 20th century) drops to a certain level, the import cost rises. This means that in many cases alternative materials are chosen over a slate roof, reducing the market for skilled slate roofers further.

Once the demand for the trade skill drops to a certain level and the need for training reduces below the critical mass, the training ceases to be delivered.

Addressing skill deficits that have declined to this level is difficult as it relies on addressing all aspects of the problem simultaneously—material supply, skill supply and re-establishing knowledge to carry out the work where this has died out. It demands simultaneous regulatory action (to demand certain materials be used and

standards of workmanship), educational input (to train both specifiers and tradespeople) and economic incentives (to assist in mitigating additional costs). All these issues result in increased costs for heritage conservation. They are also symptomatic of the steady deskilling of the building industry that is already recognised as threatening the quality of our built environment.

What remaining specialist/traditional trade skills exist are limited to the high end of the market and are usually associated with individual craftspeople or small elite companies. The high costs of current liability insurance premiums, Workcover compliance, apprentice training costs, etc., reduce the viability of these small specialist subcontract trade firms to work within industry wide processes and expectations geared more for volume and time rather than quality. The longer time required for careful conservation works has a premium cost for most trades and affects project management cost controls

At this time, skilled tradespeople in certain trades have already or are fast reaching retirement age and certain skills have already been lost. It is critical therefore that action to address this issue is not delayed further. It is also an issue that needs a top down and bottom up approach and one that needs to be co-coordinated across state/territory and Federal levels of government.

The NSW government has addressed this issue in a number of ways to date. The Minister's Centenary Stonework Program is an example of an initiative to address the problem and its impact on the stone buildings in state government ownership. It has also had spin-off benefits in that it has trained a number of stonemasons that have subsequently entered the private sector.

Further discussion of this issue will be included in the more detailed submission.

NSW GOVERNMENT HERITAGE POLICY 1996

INTRODUCTION

For too long the State's heritage has been allowed to deteriorate due to a lack of will and a lack of funding. The Carr Government is determined to reverse this trend.

The current *Heritage Act* reflects the community concerns and standards of the 1970's. It was conceived at a time when many of the State's built heritage items were at risk of demolition.

There has been no significant reform of the *Heritage Act* since its introduction in 1977. Since then, government, community and developer attitudes towards the conservation of heritage have changed. There is now universal acceptance that the heritage of NSW is valuable and must be protected.

The Carr Government's new policy attempt to deal with these attitudinal shifts and re-aligns the current heritage structures to reflect current community and industry views.

The Heritage Act was primarily designed to provide emergency protection for heritage buildings which were under threat. As a result, action was only taken when a building or item of heritage significance was under threat.

A better approach is needed. The Carr Government's new policy will ensure protection is given to the State's heritage asset before threats and conflicts arise.

The key areas of reform are the implementation of a NSW State Heritage Inventory, the independence of the NSW Heritage Council and the increase of funding levels to enable major conservation and restoration work to be undertaken.

The policy for the last six years has been to apply the *Heritage Act* only when an item is at risk. The result is some of our major sites such as St Mary's Cathedral and the Chief Secretary's Building are not formally recognised nor protected by the State. This proposal is a clear reversal of that policy.

To create certainty and confidence in the heritage system, items that are significant and need to be protected should be known before a development application is lodged. This applies to both local and state government provisions.

Currently, both heritage and developer groups are unhappy with the system.

Developers are unhappy that a heritage order can, and is, placed on a site only after they have drawn up a development proposal. Quite rightly, they point out this is a system which compromises the security of investment. This policy aims to limit this problem.

Heritage experts also argue the current policy is inappropriate. They believe that by assessing significance at the time of greatest potential conflict compromises the ability of the consent authority to make an objective recommendation regarding significance of the site.

The NSW Government's new heritage policy recognises the need to maintain our heritage assets and establishes the means by which to do so.

Establishment of a Heritage Office

The State Government will establish a new Heritage Office to provide advice to the community and the Minister on heritage matters.

The head of the office will have Director status. The Office will be independent of the Department of Urban Affairs and Planning and directly responsible to the Minister for Urban Affairs and Planning. It will have approximately 20 staff.

The role of the office will be to:

- Service the NSW Heritage Council;
- Maintain the NSW State Heritage Inventory;
- Provide specialist advice to the community on heritage matters;
- Provide policy advice relating to heritage to the Minister; and
- Deal with smaller matters that would otherwise go to the Heritage Council. (especially for Councils without authority for their own heritage matters).

The office will be funded entirely by the current funding arrangements of the Heritage Branch of Department of Urban Affairs and Planning. Part of the funding will be provided by the Heritage Conservation Fund and the rest from transferring the current budget of the Heritage Branch of Department of Urban Affairs and Planning to the Heritage Office.

Currently, there is the potential for conflict of interest with the Heritage Branch needing to report through the Department of Urban Affairs and Planning on assessments of properties and places which may be subject to planning considerations by the same person at the same time.

Making the Heritage Council and Heritage Office independent of the Department of Urban Affairs and Planning will give heritage issues a greater status and credibility in their own right.

In the context of the Government's changes, the existing functions of the Heritage Council such as promotion, education and funding of heritage matters will now be performed by the Heritage Council in conjunction with the Heritage Office.

Reform of the NSW Heritage Council

The Government intends that the Heritage Council will be firmly focussed on protection of major items of State significance.

This includes the identification, assessment and promotion of the State's most important heritage items. In this way, the work of the Council can have a greater focus on issues of State significance.

The use of current Heritage Act protections on such sites will remain the major protective power of the Heritage Council. However, these powers will no longer be used only in cases where the items are at risk.

The key activities of the Heritage Council will be:

- the urgent completion of the State Heritage Inventory (SHI) with the Heritage Office. The Heritage Council will establish a committee of experts to undertake the first stage of identifying items of state significance.
- the development of a model Heritage Local Environmental Plan, to demonstrate to Councils how they can best protect items of local heritage significance. This work will be done in conjunction with the Department of Urban Affairs and Planning. Local Councils will be encouraged to strengthen their existing LEPs to increase the certainty of heritage protection. Funding will continue to be available from Heritage Council to improve the quality of local council LEPs.
- Amending the constitution of the Heritage Council to ensure a skills oriented composition, as opposed to the current representative composition, of members.

State Heritage Inventory

The Heritage Council in conjunction with the Heritage Office will prepare a comprehensive inventory of the State's most significant heritage items.

Within twelve months the Heritage Council will have identified and assessed for protection a base list of heritage items of state significance. All the infrastructure for the SHI database will be in place and operational within one year.

Once an item is identified as being of State significance, a strategy will be developed for protecting it.

The Government is committed to increasing the flexibility of heritage protective measures. While Permanent Conservation Orders will still be the main protective instrument the Government will look towards other means of protecting the State's heritage that will lead to a more co-operative approach to heritage protection.

One million dollars from the Heritage Conservation Fund will be applied this year to this work. The quicker this work is done the quicker a sense of certainty will be restored to the development and heritage communities.

The State Heritage Inventory will be published on CD-ROM format and made available to schools, libraries, tourism information centre and other interested parties.

The availability of a list of the State's most important heritage items, the reasons for their significance and the projections afforded these sites by the State, is critical for the credibility of heritage conservation in this State.

The State Heritage Inventory will be a vital tool in promoting the State's heritage to tourists during the Sydney Olympic Games.

\$30 Million Heritage Fund

The State Government will establish a new \$30 million heritage fund to restore and conserve the State's Heritage.

The funds will be raised from \$5 million allocated from the sale of the State Office Block and \$25 million allocated over three years from the disposal of land assets held by Landcom.

The \$30 million will serve as a 'sinking fund' for the long term management of heritage items of state significance. This means the interest generated from the fund will be used to support heritage projects.

The new fund will play a vital role in restoring Sydney's historic buildings in time for the Olympics.

The scheme is similar to the funding mechanism used to establish the existing \$3 million Heritage Fund where revenue was obtained from the sale of air rights from the First Government House site.

The additional funding will allow the Government to be more creative in its pursuit of preserving our heritage. It will enable large scale conservation works to proceed. Such conservation may require acquisition, restoration and consequent sale like what was done with the Walter Burley Griffin House in Northbridge.

Wilful Negligence Provisions

While the Government will provide additional funding for heritage works and protection, wilful negligence provisions will be introduced where owners of heritage properties allow deliberate damage to occur.

It is not intended for wilful neglect provisions to be used to keep buildings in perfect order. It is aimed at preventing permanent damage to items protected by the Heritage Act.

A wilful neglect notice will be placed on items only when it is proven that the building is not in a stable state.

The following procedure will take place upon the issuing of a wilful neglect notice -

- 1) a letter will be issued to the owner. It will draw attention to the condition of the item and request the owner carry out stabilisation work within a period of 60 days. The owner will be advised of the possibility of financial assistance for the project.
- 2) in the event the work is not carried out within sixty days, a notice should be served directing that the work be carried out within a further specified period
- 3) where the owner does not carry out the work, the Heritage Council will be empowered to carry out work and invoice the owner for payment
- 4) if the owner cannot pay an indexed refundable grant will be offered by the Heritage Council. It will be refundable on the sale or disposal of the property.

These procedures will apply only to items protected by the Heritage Act.

Anyone will be able to report an instance of wilful neglect. Thus leading to greater public participation in the protection of heritage sites.

Streamlining Planning Approvals for Heritage Items

Currently, a development of a property with heritage protection requires two development application procedures to be followed.

The developer must apply to the Local Council for development approval as well as to the Heritage Council under s.60 of the Heritage Act.

This practice is both time consuming and expensive.

While former Governments have expected local councils to improve their skills and resources in the Heritage area, there has been no incentive to do so as the Heritage Council always retained consent authority.

The new approach will provide local councils with real incentives to increase their heritage skills and resources.

Under the Government's new policy, the Heritage Council, via the Minister, will be able to delegate responsibility for consent for DAs affecting heritage listed sites to local councils.

Before delegation can occur, a Council must demonstrate that they have an approved LEP and adequate skills and resources to deal with their heritage asset. This will eliminate s.60 applications to the Heritage Council.

Local Councils will be encouraged to have a heritage LEP which fits a standard model endorsed by the Heritage Council.

The Heritage Council will have the ability to withdraw such delegations from any group where the Council has not performed its obligations in protecting its heritage asset.

This means in many cases, only one development application will be required - creating a one-stop shop for development applications affecting heritage sites.

Regardless of consent responsibilities, the Heritage Council will remain the sole body for assessing heritage items of state significance and the sole body for recommending protection under the Heritage Act.

Increased protection for heritage listed items

Where it is proven that an item of state heritage significance has been wilfully destroyed by any person with a financial interest in the site the future development of that site *may* on consideration of the Minister be restricted to the same building envelope.

This means any future development on the site will be restricted to the same floor/space ratio - eliminating any potential financial gain arising from the destruction of the site.

Extra funds will be provided through the HAP scheme to assist owners of buildings to protect them from damage or dilapidation.

The Heritage Council will produce standard provisions for mothballing heritage listed sites with Heritage Act protection. Non-compliance with these provisions may lead to action under the wilful neglect provisions.

State Government Owned Heritage Items

All Government agencies and State Owned Corporations will be required to prepare s.170 schedules within one year. Section 170 registers will require agencies not to take any action which would "adversely affect a heritage item, unless there is no feasible or prudent alternative."

Agencies with significant heritage assets should establish a management committee which will follow a standard model approved by the Heritage Council.

Heritage Assistance Program (HAP) Grants

The Government will use the Heritage Assistance Program for a wider range of heritage projects, including educational/promotional programs.

The Government will require recipients of Heritage Assistance Program Grants to publicise the project which has been funded by the HAP.

Local Governments will be provided with increased funding for heritage studies to enable proper and professional work to be done in all local government areas.

Heritage Promotion and Education

The on-going promotion of the value of heritage is critical to its continued and improved value to the community. The Heritage Council and the Heritage Office will be required to effectively promote heritage and to increase the wider public profile of heritage.

The Government will encourage the private sector to play an increased role in promoting and protecting the State's heritage.

A Heritage Council sub-committee will be established to improve the corporate promotion of heritage. Its purpose will be to increase private funding for the heritage fund.

The Minister will appoint to the Heritage Council a person skilled in corporate promotion to be responsible for promoting corporate sponsorship of heritage.

The co-operation of other government agencies such as the Department of Education, State Library and State Tourism will provide widespread access to information relating to the State's heritage asset.

It will increase understanding and enable community involvement in heritage decisions.

The Government will make the State Heritage Inventory accessible via CD Rom and compatible with the National Estate computer register. This format will then be made available to schools, libraries and other interested parties.

Broaden the focus of the Heritage Council

For too long the Heritage Council has focussed on items of built form. There has been a demonstrable absence of consideration of items of Aboriginal, movable and natural heritage.

Aboriginal and Natural Heritage

All relevant Government agencies will work together to establish imperatives for the management of both Aboriginal and natural heritage to be progressed.

As the Minister responsible for the Heritage Act I can announce that I have agreement from the Minister for the Environment and Minister for Aboriginal Affairs to convene Cabinet level discussions to resolve all issues related to these long neglected areas of heritage.

Movable Heritage

A movable heritage sub-committee of the Heritage Council will be established and will work with Department of Arts to establish responsibilities of each agency in developing compatible criteria for identification and assessment of movable heritage.

The Heritage Council Sub-Committee will be required to report to the Heritage Council a list of movable items that require urgent consideration within six months.

The sub-committee's connection to the Department of Arts will be formalised in order to better manage, conserve and promote our states movable heritage and to provide specialist advice to the Heritage Council on identification and assessment of movable heritage items.

Conclusion

The new Heritage Policy will ensure the NSW Heritage Council is more focussed on the big issues of NSW heritage.

It is a reflection of growing community knowledge and appreciation of heritage and the community's desire to protect that heritage.

April 1996

NSW GOVERNMENT HERITAGE POLICY
HERITAGE WEEK DIRECTIONS STATEMENT
APRIL 2000

**ISSUED BY DEPUTY PREMIER AND MINISTER FOR URBAN AFFAIRS AND
PLANNING, DR ANDREW REFSHAUGE**

The following is an edited version of a speech delivered by Dr Andrew Refshauge at the Energy Australia National Trust Heritage Awards on Tuesday 4 April 2000.

What is heritage?

Heritage is the story of our past and the evidence of our history.

Places, buildings, artefacts, landscapes, objects and memories all tell a story and help us understand our past.

The stories of our past - some tangible, some intangible - are invaluable in painting a detailed and fascinating picture of our shared history.

By understanding the story of our past we gain a better understanding of the present and our future aspirations.

We can more readily appreciate the reasons why our country and our community exist and function the way they do today.

So what does it mean?

Heritage means different things to different groups in our community – we need to recognise that the story of the past has very different meanings for indigenous Australians and some of our ethnic communities.

Their stories are deeply affected by Government policies of the past, such as assimilation and the White Australia policy which caused immense sorrow and suffering.

The Australia of the twenty-first century is a country of great cultural and social diversity. But we need to understand the past that has shaped modern Australia – both the good and bad.

For this reason I will be devoting a lot of attention to indigenous and multicultural heritage over the next three years.

Key Directions

I would now like to discuss the key directions I will be taking in heritage over the next three years. The issues I will be focussing on are:

- Indigenous Heritage
- Multicultural Heritage
- Rural and Regional heritage
- Heritage Tourism
- Education and Training
- Partnerships with Owners
- Heritage and Development
- State Government Heritage.

Indigenous heritage

Heritage tells us about much more than the last 200 years. The evidence of a very rich indigenous culture which is more than 40,000 years old is all around us. We need to increase our understanding of the history of the last 40,000 years and we need to ensure that the State Heritage Register is expanded so that it truly reflects the story of the past. It will be my priority to add Aboriginal heritage places to the State Heritage Register. In particular I will be working with the Aboriginal community to encourage more nominations of sites of Aboriginal significance.

Listings of Aboriginal places will increase our understanding of indigenous heritage. It will be an opportunity to recognise the cultural heritage of the first Australians. In encouraging all Australians to recognise our unique indigenous heritage, we also encourage them to look at the injustices and wrongs of the past and focus on a better future. We become a more mature nation in understanding our past.

Multicultural heritage

Across NSW, there are many ethnic communities that have made a rich contribution to our history and character. Some 27% of Australians have at least one parent born overseas. Some 23% of Australians were themselves born overseas, and 16% speak a language other than English at home.

The Chinese, the Greek, the Italian, the Arabic, the Vietnamese and many other communities have all played a role in determining the character, and landscape of the society we live in today. I am setting the recognition, the exploration, the celebration of our multicultural heritage as another key priority. We will be calling on community groups to suggest how we can work towards a better understanding of the importance of multicultural heritage in NSW.

The local communities are the best starting point; they know the history, they know the stories. I want the State Heritage Register to reflect our exciting cultural diversity.

Thanks largely to the efforts of the Chinese community, the Yiu Ming Temple in Alexandria, Market Gardens in La Perouse and the Wing Hing Long Store in Tingha were added to the Register in 1999. So we will be giving priority to listing more places of particular importance to ethnic communities on the State Heritage Register.

Rural and Regional Heritage

Rural and regional heritage will also be a focus in the years ahead. From a broader point of view, the Government is working to revitalise rural and regional NSW. And heritage has a major role to play in this revitalisation. Heritage projects generate employment and attract tourism and new businesses into the district.

There are many towns in rural NSW where heritage tourism is the main source of income. This includes the well known towns of Bellingen, Berrima, Carcoar, Gulgong, Hill End, Morpeth and Sofala.

But there are also many less well-known towns where heritage building stock represents the major resource which will enable more rural communities to build a sustainable future. Barraba is one such example. The Shire of Barraba, like many rural communities, has experienced a population decline. During the last few years, the Council has funded a main street heritage program and promoted the area's cultural and wildlife heritage. As a result, visitor numbers have increased significantly and the local economy has grown.

On a larger scale, places like Broken Hill have planned a future based on heritage tourism. The biggest heritage project in Broken Hill is the Line of Lode open air museum. The Line of Lode is 7.5 kilometres long and consists of underground mines, buildings, equipment, a tailings dump, mullock heaps and open cuts. The Heritage Office has worked with the Broken Hill community to progress this initiative and provided funding for the "British Flats" which will be used as visitor accommodation.

NSW has the largest state heritage funding program in the country and more than sixty percent of heritage funding is distributed to the regions. Local heritage funds are being used to conserve and enhance the main streets in many country areas. Towns that have benefited from this program include Bathurst, Bellingen, Boorowa, Bourke, Coolah, Maclean, Gulgong, Goulburn, Lockhart, Mudgee, Tenterfield and Wentworth.

All of these projects have generated jobs opportunities in these towns. Major funding initiatives to date include:

- \$200,000 each for the conservation of the Tocal homestead in the Hunter Valley;
- \$200,000 to support the reinstatement of verandahs on the main street of Broken Hill verandah project ;

- \$120,000 to carry out conservation and presentation work for the Lucknow gold mining village site located near Orange;
- \$100,000 to the Parkes Shire Council to purchase and reinstate the Carrington Hotel in the main street of Peak Hill (this building had been fire damaged); and
- \$100,000 to assist the conservation of a former convent building in Young which is now a wonderful example of adaptive re-use of a heritage building.

Heritage tourism – Securing jobs and economic growth

Speaking of heritage tourism, the figures are impressive.

In 1998, 47% of international visitors to Australia visited national parks.

44% visited botanic gardens.

27% visited art galleries and museums.

33% visited historic buildings.

10% visited Aboriginal art and cultural centres, and 7% visited Aboriginal sites or communities.

The Opera House attracts 44% of all visitors to Sydney; The Rocks 33%. All this is a significant boost to the economy.

Another example of heritage and economic success is the Queen Victoria Building. A building that some wanted to see demolished is another of Sydney's most visited tourist attractions and a stunning example of adaptive re-use.

Now:

- Occupancy is at 99%
- Economic performance, even including refurbishment costs, is at 15.4%, well above the industry average of 11.95%.
- Capital value has risen by more than three times the State average.

Clearly heritage protection provides the opportunities for employment, economic gain and even greater enjoyment of our past. Heritage tourism is an area where the public and private sectors and community organisations like the National Trust can work in partnership.

Education and Training

Education and Training in heritage is already receiving my attention. Introducing kids to heritage at school isn't by itself going to turn them into heritage enthusiasts. We need to find interesting ways of linking the heritage theme to the major interests of young people, such as sport and popular music. Already we have developed a set of materials for the *Human Society and its Environment* primary curriculum. These are the first materials to be released to schools for the new curriculum; they have been distributed to every primary school in the State.

Also, yesterday I launched the Heritage Trades Training Strategy. It is a joint initiative of the Department of Education and Training, the Heritage Office and the Department of Public Works. This program targets apprentices and tradespeople and will train them in the additional skills needed to preserve and maintain our heritage buildings. They will be taught heritage brickwork, carpentry and joinery, painting and decorating, plastering, roof plumbing and stonemasonry.

Up to 120 training opportunities will be funded for this year alone. Through this program more young people will have the opportunity to learn a heritage trade which can lead to long term employment. This training in Heritage Trades will particularly benefit young people in rural areas.

Partnerships with owners

I hope that one of the hallmarks of the next phase of heritage management will be an increase in the number of owners seeking voluntary listing of their properties. A recent addition in this vein has been the owner's instigation of the listing of Fairwater.

In some suburbs, well-maintained listed properties with original features command much higher prices than their compromised neighbours. Elsewhere there is a perception that listing can work in the opposite direction by reducing the development potential of a site. The Heritage Office will undertake a study to sort out the fact from the fiction.

The Heritage Act gives me the power as Minister to enter into agreements with owners and to provide financial and other incentives in exchange for the achievement of specific conservation goals. I want to involve owners and managers of listed properties much more in the decisions that affect them because their support is vital to the working of an effective heritage system.

Heritage and development

Heritage and development are not natural enemies. There is an appropriate balance we can strike to protect our past and progress our future. We don't want or need to keep everything from one generation to the next. On the other hand,

we don't want important heritage places to be compromised by intrusive development.

To underline that important heritage places should not be compromised by intrusive development, the Government will not allow the proposal for a hotel behind the Hyde Park Barracks to go ahead. So it's not a question of heritage vs development but rather of finding the right equilibrium between the two, of integrating our aims to achieve the best outcomes.

Heritage and development can work together for everyone's benefit. As we add to the State Heritage Register, there will be greater certainty for developers and community groups. The register will inform us all about what is significant before development proposals are submitted and conflicts arise.

The community benefits when good adaptive use of heritage takes place. Such developments have both the connection and beauty of the past and the convenience of the new. Some of the best examples of adaptive reuse in Sydney include the Queen Victoria building, the Capitol Theatre extension and the old GPO building. The Government will continue to promote the benefits of imaginative heritage and recycling projects.

State Government Heritage

The Crown owns much of the most significant built, movable and engineering heritage in the State. It is not appropriate for the Government to expect high standards of heritage management if its own standards are not up to scratch.

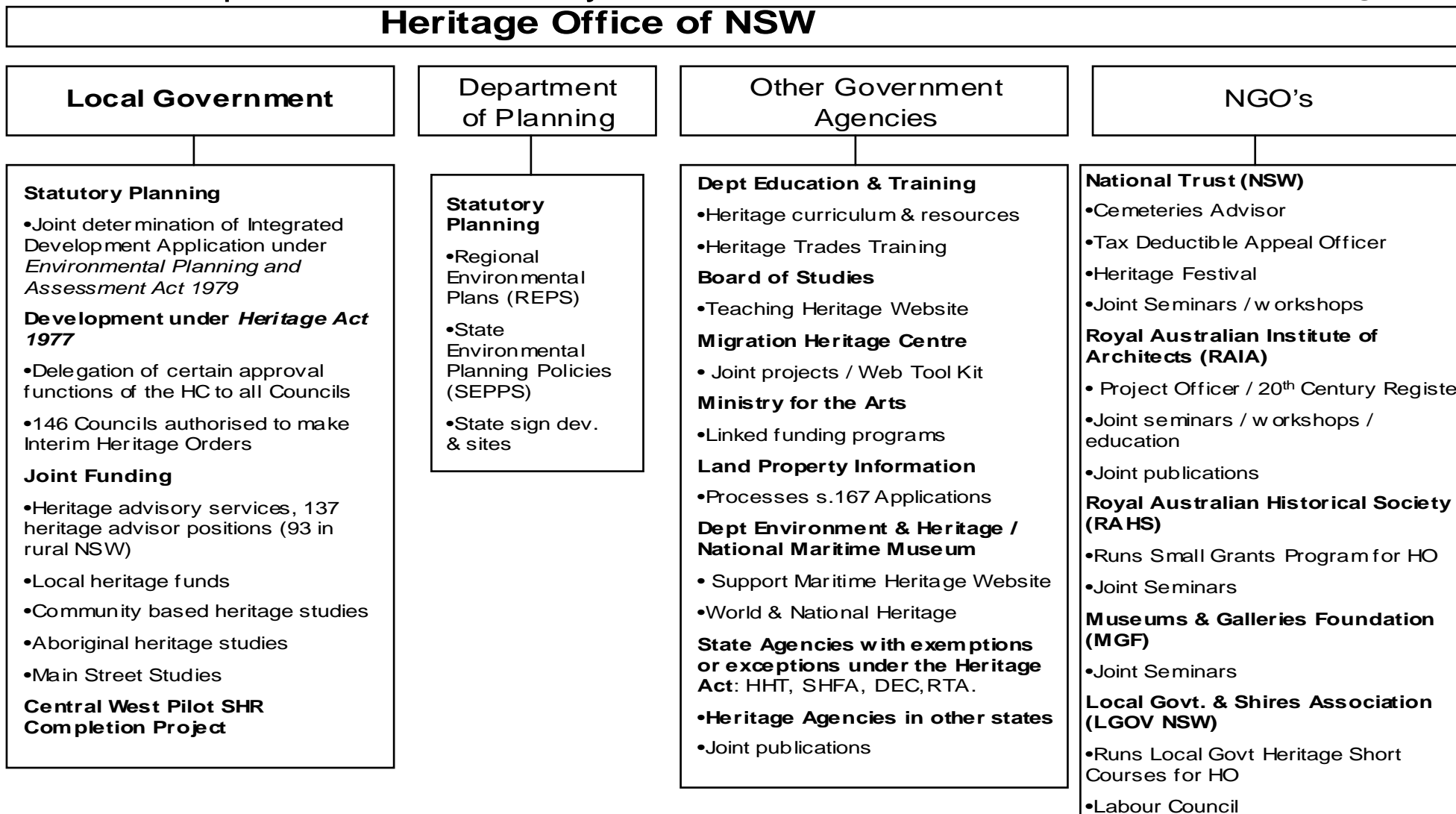
The Government expects that its own agencies will lead by example. This means not just exemplary heritage management but also much greater involvement of the community in celebrating and understanding this heritage resource.

I see our recent addition of Centennial Park to the State Heritage Register as reflecting this approach. There was strong community support for this listing, and Centennial Park will continue to be protected and valued as a major heritage resource.

In conclusion, I congratulate the National Trust for today's Heritage Awards. It is important that we recognise the achievements in heritage, and the people and organisations who do the hard work in preserving and maintaining our rich and diverse heritage.

Partnerships in Service Delivery

ANNEXURE D



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Clients and Stakeholders of NSW Heritage Office

Heritage Council

Heritage Council Committee

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- State Heritage Register Committee
- Approvals Committee
- Strategy Committee

Heritage Council Panels

- Aboriginal Heritage Committee
- Archaeology Advisory Panel
- Fire, Access & Services Advisory Panel
- Heritage Incentives Panel
- History Advisory Panel
- Maritime Archaeology Advisory Panel
- Movable Heritage Panel
- Religious Property Advisory Panel
- Technical Advisory Panel

NSW State Agencies

- Minister administering the *Heritage Act 1977*
- Department of Education
- Department of Environment & Conservation
- Department of Commerce

(Government Architect)

- Department of Planning
- Historic Houses Trust
- Ministry for the Arts
- NSW Lands & Environment Court
- Sydney Harbour Foreshore Authority
- Sydney Water
- Tourism
- Department of State & Regional Development
- Department of Aboriginal Affairs
- State Rail
- Department of Housing
- Royal Botanic Gardens
- Centennial & Moore Parklands Trust
- Roads & Traffic Authority

All agencies subject to s.170 of the *Heritage Act* (approximately 85)

Federal Agencies

- Australia Post
- Australian Heritage Council
- Royal Australian Navy
- Dept of Environment & Heritage

Note: Includes all Federal property owning agencies.

National Bodies

- 20th Century Society
- Art Deco Society
- Australia ICOMOS
- Australia Association for Consulting Archaeologists
- Australian Garden History Society
- Australian Institute of Valuers & Land Economists
- Australian Property Institute
- Australian Society of Historical Archaeology
- Institution of Engineers Australia
- Professional Historians Association
- Property Council of Australia (NSW Branch)
- Property Industry Advisory Group
- Royal Australian Historical Society

- Royal Australian Institute of Architects (NSW Chapter)

- Planning Institute of Australia
- Urban Development Institute of Australia
- Council of Australia National Trusts
- Australian Institute for Maritime Archaeology

State Bodies

- Labour Council of NSW
- Local Government & Shires Association
- Maritime Archaeology Association of NSW
- Museums & Galleries Foundation NSW
- National Trust of Australia (NSW)
- NSW Aboriginal Land Council
- NSW Heritage Network
- NSW History Council

Local Bodies

- Aboriginal Land Councils & Communities
- Local Councils & Communities
- Local Historical Societies

General Public

Staff of the Heritage Office

International

- ICOMOS
- DOCOMOMO

THE NSW HERITAGE INCENTIVES PROGRAM : THE EIGHT PROGRAMS IN DETAIL

1. Site Works and Presentation Projects

Support is available for projects involving physical conservation works and the interpretation and presentation of heritage items.

Funding is available only for items of state heritage significance. This includes items already on the State Heritage Register or where a qualified heritage advisor has certified in writing that the item is of state heritage significance:

State government agencies are not eligible.

- Applications are called and assessed every two years.
- The minimum total cost of projects is \$20,000.
- The minimum size of grant or loan is \$10,000 and the maximum is \$50,000.
- Funding is not available for private residences in the Newcastle-Sydney-Wollongong metropolitan area.

2. Heritage Study and Promotion Projects

Support is available for thematic studies, promotion projects, publications, interpretation and presentation, histories and other projects dealing with a range of heritage items in NSW.

In 2004-2006, priority was given to thematic studies which identify items of state significance. Applications are particularly sought for state-wide studies of sporting places, World War II sites, bushranging sites, scientific/experimental sites, local council buildings and utilities, eg town halls, river transport and cemeteries.

Funding is available to organisations and individuals with an interest in NSW heritage. Projects dealing with individual heritage items are not eligible. State government agencies are not eligible.

- Applications are called and assessed every two years.
- The previous program closed on 13th February 2004.

3. Aboriginal Heritage Projects

Support is available for projects identifying, conserving or promoting NSW Aboriginal heritage. Funding is available only for projects in which NSW Aboriginal organisations or communities are the project proponent or partner.

- Applications may be submitted to the Heritage Office at any time.
- Applications are assessed by the Heritage Council's Aboriginal Heritage Committee on a quarterly basis.

Local government Aboriginal heritage studies or site surveys are funded directly with local councils.

4. Conservation Management Plans

Funding of up to \$2,500 per project is available to assist the preparation of conservation management plans for items considered to be of state heritage significance (listing is not required). Support is available for the owner or lessee of the subject item. Government agencies are not eligible.

5. Special Small Grants and Loans

Funding may be available for projects requiring immediate assistance outside the two-year funding cycle. Applicants must provide convincing evidence of urgency to justify support.

Funding normally limited to \$5,000 per project but in special circumstances can be up to \$10,000. Unless there are special circumstances, funding for private owners will normally be in the form of a loan—two-year interest free or repayable on sale or transfer with indexation.

Funding for all other applicants will normally be on a maximum \$-for-\$ grant basis although our preference is for assistance to be through a two-year interest free loan.

6. Local Government Heritage Management Support

At call funding is provided to rural councils

- undertake **community based heritage studies** to identify and promote all of the heritage items in your area (up to \$12,000 \$ for \$ one off)
- run a **free heritage advisory service** (up to \$6,500 \$ for \$ per year)
- run **local heritage funds** (up to \$8,000 \$ for \$ per year—any one project can receive up to \$10,000 per project per year)

Funding for metropolitan councils is limited to study projects.

7. Support to Heritage Partner Organisations

Multi-year funding is provided to a number of heritage and community organisations for agreed continuing programs. The Heritage Office negotiates the level of funding and agreed outcomes with participating organisations towards the end of each calendar year. Funding is made available through three-year service agreements, which commenced on 1 July 2002.

Current organisations supported through the Program include the National Trust of Australia (NSW), the Royal Australian Institute of Architects (NSW), Engineers Australia, the Keep Australia Beautiful Council, the Local Government & Shires Association, the Great North Road project and the Cobb & Co Heritage Trail.

8. Local History and Archive Projects

The program provides \$45,000 each year to the Royal Australian Historical Society for its small grants program. Grants of up to \$4,000 per project are available.