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4 CROWN LANDS DIVISION REPORT

ENSURING RESPONSIBLE AND SUSTAINABLE MANAGEMENT OF CROWN LAND FOR THE PEOPLE OF NSW

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KEY ACHIEVEMENTS

- ✓ Three new national surfing reserves were created at Cronulla, Merewether and Killalea.
- ✓ A \$22m conversion initiative has commenced that will upgrade the quality, reliability and availability of Crown land information.
- ✓ Approval was received for the first stage of the Silverton Wind Farm, the biggest wind farm in Australia creating more than 800 jobs.
- ✓ Memorandums of Understanding have been agreed on key planning projects in Gosford and Wagga Wagga.
- ✓ \$6.8m was received from the sale of 1,193 Crown road closures.

Crown Lands division (CLD) provides a service that is multi-dimensional, optimising environmental, economic and social outcomes on Crown land for the benefit of the people of NSW.

AIMS AND OBJECTIVES FOR 2008/09

Crown Lands division's aims and objectives are:

- contributing to growing prosperity by:
 - developing commercial purposes where appropriate
 - improving economic performance
 - maintaining Crown land infrastructure
- environment for living to:
 - achieve better environmental outcomes
 - improve facilities, access and use
- build the organisation and its networks by:
 - improving collaboration with key stakeholders and partners
 - improving business through a project management discipline
 - building technical capabilities
 - establishing a commercial business model
 - reviewing business process.

KEY PROJECTS

STRATEGIC GOAL 1

Responsible Crown land management to optimise environmental and socio-economic benefit to the state.

Silverton Wind Farm

The NSW Government has approved the first stage of the biggest wind farm in Australia creating more than 800 construction and operational jobs in Silverton.

The first stage will deliver 282 wind turbines which will generate enough green energy to power around 200,000 households.

This development is a successful collaboration exercise between the Crown, the pastoralists and the developer.

This project has established a new precedent for Australian property law in that it has put in place the concept of a 'parallel lease' over Crown land.

HMAS Adelaide Project

The Federal Government has gifted the ex-HMAS Adelaide to create an artificial reef and dive site on the Central Coast of NSW. Considerable progress has been made on the project with a final resting place for the ship selected, environmental assessments, a plan of management and the gazettal of the HMAS Adelaide Crown reserve underway. A contract has been awarded for the preparation and scuttling of the ship. The ship will be sunk around April 2010 depending on weather conditions. The ex-HMAS Adelaide, will provide a major tourism boost to the Central Coast region.

Hunter Travelling Stock Reserve Assessment Project

The travelling stock reserve/route (TSR) system in NSW comprises approximately 6,500 separate reserves totalling 740,000ha*.

Lands has undertaken a project to assess the values and management of the TSR reserve network in the Hunter Valley. The project received funding from the NSW Catchment Action Program and was developed in partnership with the Hunter Central Rivers Catchment Management Authority. The study identified that the majority of TSRs have significant environmental values, particularly in providing habitat for threatened species and many are in over cleared landscapes and adjacent to important waterways. TSRs also support a wide range of other values, such as recreational and community use and some contain significant cultural heritage. As a result of this pilot study Lands can now apply a consistent and robust assessment methodology and decision making process to TSRs across the state in preparation for the large scale hand back of reserves currently being considered by the Livestock Health and Pest Authority.

* Figures exclude Western Division.

Native vegetation conservation and rehabilitation on Crown land

CLD manages a number of sites where a range of land management programs including rabbit warren destruction, track rationalisations, rubbish removal, weeds and feral animal controls were implemented.

A property vegetation and incentive grant was approved by the lower Murray-Darling Catchment Authority for an area of 490ha to implement a conservation and rehabilitation project to enhance the conditions of native vegetation communities through the removal of stock and feral animals by controlling exotic weeds.

STRATEGIC GOAL 2

Development of master plans for the future direction and development of Crown land maritime precincts.

Gosford Challenge

The Gosford Challenge aims to grow Gosford as a world-class waterfront regional city. Gosford City Council and Lands are working cooperatively under a Memorandum of Understanding (MoU) on planning the development of the Gosford City Centre.

Riverside Wagga Wagga

Lands and Wagga Wagga City Council entered into a MoU for an area of Crown land along the banks of the Murrumbidgee River at Wagga Wagga known as the Wagga Wagga Riverside Precinct. Community and stakeholder consultation was undertaken to gauge the community's ideas for the precinct.

This is another outstanding example of state and local government working together to achieve a common goal, building opportunities and encouraging economic

growth and tourism to create better recreational facilities for local communities.

STRATEGIC GOAL 3

Streamline processes and reduce costs of administration of Crown land.

Conversion, Valuation and Asset Management Project

The Crown Land Conversion, Valuation and Asset Management Program is a major initiative to upgrade the quality, reliability, availability and strategic value of Crown land information. The program of works has three related projects; the Crown Land Conversion Project (CLCP), the Valuation Project and the Crown Reserve Asset Data Management Project (CRADM). The projects will cost \$22m and will be completed by June 2010.

The CLCP objective is to identify record and value all of the state's Crown land assets. The improved integrity of our spatial and textual data will provide the foundation to streamline and improve performance. Each parcel of Crown land will be re-valued annually at minimum cost. The project is scheduled to be completed in December 2010.

CRADM has created the Crown Reserve Reporting System (CRRS) to improve the information on reserve trust. CRRS is an online reporting system to assist with annual report submissions and to deliver long-term benefits for the care, control and management of Crown reserves. This project will provide significant benefits to local government.

Sustainable burial practices

The Lands Cemetery Policy Group was established in 2008 to work with cemetery management, other government agencies and the public in implementing sustainable cemetery management policies.

The *Rookwood Necropolis Repeal Bill 2009* passed in Parliament brings all aspects of Rookwood under the provisions of the *Crown Lands Act 1989*. The newly established Rookwood Necropolis Trust will focus on managing Rookwood as one integrated dedicated reserve and undertake a new plan of management in conjunction with the existing denominational trusts.

PERFORMANCE HIGHLIGHTS

Port Stephens foreshore master planning

Lands and Port Stephens Council jointly developed a foreshore masterplan to guide the future use and development of approximately 800km of Crown and community waterfront land along the southern Port Stephens foreshore.

This area consists of a number of unique precincts that have current and future potential to provide a range of recreational and tourism activities and contributing to the social and economic development of the local area.

The master plan seeks to strike a balance between environmental, landscape, cultural and recreation values of the waterfront and for sustainable commercial activity that can assist with economic development.

Boyd's Bay Marina

A preferred proponent for the development of a world-class marina and recreational boating facility at Boyd's Bay, Tweed Heads has been selected.

This project will cater for growth in the recreational boating industry, improving boating and mooring facilities and providing development that is environmentally sustainable.

The proposed development of the marina will consist of a 170 berth marina.

Surfing reserves

Three new national surfing reserves were created this year.

- Cronulla Beaches National Surfing Reserve covers 2,370ha of land and water stretching nine kilometres of spectacular coastline. CLD worked in partnership with the National Cronulla Beaches National Surfing Reserves Committee, Sutherland Shire Council, the local steering committee and the community to create this reserve.
- Newcastle's iconic Merewether Beach surfing reserve stretches from Dixon Park to Burwood Beach some two kilometres of spectacular coastline.
- Killalea National Surfing Reserve covers 'the farm' and 'Mystics' beaches adjacent to Killalea State Park. The reserve covers pristine coastal areas with some of the best beaches on the south coast.

Plans of management adopted

Plans of Management (PoM) guide the future use and management of Crown reserves and the following were adopted after public exhibition and consultation.

- Coffs Harbour Jetty Foreshores.
- Diggers Headland Reserve.
- Merewether Beach Reserves.
- Tabulam Racecourse and Riverside Reserve.
- Wellington Caves Reserve.
- The Hillston Common.
- Oxford Fall Regional Crown Reserve.

REPORT ON OPERATIONS

Minor Ports Program

The Minor Ports Program provides and maintains port infrastructure as well as safe, secure port access to 25 fishing ports along the NSW coast.

Projects under this program include road works and port services to improve operations, public access works to promote visitation to foreshore areas, infrastructure such as unloading wharves and mooring jetties, breakwater repairs and maintenance dredging.

Highlights of projects undertaken during 2008/09 includes repairs to Eden Mooring Jetty (\$560,000), Wollongong slipways repairs (\$160,000), Coffs Harbour slipways repairs (\$140,000) and dredging of the boat harbour at Coffs Harbour (\$50,000).

River Entrances Program

The River Entrances Program maintains breakwaters and half tide training walls at 21 river entrances along the NSW coastline and minimises public risk liability at these breakwaters. With a total estimated value of \$1 billion, these structures play a pivotal role in the safe navigation of marine vessels, including commercial fishing fleets and recreational boats.

CLD also manages eight hard rock quarries, which have been used for the production of rock armour for breakwaters and training walls.

Works funded under this program include maintenance of breakwaters and river training walls, dredging of river entrance bars and improved access to breakwaters for community use.

Projects completed in 2008/09 include maintenance dredging at Port Macquarie (\$270,000) and Tweed River (\$180,000) along with repairs to breakwaters at Yamba (\$40,000) and Kingscliff (\$25,000).

Waterways Program

The Waterways Program aims to ensure sustainable use of waterways and foreshores which are Crown land and to improve public access for recreation and amenity for public use.

Works under this program include waterway planning, recreational boating infrastructure studies, launching ramps, wharves and associated facilities such as car parking, landscaping and lighting. The program also caters for maintenance dredging and assistance in the reduction of waterway pollution by providing vessel sewage pump-out facilities.

Enhanced funding of \$1m was approved for the project in 2008/09. The funding is to improve navigation for recreational boating. Following a call for expression of interest a number of councils have been selected to undertake projects which will be carried out in 2009/10.

Tweed River Entrance Sand Bypassing Project

Lands manages the Tweed River Entrance Sand Bypassing Project, which is a joint initiative of the NSW and Queensland governments.

The objectives of the project are to ensure the entrance to the Tweed River remains navigable and the southern Gold Coast beaches are nourished with a regular supply of sand.

Sand bypassing is undertaken using a combination of a fixed pumping jetty south of the Tweed River, together with occasional dredging of the entrance using a floating dredge.

Sand bypassing operations reduce the sand fed into the river entrance area and have maintained a clear navigation channel at the entrance since the start of operations in 2001.

During 2008/09 a total of about 618,000 cubic metres of sand was transported. The total NSW contribution to the project during the year was \$5.9m.

Weed and Pest Funding Program

As part of sustainable management of Crown land, the Department provided funds for weed and pest control programs on Crown land.

A total of \$625,000 was allocated for weed and pest control programs this financial year. Of this total, \$435,000 was allocated for weed control and \$190,000 for pest control. A further \$120,000 was allocated for minor weed and pest/feral programs as part of a 'good neighbour' approach to land management.

Crown land bushfire management

Lands has a statutory responsibility under the *Rural Fires Act 1997* for bushfire protection on land under its control. Lands is responsible for organising mechanical hazard and fire trail works in Crown land. This year's works program has been successfully completed.

Funding for the bushfire hazard reduction and fire trails works carried out in 2008/09 included:

- \$500,000 - Crown Lands division
- \$964,000 - funded from Fire Mitigation Works Fund administered by the Bush Fire Coordinating Committee
- \$22,000 - funded from the Commonwealth Bushfire Mitigation Program 2007/08.

A fire protection works program was completed at Cudgegong River Park which was partially funded by the Commonwealth Natural Disaster Mitigation Program.

An increase in bushfire complaints followed the Victorian bushfires. The majority of



Kiama, Illawarra, NSW South Coast.



Sydney, NSW.

complaints have been addressed, and the outstanding will be addressed prior to the bushfire season.

The Department is represented on the Bushfire Coordinating Committee (and its two outstanding committees) and on most local bushfire management committees. The Department is working with a number of committees to develop new bushfire risk management plans.

Crown Land Strategic Development and Marketing Program

The Crown Lands Strategic Development and Marketing Program:

- manages the land development working account that is responsible for the development and sale of Crown land
- manages the coordination of Crown authorisation in relation to the transaction of lands of the monarch
- represents the Department on land allocation panels in Treasury
- manages the implementation of procedural reforms to optimise resources and outcomes in the commercial disposal and allocations of Crown land.

The program's target revenue of \$13m has been achieved.

A flexible five-year sales program for CLD designed to meet annual revenue targets has also been prepared.

Perpetual lease conversions

The success of this project is demonstrated by the environmental protection of 99,893ha of land that has been converted from Crown land to freehold.

Closing of disposal of Crown roads

The closures and sales of unnecessary Crown roads is a project supported by the Minister and Treasury and managed by CLD.

A fundamental review of processing applications has been undertaken with a view to introducing new processing procedures in 2009/10.

In 2008/09 1,193 closure applications were completed and 871 applications for road sales. Income received from the sales was \$6.896m.

It is expected with enhancement funding and improved and more efficient procedures the outputs will increase substantially in the next financial year.

FUTURE FOCUS

Based on assessment and evaluation of the NSW Government's State Plan, Lands' reform agenda, corporate plan and results and services plan, Crown Lands division's strategic objectives for 2009/10 are:

create opportunities for economic growth by:

- growing existing CLD business
- developing Crown land, where appropriate, for commercial purposes by the private sector for public benefit
- implementing an equitable cost recovery fee structure
- creating efficiencies through development of function based transaction centres.

delivering better services by:

- maintaining and investing in Crown land infrastructure

- improving natural and man made assets on Crown land
- providing better access to, and use of Crown lands for broader community benefit
- restructuring CLD to provide a greater 'on the ground' public outcome.

building the organisation and its networks by:

- expanding collaboration with key stakeholders and partners
- delivering business objectives through a project management discipline
- building technical capacity to deliver business objectives
- leveraging improved data quality and technological advancement to provide faster response
- reworking administration processes to provide greater efficiencies.

Crown Lands strategic objectives

| STRATEGIC INITIATIVE | KEY TARGET | PERFORMANCE OUTCOME | STATUS |
|---|--|---|---|
| STRATEGIC OBJECTIVE 1: CREATE OPPORTUNITY FOR ECONOMIC GROWTH | | | |
| 1.1 Crown land be developed for commercial purposes by the private sector for public benefit. | Develop Crown land of prime commercial significance for optimal return on investment in the economic and social interests of the state. | Crown land of prime significance identified in each region. | Crown land has been identified by each region. The target has been met. |
| | | State-wide strategy for developing such lands prepared and adopted by BOM. | Actioned at regional level. |
| | | Establish annual commercial agreements for projects identified in accordance with state-wide strategy by 30/06/11. | Actioned at regional level. |
| 1.2 Improve economic performance. | Convert all eligible perpetual leases to freehold. | 100% of all eligible perpetual leases (7,454) assessed and dealt with under the NSW Government's offer to convert to freehold, where applications have been received by 31/12/08. Due date 30/6/10. | 5,762 perpetual leases have been converted to freehold. Approximately 700 of these have covenants registered on title protecting existing environmental values. |
| | | 100% of all eligible Western Lands leases held for residence (1,326) dealt with under the NSW Government's offer to convert to freehold by 30/06/10. | 81% of the target has been achieved. 1,816 applications have been completed out of an eligible 2,250 leases. |
| | Close and sell unnecessary Crown roads. | Complete 400 applications to close and sell unnecessary Crown roads by 30/06/11. | Income target of \$7m achieved in 2008/09. Processes being redeveloped to achieve targets of Treasury enhancement funding. |
| | Improve royalty returns from extractive industries on Crown land from \$3.2m pa to \$5m. | Strategy to improve royalty returns from extractive industries prepared and adopted. | Achieved. |
| | | Royalties from extractive industries equal to or greater than \$5m pa. | Expectations not met due to the global financial crisis. |
| Improve financial return into the Crown reserves system. | Reinvestment of Crown reserves income increased by \$0.5m pa. | | |
| STRATEGIC OBJECTIVE 2: DELIVER BETTER SERVICES | | | |
| 2.1 Maintain and invest in Crown land infrastructure. | Prepare a port redevelopment strategy and incorporate into MPREW (Minot Ports, River Entrances and Waterways) programs and port management arrangements. | Port redevelopment strategy developed and adopted. | Five port redevelopment strategies have been developed and adopted. |
| | | Strategy incorporated into commercial development projects where required. | Strategies for five commercial development programs have been adopted. |
| | | MPREW program delivered full aligned with port redevelopment initiatives completed annually on 31 July. | Completed. |
| | Fulfill objectives of the Inter State Deed of Agreement between NSW and Qld Governments to deliver Tweed River Entrance Sand Bypassing Project. | Navigation channel remains accessible throughout 2007/08 by 30/06/09. | Completed. |
| | | Quantities of sand transferred annually within the target range established for each 'contract year' through the working group process by 30/06/10. | Completed. |
| 2.2 Achieve better environmental outcomes for natural resources on Crown lands | Apply land management covenants on titles of former perpetual leases prior to freehold sale to alternate Crown tenure. | Environmental values of 5,000 holdings assessed by 31/12/11. | Assessment for environmental values completed on approximately 1,950 eligible holdings by 03/08/09. |
| | | Enhance environmental management of 3,500 holdings assessed as having high conservation values through covenants in perpetuity by 31/12/10. | Land management covenants registered on title on approximately 700 perpetual leases converted to freehold by 03/08/09. |

| STRATEGIC INITIATIVE | KEY TARGET | PERFORMANCE OUTCOME | STATUS |
|---|---|--|--|
| Cont. 2.2 Achieve better environmental outcomes for natural resources on Crown land. | Prepare and implement asset protection zones (APZ) plans for all towns, villages and suburbs with a substantial perimeter of bushfire prone Crown land. | Relevant urban areas identified and APZ plans prepared. | All regions have completed this target, except Sydney. Due to staff turnover and recruitment issues Sydney region has not achieved this target. With recent recruitment this target should be achieved in 2009/10. |
| | | 70% of APZ plans implemented by 30/12/08. | In excess of 90% of (completed) APZ plans have been implemented. Funding has been sort for remainder and it is anticipated works to be completed 2009/10 financial year. |
| | Establish and maintain an operational network of fire trails on Crown land. | All strategic fire trails on lands managed by CLD inspected. | The majority of fire trails managed by CLD are now annually inspected. |
| | | Maps of fire trails updated and submitted to the local bushfire Management Committee annually by 30/08/08. | Maps have been submitted and the majority of fire trails managed by CLA are now annually inspected. |
| 2.3 Better access to and use of Crown lands for broader community benefit. | Develop recreational trails and tracks on Crown land. | Business plan for mid north coast 'coastal walkway' completed. | Deferred until environmental issues resolved. |
| | | Plans for two canoe trails to be completed and implemented. | Completed. |
| | | Plans for two horse trails completed and implemented. | Deferred due to other priorities. |

STRATEGIC OBJECTIVE 3: BUILD THE ORGANISATION AND ITS NETWORK

| | | | | |
|--|---|--|--|-----------|
| 3.1 Establish and maintain collaboration with key stakeholders and partners. | Develop effective community and stakeholders relations in the use of Crown lands. | 12 Local governments formally briefed of changes in modus operandi of CLD. | Completed. | |
| | | Reserve trust boards induction program prepared. | Draft induction program prepared. | |
| | | Induction program implemented for all trust boards by 31/12/08. | Waiting finalisation of induction package. | |
| | | Develop and adoption of communication strategy for trust recruitment. | Completed. | |
| | | Implementation of communication strategy for trust recruitment. | Package completed and being progressively delivered. | |
| | | Develop and implement collaborative programs developed and implemented with two CMAs. | Completed. | |
| 3.2 Develop staff capacity to meet the needs of the organisation. | Develop and implement specialised training program. | Training action plan prepared for: <ul style="list-style-type: none"> • project management • middle management • public land administration • environmental management | Certificate III is being offered to CLD staff. Two leadership workshops have been developed and presented to all staff to team leaders and above. Further training needs will be identified under the restructure. | |
| | | Prepare and implement a policy development, storage and retrieval system. | Policy and direction storage and retrieval mechanism developed and implemented. | Completed |
| | | | Policy development timetable program adopted by BOM and implemented. | Completed |
| Ensure health and welfare of staff are properly considered and addresses. | | Action plans developed for all nominated OHS committees. | OHS committees formed. | |