

# CORRECTED VERSION

## SELECT COMMITTEE ON PUBLIC LAND DEVELOPMENT

Melbourne — 28 November 2007

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### Witness

Mr M. Craighead, manager, governance and customer relations, Frankston City Council.

**The CHAIR** — I welcome Michael Craighead, manager, governance and customer relations at Frankston City Council. Would you please make a short opening presentation and we will follow with some questions. Thank you for your time in submitting today.

**Mr CRAIGHEAD** — Thank you. I wish to go over some of the points we made in our submission with a short statement. The legislation and systems applying to Crown land management imposed by the state may assist the state, but they are not always council or local community-friendly. Crown land is overregulated, over-managed and there exists a multiplicity of acts and departments, often with competing priorities. Councils often find themselves in the middle of a tug of war, or a turf war if you like, with uncertainties around decision making, which is fraught with difficulty and delay.

An easy example would be Kananook Creek, which is a declared main drain, so Melbourne Water is the responsible authority for the creek bed. The banks are managed by the DSE, the Department of Sustainability and Environment, with council as the committee of management. Parks Victoria also has some responsibilities in respect of licensing of structures and jetties. That is a topical issue for us at Frankston at the moment because we have some significant issues with the jetties on Kananook Creek. At the moment we are struggling to try to get some sense out of the various government departments involved in those issues.

**The CHAIR** — You are, of course, in the exact pocket of a transit city.

**Mr CRAIGHEAD** — We are. Kananook Creek is where we are trying to enliven, I guess, particularly the bottom end, the lower reaches. The jetty issues and some of the other issues go further up; further north. We are trying to tackle the whole lot, but the bottom end is an area where we are very keen to try to sort something out, and sooner rather than later.

Whilst council has no direct evidence to support our view that the state does not respect local planning provisions, it is our view from limited past dealings that the state is all about maximising the dollars, which can be to the detriment of the local community. An example of that in Frankston, which we are familiar with, is the sale of the former Karingal Secondary School site. That site comprised two parts. One part was the buildings and infrastructure and the second part was the local sportsground, which council maintained, and the community had fairly extensive use of that. Council sought to buy that site and put in an offer to acquire it, but we were unsuccessful and the state government ultimately sold it for significant financial gain, to the detriment of the local community. We now have multi-unit aged housing infrastructure on that site with the loss of the local footy oval for the local community in that area.

Another example of where council is perturbed about the state not observing council planning schemes is around school sites and TAFEs generally. Generally these sites are overdeveloped and do not provide for car parking. Frankston TAFE is a classic example of that. Council is at the receiving end of submissions from local residents regarding parking controls and providing more parking. It is trying to resolve what essentially is a state government issue. It should not be an issue for the local council to address the provision of car parking for a state facility.

It is our view that ideally Crown land managed by a council for community purposes — e.g., a football oval — should be handed over to the council so that the council can manage the site without any involvement by the state. State involvement generally adds little or no benefit, contributes no resources and adds unnecessary layers of bureaucracy to the process. There have been occasions in the past where even the department's own staff have been confused about which section of which act applies to a reserve and inadvertently invites council to proceed along a certain course, only to find that another course should have been advised, creating frustration for the clubs that occupy those reserves, for the community and the council, and creating delays and additional costs. A simpler system, underpinned by a straightforward plain English act, is long overdue in our view. That is all I wish to say.

**The CHAIR** — Thank you for your submission. I am very interested in the example at the mouth of Kananook Creek and part of the transit city, and I am familiar with the work the council is trying to do in partnership with the state government to refurbish and lift the quality of some of that area.

**Mr CRAIGHEAD** — That is correct.

**The CHAIR** — How could that better be managed? How could it better be controlled? Should that be something that is handed entirely over to council? By having a single authority would you improve the management? I am looking for your feedback on a specific practical problem like that.

**Mr CRAIGHEAD** — You probably have not got the expert on that particular issue, because I am on the sidelines rather than in the fray. Others are more involved in that particular project.

The difficulty that we as a local government face is dealing with myriad competing demands from different departments. It does not seem as though you can go to one person and get a straight answer, and then rely on that answer and go forward. I am not convinced even in respect of that project — and I must stress I have only had minimal involvement from the outside looking in rather than being directly involved — that we have even managed to achieve it in that project, where the state government is meant to be working with us towards moving that project forward.

I know there have been some frustrations expressed in the backrooms of the civic centre about the progress on some of those issues and some of the dealings they have had. There are probably some frustrations at this end, too, I would suspect, with some of the government departments, but I think most people would say that we need a single voice, we need somebody to go to, somebody who has sufficient clout to make things happen. Certainly when I have dealt with government departments, quite often you end up with people — probably in a similar position within the government as I am at the council — not ultimately necessarily being able to make the final decision, and the process of getting that decision can take months, sometimes years, and it just seems to be a series of hurdles. You jump one lot of hurdles and it gets progressed up to the minister's secretary or something or other, then it comes back and then it is back to us to address some other point that someone had not thought of or should have thought of, whatever — it is just a series of jumping hurdles one after the other, and it just takes forever.

**The CHAIR** — So you think that has in effect slowed or stalled a lot of the success that you could have got out of some of those projects like the transit city?

**Mr CRAIGHEAD** — Transit city is moving forward. I am not the best person to ask those questions of. If I had known in advance you were going to ask direct questions on that, I would have brought someone else who can speak with more authority on that issue.

**The CHAIR** — I am just conscious that the example you are talking of, Kananook Creek, is the front bit, as it were, of the transit city.

**Mr CRAIGHEAD** — Yes, it is, and we are certainly very keen to improve that. To give you one example, there is a boat hire operator who has been operating virtually at the mouth of the creek for probably 30 years, maybe longer. The boat used to be on a series of pontoons. The pontoons gave way and the boat sank. We do not have any direct control over that operator because he is in the creek.

**The CHAIR** — That is Melbourne Water, is it?

**Mr CRAIGHEAD** — Parks Victoria actually.

**The CHAIR** — It is a jetty or a — —

**Mr CRAIGHEAD** — Yes. Whilst he is in the water we have no control whatsoever, until he sets foot on the creek banks where council is the committee of management. It is an absolute eyesore and we wanted it addressed. We went to Parks Victoria and said, 'Look, we need to do something about this particular operator. We want to sit down and talk to him and see if we can perhaps throw some money at him and get him to look at improving that particular structure'. The licensee was not overly keen, but we thought that if we got a bit of support from Parks Victoria, we might be able to turn that situation around and end up with a more attractive-looking feature in the creek. We did not want to lose the feature. We wanted to continue to have a private facility hiring boats out. We did want an upgrade of the facility, and a significant upgrade at that.

I think I spoke to — and this is going back a while — probably 8 or 10 people in Parks Victoria in various offices trying to get somebody to say, 'Yes, I am responsible. I can give you a straight answer on how we can go about working together to achieve that'. We never got there. The structure just remained. We never managed to achieve any worthwhile improvement. Eventually Parks Victoria issued a licence to the gentleman who ran the business at that time and it continued on. That licence is still in place today.

**The CHAIR** — That in effect is a sort of a bureaucratic mess that has actually been a major impediment to lifting the standard of that area, which is a key part of the transit city.

**Mr CRAIGHEAD** — Correct. As I said, I am involved in the fringes. It is only a very small inkling of what goes on at a larger level. I am just trying to get onto the right person and get someone to actually put their hand up and say, ‘Yes, I am responsible, and yes, I will work with you to fix it’. It is not easily achieved. I am not sure how you overcome that. I am fairly persistent and do push people’s buttons a bit, but you can push all you like sometimes; you do not necessarily get the result you want.

**Mr TEE** — I do not have any questions, but thank you very much for submission and your attendance today.

**Mr O’DONOHUE** — I am interested in your comments about the car parking at the TAFE college that some of us are well familiar with. It seems to be a bit of an oversight the way that state schools and state educational institutions do not have to provide on-site car parking like private schools do.

**Mr CRAIGHEAD** — Or any other business activity.

**Mr O’DONOHUE** — Or any other business activity; it is really a double standard.

**Mr CRAIGHEAD** — It is.

**Mr O’DONOHUE** — I know it causes real problems in the Frankston area. The Frankston train station car park is always overflowing; there is just not enough car parking in that area.

**Mr CRAIGHEAD** — And part of the Samuel Sherlock Reserve which is adjacent to the TAFE site is used for car parking, and we then run foul of DSE who say it should not be used as a car park. Admittedly the car parking is probably an overdevelopment of the car park for the use of the reserve, but it does meet some of the need of the TAFE demand — nowhere near enough, though; we still get complaints from residents. That site is no different from probably most of the primary and secondary schools in Victoria, I suspect. We are not alone.

**Ms PENNICUIK** — I think the example you give about the Kananook Creek and the involvement of Melbourne Water, for example, and Parks Victoria, is a story that probably plays out in many councils. I know in Port Phillip, where I live, we have the same issues — for example, the Elwood canal, when the council was wanting to do things, they had to deal with Melbourne Water which owns the bed of the canal and Parks Victoria, which controls the banks. Probably, would you agree, an issue that perhaps this committee could look at is the coordination of that and how different departments could work better together with councils in particular in terms of publicly owned land?

**Mr CRAIGHEAD** — It certainly needs better coordination. It needs more clarity about who is responsible. There is a demarcation line as to where DSE steps in and Melbourne Water steps out in terms of whether it is the bed, the banks, the high tide mark, the low tide mark or somewhere in between — is it the flood line? All those issues are unclear. There certainly needs to be greater clarity. It is no doubt hamstringing, I guess, council and the community — because we have community groups that work on a lot of those creek areas — from moving forward and using their efforts in a better, more productive manner.

**Ms PENNICUIK** — I was interested particularly in your statement that controls over local reserves should be relinquished by the state government. Could you speak a bit more on that?

**Mr CRAIGHEAD** — We manage quite a lot of Crown land at Frankston as I suspect most councils do. Some of our major reserves are on Crown land. Frankston Park where the VFL Dolphins play is Crown land. The state government has not put any money at all into that reserve, and in fact I suspect all of the Crown land that we manage has seen negligible or no state government money whatsoever. Yet the state seems to be very good at telling us what we can and cannot do. When we went to it and said, ‘The current change rooms do not meet AFL standards and the AFL clubs that are playing at other grounds have got better facilities and we need to upgrade the facilities at Frankston’, we faced one hurdle after another. We basically had the AFL saying to us, ‘If you do not have these facilities up and running within 12 months you will not be allowed to play at this ground’, which is obviously a real issue for the Frankston club because it affects gate takings and so forth, as well as revenue from the kiosk and alcohol sales and so forth.

We worked with the club; we came up with a plan and we went to DSE to say, ‘This is what we have got in mind’. It was just one bridge after another — one hurdle after another; there were not too many bridges. We ended up

getting some advice from the government at that stage that we should be using a certain form of lease. We went down that section and we got to the stage where it landed — I understand — close to the minister's desk, so it was in the upper echelons up here to be signed off, and someone twigged that we had used the wrong section and the wrong lease, and we had to go back and do it all again.

I know why the state government is reluctant to hand over those parcels to councils as committees of management. It is because it is on the balance sheet of the state; it looks good on paper. But the reality is that it is a community asset. Councils are about communities just as much as the state is, if not more so. We are the ones putting our money and our hard-earned efforts into that particular reserve, in fact into all of the reserves in the municipality, for the betterment of our community — and not just for our community because other people use our facilities as well. I do not really think — in fact I know — there is not much benefit which comes out of the involvement of the state. It would be far better if these things were removed from the state government balance sheet, transferred over to council, and council managed them for the betterment of the community like we are doing now, day in and day out. We are the ones with the blood, sweat and tears in those reserves; it is not the state. It does not come down and have a look at them. It does not participate other than when we want to do something, and then it turns round and says, 'You cannot do that. You have got to do it this way' or 'You have got to do it that way' or 'You just cannot do it', full stop. It says, 'By the way we do not like that window where it is; it has got to go somewhere else'.

That sort of involvement does not add anything to the process. We have our own planners and our own architectural people. We know what the community wants, we are in touch with that and we are trying to respond. We are hamstrung with having to go back uptown to get permission every time we want to do something. It is not right; it should not happen.

**Ms PENNICUIK** — Thank you. It is an interesting issue and one which I will take a further interest in.

**Mr CRAIGHEAD** — I might say that the only thing the state does for us is to insure those parcels of land from a public liability perspective, so it does pick that up. But I think you will find that most councils would be happy to relieve themselves of the burden of the state and pick up the liability exposure, if we could manage it. From my point of view it does not make much sense — and I manage the risk at Frankston — for the state to insure it when it has no control over what goes on on a daily basis anyway. We are the ones operating it so we should wear that cost. On the other side of it, the state should hand it over and we should manage it freely.

**Ms PENNICUIK** — I have another question if I may. In your first sentence you say:

Council appreciates that it has little involvement in regard to decisions at the federal and state level to sell public land that is no longer required for public use by these levels of government.

The state government departments we have spoken to insist that councils are involved. Is that not your experience?

**Mr CRAIGHEAD** — We are involved, but it is a fairly minimal exposure. As I understand it the process, they basically go through and they ask each other within the government departments who wants it or may need it for some particular use. After it is determined that, say, the education department does not want it, they go round to all the other government departments to say, 'Do you want it?' If the answer comes back as no, then they offer it to us. But it is not at minimal cost, it is at full market value. As I explained with the Karingal Secondary School site, it was one council dearly wanted to retain it but was not prepared to pay the sorts of dollars that the state thought it was worth. Ultimately they got it from a developer, which council did not particularly want to entertain either, and why should they when it was a community asset? It was being used by the community.

**Ms PENNICUIK** — Certainly that point has been made many times.

**Mr CRAIGHEAD** — And we are the ones paying the money to maintain it. The state was not putting any money into maintaining it.

**Mr KAVANAGH** — When you were talking about the councils having to comply with state government directives or regulations, that was about building permits or planning permits; is that right?

**Mr CRAIGHEAD** — Could you just repeat that; I did not quite catch it?

**Mr KAVANAGH** — Were you referring there to building permits or planning permits for council buildings?

**Mr CRAIGHEAD** — I am not quite sure I understand what you are driving at.

**Mr KAVANAGH** — What regulations do you have to comply with as a council that you think you should not have to comply with?

**Mr CRAIGHEAD** — There are a couple of things. I guess the regulations stem from the Crown Land (Reserves) Act and those sorts of pieces of legislation that the Department of Sustainability and Environment administers and enforces, and rightly so; it has that responsibility. I guess we would argue that if we are managing Crown land in the interests of the community, and so long as we are managing it for a community purpose, we are not intending to sell it, and if the state felt more comfortable putting something on the title to say, 'Thou shalt not sell it', we would live with that quite happily because we are not about selling it. But we are about developing it and maximising it for the benefit of our community and for the people who come in from outside our community to use those facilities. We do not believe the state adds any value to that process in terms of managing those reserves on a day-to-day basis, or even on a yearly basis.

At the moment if we want to enter into a lease with a club, more often than not we have to ask the state for permission to do it. It then tells us how to do it and then quite often what we can or cannot do. If we are entering into a 21 year lease, or a 10 year lease, I do not believe that we really need to get the state's permission. We ought be able to do that. If there is something way out of kilter with the purpose of the reserve, that is a different kettle of fish, but if it is reserved for recreation purposes and we have a recreation activity, why do we need to go to the state to say, 'We want permission for the football club to extend its building by another 3 metres?'. We should not have to do that. It is just unnecessary bureaucracy. We have our own experts that can manage that process without the state's involvement.

**The CHAIR** — Mr Craighead, thank you very much for your presentation. I just have one very quick update question: Frankston Reservoir — what is the situation, the current state with the reserve there?

**Mr CRAIGHEAD** — I am not directly involved in that one either. My understanding is that there is a bit of an impasse between the state and council in terms of the cost of works that are required to bring the reserve up to standard before council will accept it. Now, that is my understanding. If you like, I can get back to you and confirm that.

**The CHAIR** — Certainly any brief or statement would be helpful for us.

**Mr CRAIGHEAD** — Can I somehow or another get a contact number?

**The CHAIR** — Richard will assist you.

**Mr CRAIGHEAD** — I will undertake to get back to you on that with a statement from the CEO, because he is directly involved and I am again on the offside.

**The CHAIR** — Sure. That would be helpful because it is quite an important piece of land.

**Mr CRAIGHEAD** — It is an important piece of land and an important site. I just do not know that we have reached agreement yet or consensus on the cost of what is needed to be done before we are prepared to accept responsibility for it.

**The CHAIR** — Thank you.

**Committee adjourned.**