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Dr Loraine Abernethie
Principal Research Officer
Economics and Industry Standing Committee
Legislative Assembly
Parliament House
PERTH WA 6000



Dear Dr Abernethie

ENQUIRY INTO CARAVAN PARKS AND CAMPING GROUNDS IN WESTERN AUSTRALIA

I refer to our meeting at the Shire of Gingin Administration Centre on 19 June 2009, and your request for additional information on the regulatory burden experienced by the Shire in the planning and development of the Ledge Point Caravan Park. Please accept my apologies for the delay in responding to your request however, my focus has been on finalising the Shire's draft 2009/10 Municipal Budget. With the draft Budget now finalised, Shire Staff has had the opportunity to summarise the difficulties faced by them during the approval process.

On 21 April 1998, the Shire's Chief Executive Officer, forwarded correspondence to the Department of Land Administration (DOLA) advising that Council, at its Meeting of 16 April 1998, resolved to make application to DOLA confirming Council's intentions regarding the acquisition of land for the establishment of a new caravan park in Ledge Point, be it north of the existing caravan park, or south of Reserve 31250. The purpose of the correspondence was to seek advice from the Department in order for this initiative to be further progressed.

In responding to this correspondence, the Department confirmed on 15 June 1998, that it was prepared to consider leasing either of the two sites, but would first be required to negotiate clearance under the *Native Title Act*, and undertake preliminary investigations regarding Aboriginal Heritage issues under the provisions of the *Aboriginal Heritage Act*.

Following protracted negotiations and compliance with statutory constraints, particularly those relating to Native Title, DOLA invited Expressions of Interest (EOI) for the purchase and development of Lot 544 Ledge Point as a caravan park, with the EOI requiring lodgement with the Department by 12 May 1999.

On 26 July 1999, DOLA advised the Shire of Gingin that the Minister for Lands had approved a recommendation to offer a conditional purchase lease for Lot 544 to a successful applicant. The successful tenderer indicated, however, that the area of land set aside for caravan park purposes, was insufficient to allow the development of a viable commercial undertaking and required a guarantee from the State that an extended area would be available to it. DOLA, in correspondence dated 11 November 1999, confirmed that it was prepared to look at an extended area, however, it would be subject to a full feasibility proposal and, if an additional area was seen to be required, then DOLA would require a full and open competitive release for the combined area.

Due to the requirement for the land to be subjected to an additional approval process, which was likely to prove protracted, together with the difficulties in obtaining environmental approvals through the then Department of Environment given the fragile nature of the coastal environment in which the preferred site was located and the urgency to have an operational caravan park facility in Ledge Point developed given the pending closure of the original caravan Park, Council commenced consideration of alternative sites.

In August 2000, approvals from various Government Agencies including the Water Corporation, Western Power, the DEC and Department of Minerals and Energy were sought. A Design Plan for the land was prepared and circulated for comment. Following comments, a formal survey was commissioned and a validated plan produced during October 2000.

At its Meeting of 17 October 2000, Council deliberated on the merits of establishing a new Caravan Park Reserve within the existing Ledge Point Recreation Reserve 31684. As a consequence of discussions at this Meeting, Council resolved to annexe an area of approximately 4.14 hectares of land from this Reserve for the purpose of caravan park development.

Native Title action commenced in November 2000, with a Notice of Intention to Take (NOITT) being registered shortly thereafter. At the cessation of the NOITT process in 2001, a Flora and Vegetation Survey was then facilitated. Unfortunately, the Flora and Vegetation Survey had to be a "spring" survey and could not be undertaken until September 2001.

Council, at its Meeting of 18 December 2001, resolved to rezone Lot 742 from "Parks and Recreation" to "Special Use-Caravan Park". Approval for the rezoning was obtained on the 23 July 2002, from the Western Australian Planning Commission.

Following the successful rezoning of the land, it was necessary to negotiate the preferred means of disposition of the property, given that it was to be acquired by the private sector and there was a desire on the part of the State Government and Council for the land to remain a "Caravan Park" in perpetuity.

In this regard, the Minister for Lands advised that the land would be marketed on the basis of "leasehold" as opposed to "conditional purchase-freehold". Council raised concerns that investment interest may be significantly reduced in the event that no freehold option was made available to the private sector. Various negotiations were effected with representatives from the Department for Planning and Infrastructure's Land Asset Management Services Branch in order to progress the marketing of the land.

In February 2004, the Minister for Lands determined, on the recommendation of the Department for Planning and Infrastructure, that it would be preferable to market the land by way of "Conditional Purchase - Freehold" as opposed to leasehold.

With this matter resolved, an unequivocal assurance by the Department for Planning and Infrastructure was given that the calling of Expressions of Interest would be advertised by the end of March 2004.

In April 2004, Expressions of Interest had not been invited. The Department for Planning and Infrastructure confirmed that the State Solicitor's Office had advised that in preference to the calling of Expressions of Interest, the disposition should be progressed by way of a "Request for Proposal". In this regard, it was necessary for the Expression of Interest documentation to be amended before advertising could commence.

Finally, all matters were resolved to the satisfaction of the State Solicitor's Office and advertising commenced on 15 May 2004. Interestingly enough, the advertising called for "Expressions of Interest", not a "Request for Proposal".

Following advertising of the Expression of Interest, the Shire sought a final copy of the Expression of Interest Information Package. Unfortunately, the Information Package had not been finalised by the Department and was not made available until 11 June 2004.

Following the cessation of the Expression of Interest process on 12 August 2004, a Ledge Point Caravan Park Selection Panel was established in order to assist the Department in assessing the Expressions of Interest. Only one Expression of Interest had been lodged.

Notwithstanding the fact that the Expression of Interest application period ceased on 12 August 2004, no deliberative action was taken by the Department in determining the application.

As a consequence of growing frustration being expressed by both Council and the community, on 9 May 2005, correspondence was forwarded to the then Minister for Planning and Infrastructure seeking her intervention in having this matter determined.

The awarding of the Expression of Interest was finalised shortly thereafter.

An Application for Planning Consent for the development of a Caravan Park on the subject land was received on 19 June 2005, which, after being subjected to due process, was considered by Council at its Meeting of 16 August 2005, at which Council resolved to grant conditional Planning Consent for the development.

I believe the above timeline of events in relation to the establishment of the new Ledge Point Caravan Park clearly highlights the bureaucratic constraints which severely impact on the timely release of Crown land for Caravan Park development purposes.

In regard to concerns that land tax was 'more crippling' than rates, the Shire's investigations into this matter determined that there was no real difference between the two.

I trust this information assists your Committee in its deliberations in relation to the Inquiry into Caravan Parks and Camping Grounds in Western Australia.

Should you have any queries regarding any aspect of this response, do not hesitate to contact the Shire's Principal Environmental Health Officer, Wayne Harris, or me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Fraser', with a stylized flourish extending to the right.

SIMON D FRASER
CHIEF EXECUTIVE OFFICER

SF:ko
File: COR/13