STANDING COMMITTEE ON ENVIRONMENT AND PUBLIC AFFAIRS

TRANSCRIPT OF EVIDENCE TAKEN AT PERTH WEDNESDAY, 29 AUGUST 2001

FIRST SESSION

Members

Hon Christine Sharp (Chairman)
Hon Kate Doust (Deputy Chairman)
Hon J.A. Scott
Hon Louise Pratt
Hon Frank Hough
Hon Robyn McSweeney
Hon B.K. Donaldson

Committee met at 1.35 pm.

BECK, MR TINSLEY MANNING, Petitioner, residing at 7 Willaring Drive, Beckenham, examined:

The CHAIRMAN: On behalf of the new Standing Committee on Environment and Public Affairs, I welcome you here this afternoon. You have signed a document called "Information for Witnesses". Have you read and understood that document?

Mr Beck: Yes.

The CHAIRMAN: You will note that these proceedings are being recorded by Hansard. The transcript of your evidence will be provided to you. To assist the committee and Hansard can you please quote the full title of any document to which you refer during the course of the hearing; and please also speak into the microphone, so that we get a good recording. I remind you that once corrected your transcript will become available on the public record. If for some reason you wish to make a confidential statement about today's proceedings you should request now that this evidence be taken in closed session, and then the committee will consider your request. Do you wish to request that the committee hearing is closed?

Mr Beck: No.

The CHAIRMAN: Please note that until such time as your transcript of evidence is finalised it will not be made public. I advise that premature disclosure or publication of evidence may constitute a contempt of Parliament and may mean that the material published or disclosed is not subject to parliamentary privilege. The committee is pleased to meet with you today. Could you please make an opening statement on the reason you are praying for relief. I encourage you to give the background of the issue, so that we can grasp fully your concerns.

Mr Beck: May I distribute some supplementary papers to which I want to refer in this opening statement?

The CHAIRMAN: Yes.

Mr Beck: I presume that the original statements have been distributed?

The CHAIRMAN: They have, yes.

Mr Beck: In a nutshell, we had complaints about some planning decisions. They caused us financial loss. We asked for compensation. We referred the matter to the Ombudsman who, after about three years, supported us strongly. The Ministry for Planning rejected the Ombudsman's verdict with what, I submit, was a very dishonest letter. That is the burden of the original statement that I distributed. However, I thought today that I should go back - with reference to this package I have just handed out - and refer to copies of plans, which might make it easier to understand what happened. I propose in the bundle that you have just received to turn immediately to attachment 1. I can use these copies of plans to go through fairly quickly and describe how it all happened.

As a matter of interest the date on the letter from the Department of Planning and Urban Development is 11 years ago today. This letter approves a subdivision application; the plan for which is attachment 1.4, and I refer to that briefly. The property that we are concerned about is on

the right-hand side of that page. Lots 107 and 106 on the bottom right are the subject of this whole complaint. I draw attention to a couple of things. Page 3 of the approval letter, which is attachment 1.3, states -

The applicant is further advised that land in addition to the foreshore reserve shown on the plan . . . is currently reserved under the Metropolitan Region Scheme for 'Parks and Recreation'.

The plan at attachment 1.4 contains no reference to that reserve. There is mention of the floodway and the 100-year flood line. Also the letter contains no reference to what we should do about this reserve to which they have drawn our attention, or what the Department of Planning and Urban Development might do about it. I draw attention to that, because this will be a fairly important point later on. In other words, the 1990 approval mentioned the parks and recreation reserve. However, the whole subdivision was approved in a way that indicated that they expected us to build houses on the subdivision; for example, connection to water, water supplies, drainage and all those sort of things. This matter will come up later.

The CHAIRMAN: Does the letter that forms attachment 1 relate to lot 107, lot 106 or to both?

Mr Beck: This is a subdivision that created lots 107 and 106. I have just about finished referring to this, because it sets the scene for how lots 106 and 107 came into being. The particular relevance of that is the reference to this parks and recreation reservation. That is because the planners tend to remind us that they told us about it in 1990. I will explain where the problems arose shortly.

The CHAIRMAN: You had already successfully achieved subdivision approval for the lots shown on the top of the page on that map?

Mr Beck: Yes; and that same application created those two larger lots. We had intended to leave them as large lots at the time, because we thought they would be sold as mini-rural properties at the time. However, it turned out that nobody wanted properties that big, so then we asked to subdivide those two lots into two lots each. That is where our problems began.

The CHAIRMAN: Thank you for explaining that.

Mr Beck: I am happy to digress for any questions. This whole exercise arose when we wanted to buy a property at Gidgegannup and extend our goat dairy business that we were running partly on this land. When we finally got there after a whole lot of trauma we said, "Look all these things have gone wrong in the planning process, surely we should have some compensation for this". As this story unfolds you will see why. Attachment 2A is a memo drafted by Gordon Smith to a member of staff asking for details of our various applications. The reply to that is at attachment 2B, and I draw attention at this stage to one paragraph at 2B.4, because this will crop up later as well. It reads -

Paul has advised me that in dealing with application 82219 -

which is the one to which I have just referred -

he was aware of the reservation, but because it was largely superfluous and under review, he saw no reason why the application could not be supported. Beck was advised of the reservation in a footnote.

I referred to that five minutes ago, and that little episode will crop up again as we proceed. In other words, there was a reservation; and you cannot build houses on a reservation. However, the reservation belonged to an obsolete plan that was rejected roughly 20 years earlier, and the land was not required by the City of Gosnells or anybody else for recreation purposes. Even though it remained on the books, the officer there who dealt with the application - Paul Sewell - clearly believed that the application for subdivision should proceed because there was no reason for it not to. This bit of reservation could be dealt with in due course and got rid of.

Attachment 3.1 is a copy of the application to subdivide lot 107. As I said, the reason for this and, later on, for the subdivision of lot 106 was that we needed to sell the land to facilitate our move of property. However, as nobody wanted these large lots, we thought we would subdivide them. Question 10 on attachment 3.1, which is the application for approval of a subdivision says -

State (in detail) purpose and proposed use of the lots within the *Subdivision . . .

We said -

To divide 107 into 2 lots . . . to permit one extra residence.

We clearly applied for a subdivision for residential purposes, and to create one extra residence. That means there must have been one there before or one already approved - at least that is how we understood it.

Attachment 3.2 is a rough copy of the plan to divide lot 107. You will see one lot of about 3 000 square metres and an L-shaped block of about 8 000 square metres. The reason for that odd-shaped block is that the upper left section is low altitude land, and the settlement pond is part of the drainage system for the surrounding subdivisions. However, the bottom right part of that block is quite a nice place for a house, and we thought that would be a good way to go. That application was approved, as indicated on attachment 3.3, which is the next letter dated 6 May 1992. The point about that letter is that it was a simple, almost standard approval to subdivide as per our application, with water connection, drainage and fill, discharge of stormwater and so on. There was no mention at all of a parks and recreation reserve. I should mention that in the 1990 application, when we saw this reference to the reserve, I phoned an officer at the then Department of Planning and Urban Development. I spoke to Andrew Moore who was in the parks and recreation area to ask about the significance of this reference to parks and recreation. I was advised to do that by Mr Morris who was the planning officer from the City of Gosnells. He said that it was subject to review; there was nothing else said. We assumed we would go ahead and do the drains and the road and sell the blocks.

Attachment 3.3 is the 1992 approval. It contains no reference at all to the parks and recreation reserve.

The CHAIRMAN: Was the purpose of the review to remove the reserve status, or are you saying that there was no reserve status and that was under review?

Mr Beck: No, as I understand it - there is a picture of it on attachment 3.5, which we are just coming to - the reserve was on the books. However, it belonged to a plan that was rejected in about 1972, because at the time there were no sewerage connections available. The plan that had been put up at that time had a whole lot of housing blocks - lots of quarter acre blocks or whatever they were. However, that simply could not go ahead because there was no sewerage connection, and the authorities would not approve septic tanks on pretty heavy land near the river at that time until sewerage became available. This term "subject to review" is a bit of technical jargon. It means that something like it certainly has not yet been acquired by the authorities and it is still privately owned. Nevertheless, it was on the books. However, in view of the almost casual reference to it in the 1990 application, the casual response when I made a phone call and everyone else's casual attitude to the whole thing we did not think any more about it.

The CHAIRMAN: The extent of the reserve did not impinge on lot 106 at all?

Mr Beck: Not at all; just on 107.

The CHAIRMAN: The casual observer of the map at attachment 1.4 and of the river and the foreshore reserve would assume it would be the land closest to the river that would be a reserve. How does the topography work?

Mr Beck: The land closest to the river on lot 106 is quite high; it slopes down steeply to the river, whereas there was a low patch - as you can see, although not very adequately - on attachment 3.5.

The land curves around, and the shape of that stippled area reflects the lowest part of the land. If the river is really high, which does not happen much nowadays, but it used to, water would come up towards that area.

The CHAIRMAN: The flood plain would curve back?

Mr Beck: Yes. This certificate on attachment 3.5 is called a clause 42 statement, which is a standard document from the planning ministry that indicates the location of parks and recreation reserves. This is quite a bit later on, but I have included it here to show that the reserve lay well over lot 107 and subsequently over lots 2 and 3, which were the subject of this latest application. As I said, because the letter of approval said nothing whatever about it, again, we went ahead and got approval and advertised the lots for sale. We were so sure that we had approval that we had a buyer. It was a family who wanted to build a fairly complicated house on that block with a granny flat and so on. A condition of purchase was that they get approval from the City of Gosnells before going ahead with it. They paid a deposit and got approval from the City of Gosnells to build on that land.

Hon J.A. SCOTT: Was that lot 107?

Mr Beck: It was on No 3; the smaller of the lots on lot 107. I am skipping ahead there. The point of this comment is that neither the Gosnells City Council nor anyone else drew our attention to the fact that there was a problem building there, because there was a parks and recreation reserve still there.

The CHAIRMAN: Where is the subdivison approval for lot 107?

Mr Beck: The approval to divide lot 107 into two is on attachment 3.4.

The CHAIRMAN: Is it the letter on attachments 3.3 and 3.4 signed by Sarah Arthur?

Mr Beck: Yes. That deal for building the complicated house fell through, but we were advised in writing that there was no problem building a house on that land. The purchasers were very sorry not to be able to go through with it and we kept their deposit by mutual arrangement.

Hon J.A. SCOTT: I note that the approval was given provided certain requirements were met. Did you carry out all of those requirements?

Mr Beck: We carried them all out before the titles were finally approved. We "cleared the plan" or whatever the expression is? Do you have any particular requirements in mind?

Hon J.A. SCOTT: The letter from the Department of Planning and Urban Development indicates that it has considered the application and is prepared to approve a diagram or plan of survey in accordance with the plan submitted provided that conditions set out below are fulfilled.

Mr Beck: Those are standard words. I think every subdivision has that format.

Hon J.A. SCOTT: I was checking that you were able to fulfil those requirements.

Mr Beck: Yes, it went through and we received title in due course. It was not granted immediately due to a few costs involved and we thought we may be able to sell the whole of lot 107. We had both lots on the books at that point. There was no problem building houses. We were even directed to lodge a \$4 500 sand pad bond with the council so that a future purchaser of the land could elevate it to the level required for adequate protection against the 100-year flood level, which is approximately the wording of the Water Corporation. There was no problem reaching that height. Every requirement, indicating that it was not meant to be a place for skate boards or swings, was met. It was there to build houses on as far as we were concerned.

In November 1992, a lady was supposed to turn up at our place and pay a deposit on lot 3, the smaller of the two lots, the other sale having fallen through. However, she rang late afternoon to say that she would not go ahead because she found at the City of Gosnells a green patch lying over her block on the council map, which indicated to her, with the assistance of the staff member, that

there was a parks and recreation reserve residing on the land. She therefore pulled out of the sale. By then we were getting pretty frantic about our financial situation, having borrowed money to buy the farm at Gidgegannup. We were working on fences and buildings, etc. Attachment 4, which is included for reference, indicates that in clause 18, no person shall commence or carry out any development on reserve land that is not owned by or vested in a public authority without the written approval of the authority to do so.

The CHAIRMAN: You had that written approval?

Mr Beck: I am glad you said that.

The CHAIRMAN: There was a question mark at the end of my comments.

Mr Beck: I believe we did, according to attachments 3.3 and 3.4. I do not see how anyone can read it any other way but that we had approval subject to conditions such as landfill and drainage. I believe that every word in that letter says this has been approved subject to finalising titles and so on to build two houses on.

When the purchaser phoned us, it was the evening of the annual meeting of ratepayers of the City of Gosnells. I was at the farm when my wife phoned me. I jumped in the car and raced down and got dressed in time to go to the meeting where I blew my stack because I thought the City of Gosnells was at fault for still showing on its map a parks and recreation area that did not exist. However, after digging deeper into the matter, we found that it still existed on the Department of Planning and Urban Development's records. The parks and recreation classification that had been subject to review - superfluous and belonging to a superseded plan - was still there. We had the book thrown at us from then on. We were told we could not build on reserve land without special approval, which can be granted only under special conditions. Rezoning would take about nine months by the quick method. What could we do? The Department of Planning and Urban Development got into action fairly quickly when it realised it had made a mess of it and set in train the rezoning to remove the "reserve" from the land. Meanwhile somebody suggested we should apply for approval to build on the land anyway, which could be a quicker way of getting approval while the rezoning took place because approval could be given under special conditions. Approval was granted. The special conditions are listed in the previous memo from Mr Vieira. Firstly, approval was given because of the approval for the subdivision and thereby an expectation that houses could be built on the land. Secondly, the rezoning process was in train and, thirdly, all the authorities, such as the City of Gosnells, and the Swan River Trust, agreed with it. Even that took several months to get through.

The point about this part of the story is DPUD approved a subdivision that included land that was reserved and did not remove the reserve nor did it tell us that we should apply to have it removed. When we went to sell the land we found we were not allowed to do so, even though we had evidence from several other processes that we were allowed to sell it. It took nine months to clear and by then we were well and truly out of pocket. We ended up selling lot 3, believe it or not, to someone who badly wanted it with the proviso that the reserve would be taken off and with our undertaking to refund the purchasers their money plus 10 per cent interest plus fees and something else if it did not happen. It was not a very orthodox sale of a piece of land.

We had borrowed heavily so we paid interest on our loans for approximately an extra year, during which time the land was not available because of the reserve on it. That completes the story of lot 107. There are probably many more details but this file contains correspondence dating back 11 years, so I am trying to keep it simple.

The CHAIRMAN: You have only about another 10 minutes.

Mr Beck: I really need about 10 hours.

The CHAIRMAN: Going through it slowly like that has been very helpful to the committee. We are getting a grasp on the issues.

Mr Beck: I hope members will have questions later. Attachment 5 is a picture of the plan we submitted with another application to subdivide lot 106. On the right-hand side we have written "proposed 6m cross-easement already bitumen & kerbed". That was the driveway already created for lot 106. A Gosnells City Council staff member suggested that we incorporate a cross-easement arrangement. I did not know anything about cross-easements until I heard that term. The Gosnells town planning scheme refers to adjacent rural lots - this was still zoned rural at the time - and requires that two rural battleaxes use a single driveway to service the two lots and have deeds of cross-easement, or words to that effect, incorporated in the titles of the two properties. That is in the town planning scheme. I drew a plan with a single driveway, which is the term used in the Gosnells town planning scheme and drew a dotted line at the end indicating access to the two lots. It was submitted. As members know, the applications are sent out to local authorities such as the Water Corporation. Attachment 6 has a little paragraph about cross-easements, which I have been referring to.

Attachments 7.1 and 7.2 are the letter that Gosnells council sent to the ministry saying -

Council recommends that application 87506 be approved subject to the following conditions:

Those conditions refer to access, soil, landfill, drainage and -

7 The applicant preparing and lodging a Specific Performance Agreement for creation of Deeds of Cross Easement for new lots prior to clearance of diagram(s.)

The Gosnells council returned the plan to DPUD shown on attachment 7.3 with a variation to the driveway boundaries. In other words, that is how it was to appear on titles, with a line drawn down the middle, continuing on to separate the two lots. The planners had that diagram with them when they decided to reject the application. One of the reasons it was rejected was that a lot or lots would not have access to a gazetted road.

We eventually appealed against it. The planning officer involved went to extraordinary lengths to supply the Planning Appeals Committee with reasons it should reject our appeal. It was due to a hair-raising muddle in the mind of planning officer Matthew Young about the driveway. It was a complete mess and confusion which also carried on for years afterwards until the letter included in my main submission from the Planning Ministry, signed by Gary Prattley, to the Ombudsman, rejecting the Ombudsman's recommendations that we be compensated for this rubbish.

I am trying to fit my evidence into the 10 minutes available. With reference to attachments 8.1 and 8.2, I phoned the Health Department when this was going on and asked what was the problem with having a septic tank in that area. The officer I spoke to said, "I know that area; that's where the ground water is a metre above the ground isn't it?" I said no. He said that was what his maps showed. I said, "Your map is wrong." I forget what else we discussed. The next day I went into the office and surprised the people there a little. They dug out of a draw a microfiche, which contained two plans. Without wanting to strain your eyesight too much, on attachment 8.2 is the land contour. You will see a line with a 3 across it. That is the three metres above sea level - Australian height datum. That is across lots 107 and 106. Down towards the bottom right of lot 106 it shows 3.6 metres above AHD.

On attachment 8.1 there are some other contours that relate to ground water. You will see that on either side of the river there are three contours identified by the numbers 4, 5 and 6, which are the levels of ground water in that area.

The CHAIRMAN: Are they above the surface?

Mr Beck: They are above the surface of the ground. You need to be an environmentalist to understand this. In one place it is four metres above sea level; next to that it is five metres and next to that it is six metres. It is really good for water skiing, and terrific for septic tanks and the rest of it. I have photographs of that land where we used to cut hay; it is as dry as a bone. If you installed

a below-ground pool, you would not find water there in the summer. That digression demonstrates part of the nonsense we had to undergo to get this sorted out. The same officer is still in the Department of Health.

Attachment 9.1 is a letter drafted by Matthew Young, who must have had time on his hands to prove that the battleaxe cross-easement arrangement we had proposed was contrary to the Gosnells town planning scheme. To be contrary to the town planning scheme, a clause in the Gosnells scheme had to be invoked that related to the width of battleaxe lots in rural areas. The clause he quoted was the subject of an amendment. The heading on attachment 9.1 is "Amendment 96 -Supreme Court Decision". He and someone else there had had discussions with the City of Gosnells; and he had looked around and dug out this Supreme Court decision, which had declared amendment 96 invalid. It was invalid because of a fault in the way that land would be allocated to these new zones, which were rural A and rural B - or whatever they were. The scheme had never been used. The City of Gosnells had for the past 12 years assumed it was dormant. However, Matthew Young, a junior planning officer, had found something else. When members look at the underlined parts in that letter they will see that they are written in the passive voice, so you do not know who did all these things. For example, "examined in some detail and the conclusion reached" and so on. Matthew Young did it himself. He informed himself that this amendment to the Gosnells town planning scheme was valid after all; in spite of everyone else in the past 12 years thinking it was invalid. Therefore, it was not permissible for our battleaxe arrangement to go ahead because it was too narrow. Attachments 9.2 and 9.3 are notes from Matthew Young to the Town Planning Appeal Committee in which paragraph 2 reads -

The Commission has received recent advice that an amendment . . . previously considered to be ineffective, is valid . . .

Matthew Young gave Matthew Young this recent advice; and he passed it on to the Town Planning Appeal Committee. I do not have a clue what his motive was; you would have to use your imagination there.

Attachment 10.1 is an alternative plan that we submitted later because the minister had rejected our appeal based on that double battleaxe cross-easement arrangement. The ministry advised us there was no way that we would ever get that approved because the minister had rejected it and the minister's decision was final. We spent weeks working out how we could get two separate driveways down to the two parts of lot 106. That went to the authorities in the usual way. The day before the committee was to hear this application somebody rang us and asked whether we would be agreeable to a single driveway on the east side of the property with a cross-easement arrangement. I said, "You mean like the plan we put up a year ago?" The response was, "Well yes, that sort of thing". That is on attachment 10.2. We rushed that in on the morning of the committee meeting and it was approved. If I had another half an hour I would analyse the ministry's letter to the Ombudsman. You can decide how to deal with that.

The CHAIRMAN: If the committee decided that it required further information we would inform you. I have two specific questions on your statement. We understand that part of the ministry's defence was that you did not seek professional advice. Do you wish to comment on why you did not seek professional advice, and whether that would have assisted your application and prevented the subsequent difficulties?

Mr Beck: Professional advice? The department designs the forms to fill in. We were advised by a Gosnells City Council staff member that this cross-easement arrangement was the way to go. We filled in the form, which asks for complicated information like name and address; and we drew the plan and wrote cross-easement next to it. When it had been submitted I phoned the ministry to find out who was dealing with it and I spoke with Matthew Young and we discussed the cross-easement arrangement. On the phone he had no problem understanding what it was about. He also had a letter from Gosnells City Council with the extra line drawn down the middle to help him understand

what the cross-easement was all about. On this business about seeking professional advice; there was not a reason in the world they could not have approved it with a condition. They had half a dozen conditions there. Gosnells City Council had put up a few conditions for them to consider and include. First, they could have mentioned on the phone to us that we needed to formalise that and to change the design. Secondly, I do not think we needed to anyway, because we drew it as the Gosnells scheme described it. Surveyors draw it up for the land title in a different way again. They have two plans; one is the way the Gosnells City Council drew it, and the other is for the cross-easement area, which is a rectangle just as we drew but with the line to show the division between the two lots. All they had to do was say "subject to a cross-easement contract on the titles".

The CHAIRMAN: What about the previous delay because of the reservation problem?

Mr Beck: I do not see how we could have known that we needed professional advice. In my opinion, they needed professional advice! We filled in the form and we did exactly what they said. We inquired about this reference to the reserve. Clause 18 of the metropolitan region scheme says there should be no development on a reserve, but they directed "other than with special approval". They directed us to put a settlement pond in the middle of the reserve as part of the drainage system. We did that. It was a major bulldozing effort, and all that sort of stuff. I think they are the ones who needed professional advice. They mucked up both of our applications.

The CHAIRMAN: My last question would be on the sum of \$170 000, which is your estimate of the cost to you of this approval process. Could you give us a rough breakdown of how you arrived at that figure?

Mr Beck: I would like to increase it actually. Some of it is subjective. We had a meeting with the Ombudsman and with Jane Burn who was given the job of finally sorting out this thing; she did a very thorough job of it.

The CHAIRMAN: Is she from the Ombudsman's office?

Mr Beck: She is a legal adviser at the Ombudsman's office. The first officer who was put onto that job in the Ombudsman's office did not have a clue. He mucked it up. That is why we requested a meeting, and we were given the opportunity of a meeting with the Ombudsman.

The CHAIRMAN: How did you arrive at that indicative figure?

Mr Beck: I will deal with lot 107 first. We based it on the time between the original approval to subdivide, which turned out to be a useless approval, and the second date being the date that the removal of the reserve was gazetted. It was based on the value of those blocks, times the interest that we were paying on our bridging finance, times the number of days or months that that delay took place.

The CHAIRMAN: In the meantime you had already sold lot 3 with the understanding that the obstacle would be removed?

Mr Beck: That was part way through the process, and I have specifically mentioned that in -

The CHAIRMAN: Perhaps it would be helpful if you could provide the committee with a breakdown of that?

Mr Beck: It occurs to me I did not provide quite that detail in the main submission. I certainly have the details available. We did virtually the same calculation with the other lot, except it was the time from refusal to the time of approval, times the value of the prices that we sold them for except we ended up keeping one of the lots. I have explained all of that and how we worked out the values. Another factor was our main homestead at Kenwick, which we could not sell until we had built at Gidgegannup. The whole process was delayed for a year, so we could not sell that place either. That was worth about \$300 000 and we were paying interest at 9 per cent, so that is another \$27 000 which ought to have been compounded into the whole thing.

The CHAIRMAN: Are you still at Gidgegannup milking goats?

Mr Beck: No; we sold. We lost a member of the family at the end of 1997, and another member who was with us went off to do other sort of work. We had an opportunity to sell up. Our daughter who wanted to keep the place - she was the gung ho farmer - realised that with a young family it was a good opportunity to change. We retired and they went into other work.

I did not quite make the point that the Ombudsman said that if he recommended some sort of compensation the amount would be the subject of a third party or some other party doing the numbers.

The CHAIRMAN: Thank you very much Mr Beck.

[The witness retired.]