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## 8.2 PLANNING PROPOSAL - RECLASSIFICATION OF LAND COMMUNITY TO OPERATIONAL

Record No:

Responsible Officer:	Chief Strategy Officer
Author:	Strategic Land Use Planner
Key Theme:	1. Community Outcomes
CSP Community Strategy:	1.2 High quality community support and residential aged care services are available and accessible to residents across the region
Delivery Program Objectives:	1.2.1 Competitive cost effective aged care and community support services are available within the region
Attachments:	<ol style="list-style-type: none"><li>1. Attachment A - Planning Proposal - Reclassification of land community to operational - Lot 10 DP 1130244, Pt Lot 10 DP 1266613</li><li>2. Attachment B - PricewaterhouseCoopers (PwC) Report for Snowy River Hostel and Yallambee Lodge</li><li>3. Attachment C - Practice Note PN16-001 - Classification and reclassification of public land through a local environmental plan</li><li>4. Attachment D - Title Searches and Linen Plans</li></ol>

### EXECUTIVE SUMMARY

The purpose of this report is seek Council endorsement to submit a planning proposal (PP) (Attachment A) which relates to the reclassification of Council owned land from “community” land to “operational” land.

- 7 Jindalee Street, Berridale, Lot 10 DP 1130244 being land adjacent to the Snowy River Hostel
- 1 Binalong Street, Cooma, Part Lot 10 DP 1266613 in Cooma being Yallambee Lodge.

It is to be noted that this lot was recently created through the consolidation of Lot 1 DP 841447 and Lot 464 DP 416596 and at the time of writing this report, the new linen plan had not been received by Council. The area proposed for reclassification is the entirety of Lot 1 DP 841447.

Under Part 2 of the *Local Government Act 1993* (LG Act), all public land vested in a council (except a road or land to which the *Crown Lands Act 1989* applies) must be classified as either “community” land or “operational” land. Pursuant to Clause 27 of the LG Act, land may be classified or reclassified either through a Local Environmental Plan (LEP) or by Council's resolution in certain limited circumstances.

Under the current circumstances, the land must be reclassified via an amendment to the LEP, requiring a planning proposal.

The need for the reclassification is to align the classification of the land to the use of the land, being the operational delivery of residential aged care services. It is noted that the land on which Snowy River Hostel is located is already operational. The reclassification is also proposed to ensure the services can be properly delivered into the future, either by Council or by another provider given Council has accepted Stream 2 funding under the Australian Government Department of Health Business Improvement Fund in relation to Snowy River Hostel and Yallambee Lodge.

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The planning proposal is consistent with the relevant section 9.1 Ministerial Directions, Snowy Monaro Local Strategic Planning Statement, State Environmental Planning Policies and Community Strategic Plan.

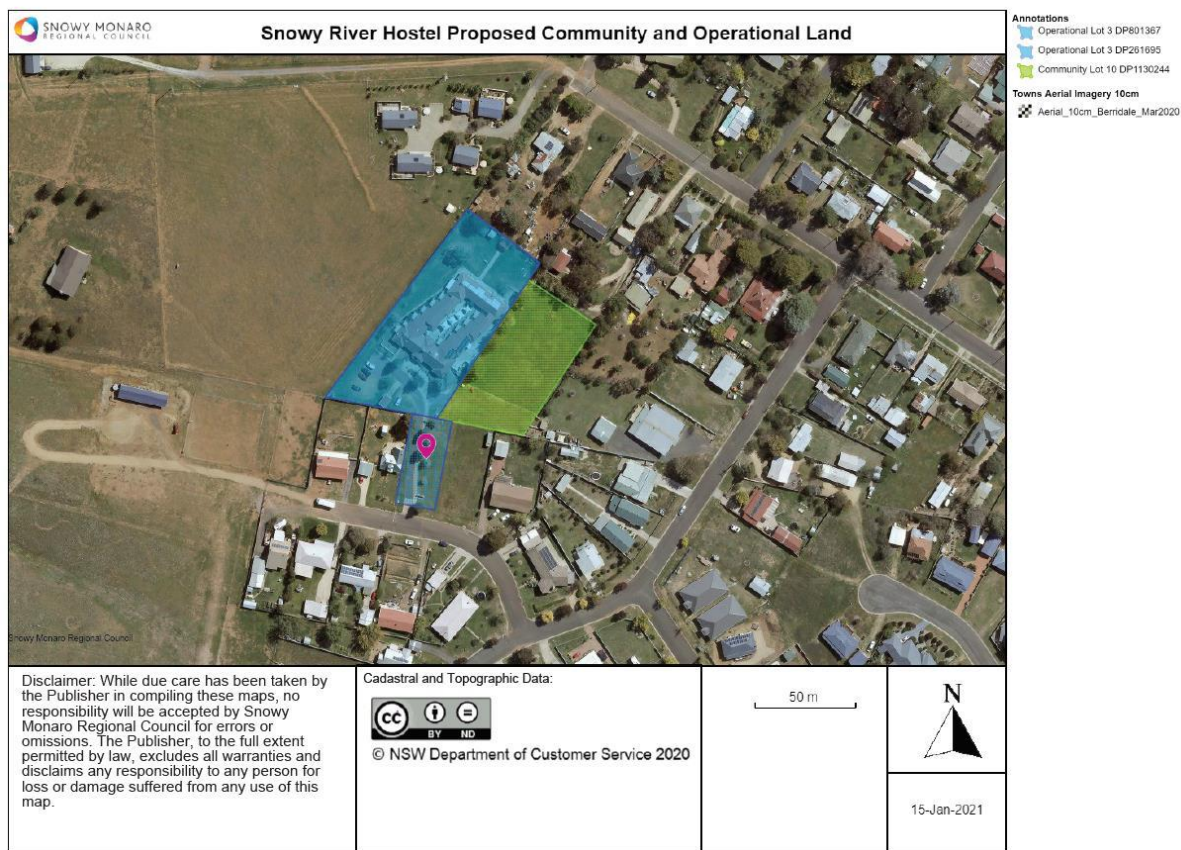
**OFFICER'S RECOMMENDATION**

That Council:

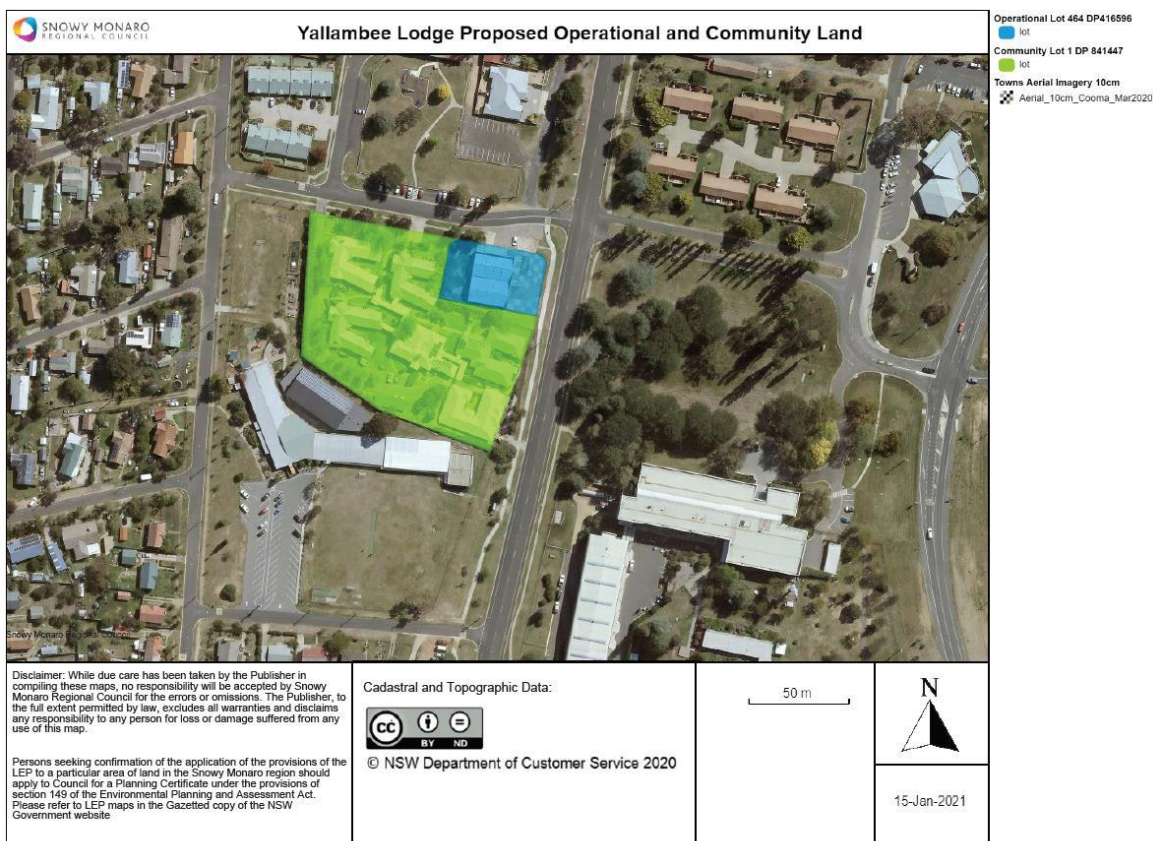
- A. Submit a Planning Proposal for proposed amendment to Snowy River 2013 and Cooma-Monaro LEP 2013 to reclassify Lot 10 DP 1130244 in Berridale and Part Lot 10 DP 1266613 in Cooma from community to operational land to the Minister of NSW Planning & Environment for a Gateway Determination in accordance with Section 3.34 of the *Environmental Planning and Assessment Act 1979*; and
  - B. Subject to receipt of a gateway determination from the NSW Department of Planning and Environment, proceeds with the planning proposal and consultation is undertaken with the community and government agencies in accordance with Schedule 1, Division 1, Clause 4 of the *Environmental Planning and Assessment Act 1979* and any directions of the Gateway Determination.
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**Figure 1 – Snowy River Hostel, Berridale**



**Figure 2 – Yallambee Lodge, Cooma**



## BACKGROUND

The land on which the existing Snowy River Hostel is located is already classified as operational. This is a correct classification of the land given the operational nature of the facility. While the facility certainly provides a “community service”, that is not a reason land should be classified as community. The land adjacent to Snowy River Hostel, which could house a future expansion of Snowy River Hostel, is classified as community.

The land on which Yallambee Lodge is located is classified as community land. The adjacent land (recently consolidated with the Yallambee Land) is classified as operational land. This site is subject of the expansion of Yallambee Lodge in the form of a new dementia ward.

Classification of the land on which such operational facilities exist as community is problematic in that it poses difficulties for ongoing operations. For example, if uses expand, an amendment to a plan of management could be required. It is more appropriate to classify the land correctly, being operational.

On 18 June 2020 Council resolved to submit applications under the Australian Government Department of Health Business Improvement Fund grant program for Yallambee Lodge and Snowy River Hostel.

### *COUNCIL RESOLUTION 101/20*

<b>COUNCIL RESOLUTION</b>	<b>101/20</b>
That Council submit applications under stream 2 of the Australian Government Department of Health Business Improvement Fund grant program for Yallambee Lodge and Snowy River Hostel.	
<b>Moved Councillor Stewart</b>	<b>Seconded Councillor Castellari</b>
	<b>CARRIED</b>

Stream 2 supports the transition of the residential aged care facilities to another provider. Aged care providers that have been targeted through the Business Improvement Fund are those having difficulty in achieving financial viability due to the changing landscape of residential aged care services, particularly where there is an impact on consumers/residents. Providers unable to achieve financial viability meet the Stream 2 criteria.

Council’s application for Stream 2 was supported by a report prepared by PricewaterhouseCoopers (PwC) (Attachment B) provided under the Business Advisory Service Program. The PwC report indicates that Council will face significant difficulties and mounting costs if it continues to deliver residential aged care services.

Council was successful in being awarded the funding and subsequently resolved on 17 December 2020 as follows:

### *COUNCIL RESOLUTION 250/20*

<b>COUNCIL RESOLUTION</b>	<b>250/20</b>
That Council receive the successful application and receipt of funding under stream 2 of the Business Improvement Fund.	
<b>Moved Councillor Stewart</b>	<b>Seconded Councillor Corbett</b>
	<b>CARRIED</b>

For Council to commence negotiations and ultimately transition to a new provider, the land must be reclassified from community land to operational land.

This planning proposal sets out the justification for the proposed reclassification of the subject sites at 7 Jindalee Street, Lot 10 DP 1130244 and 1 Binalong Street, Pt Lot 10 DP 1266613 from “community” to “operational” land. The proposed reclassification accurately reflects the use of the land and also permits Council to investigate a transition to a new aged care provider.

The proposal has been demonstrated as being the best means of achieving the objectives and intended outcomes. The planning proposal is considered suitable and appropriate as it:

- Is consistent with the principles of Council’s Community Strategic Plan;
- Is consistent with the South East and Tablelands Regional Plan and Local Strategic Planning Statement;
- Is consistent and complies with the strategic planning test outlined in DPE’s ‘A Guide to preparing planning proposals’;
- Demonstrates compliance with Practice Note PN 16-001 (Attachment C), prepared by the Department of Planning.
- Is consistent with the relevant Ministerial Directions under Section 9.1 of the Environmental Planning and Assessment Act 1979; and
- Does not pose any adverse environmental or social impacts on the surrounding community.

Significant community consultation has already occurred, as outlined in Section 7 of the planning proposal (Attachment A) and Council does not underestimate the sensitivity of this matter.

In terms of community consultation moving forward, the gateway determination will outline the community consultation required to be undertaken.

The community will be notified of the commencement of the exhibition period via a notice in a local newspaper and via a notice on Snowy Monaro Council’s website. The written notice will: -

- Give a brief description of the objectives or intended outcomes of the PP;
- Indicate the land affected by the PP;
- State where and when the PP can be inspected;
- Give the name and address of the RPA for the receipt of any submissions; and
- Indicate the last date for submissions.

An independently chaired public hearing will also be arranged for the planning proposal, after the closing of the public exhibition period. Notice of the public hearing will be given in local papers and on Council’s website. Anyone who made a submission will be advised of the public hearing at least three (3) weeks prior to the hearing taking place.

Acknowledgement letters will be sent out to residents/businesses who make a submission during the public exhibition period.

## **CONCLUSION**

This Planning Proposal has been prepared in accordance with Section 3.33 of the Environmental Planning and Assessment Act 1979 (the EP&A Act) and the relevant guidelines prepared by the NSW Department of Planning and Environment including ‘A Guide to Preparing Local Environmental Plans’ and ‘A Guide to Preparing Planning Proposals’.

This planning proposal sets out the justification for the proposed reclassification of the subject sites at 7 Jindalee Street, Lot 10 DP 1130244 and 1 Binalong Street, Pt Lot 10 DP 1266613 from

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“community” to “operational” land. It should be noted that this is the accurate classification of the land as it is currently used for the operation of aged care facilities. The proposed change to classification also provides an opportunity for Council to investigate a transition to a new aged care provider.

## **QUADRUPLE BOTTOM LINE REPORTING**

### **1. Social**

The economic and financial sustainability of aged care in the Snowy Monaro Region is essential for the community's social sustainability. While there may be community opposition to the transition to a new aged care provider of these facilities, the process is being undertaken is aiming to secure the long term viability of aged care services in the region. The planning proposal assists in delivering the following objective for Councils Community Strategic Plan (CSP):

Our health and wellbeing needs are met;

- Quality health and wellbeing services that support the changing needs of the community through all stages of the lifecycle are provided through government and non-government organisations
- High-quality community support and residential aged care services are available and accessible to residents across the region

Council intends to establish three key requirements in the contract when transitioning to a new provider. The new provider must:

1. Maintain or improve quality of service
2. Retain staff
3. Commit to expansion of residential aged care services to Jindabyne

### **2. Environmental**

The planning proposal relates to the reclassification of land only. No physical works would result from the reclassification. Therefore no environmental impacts are anticipated.

### **3. Economic**

The planning proposal seeks to reclassify land from community to operational to better reflect the use of the sites and to facilitate the transition to a new provider of aged care facilities. The proposal is based on a comprehensive economic report from PricewaterhouseCoopers (PwC) which puts forward a clear business case for the transition to a new provider. The PwC report provides ample economic justification for the proposal.

### **4. Civic Leadership**

Any future transition to a new provider will be conducted with the highest levels of transparency and probity and in accordance with a process specified by Council. Given the cost to Council of continuing to provide residential aged care services, Council must explore options to transition to a specialist aged care provider.

A future transition to a new provider will be a significant matter for Council and the community. If this is to proceed, it will be based on a decision that such a transition will result in the highest level of residential aged care services in the Snowy Monaro. A decision to support a future transition to a new provider is an acknowledgement that a dedicated residential aged care service provider will

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provide a more financially sustainable and higher level of care than Snowy Monaro Regional Council is able to, which will result in a better service to the community.

Notice of the public hearing will be given in local papers and on Council's website. Anyone who made a submission will be advised of the public hearing at least three (3) weeks prior to the hearing taking place.

Acknowledgement letters will be sent out to residents/businesses who make a submission during the public exhibition period.

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