



Heritage Incentives Scheme Operating Guidelines

Approved: Council endorsement, 15 November 2016

Owner: Associate Director, Planning and Development
8203 7756

Trim: ACC2016/181572

1. INTRODUCTION

- 1.1 Adelaide is renowned for its historic architecture. The conservation of our built heritage will create a City of outstanding places that meets the aspirations of the community.
- 1.2 The Heritage Incentives Scheme (HIS) promotes and supports the conservation of Local and State listed buildings by reimbursing property owners with a proportion of the costs involved in retaining, reinforcing or reinstating the heritage significance of these places in accordance with The Burra Charter.

2. STRATEGIC CONTEXT

- 2.1 The 30 Year Plan for Greater Adelaide seeks to strengthen the state's focus on "protecting and recognising our heritage" and within the Adelaide City centre to "sustain the heritage, character and scale of the valued residential precincts of North Adelaide and the south-east and south-west corners."
- 2.2 A 'Liveable City' is a key outcome of the City of Adelaide's Strategic Plan 2016 – 2020 which seeks to "promote and protect Adelaide's built character and heritage through our operations, incentives, policies and direct investments...".
- 2.3 Council's Strategic Plan also seeks to "showcase the City's unique heritage and character...". The HIS is considered necessary to implement the strategic directions.
- 2.4 The Adelaide (City) Development Plan identifies Local and State Heritage Places and the Historic (Conservation) Zones of Adelaide and North Adelaide. Specific policies seek to protect, enhance and conserve buildings and Zones of heritage value.

3. OBJECTIVES

- 3.1 The key objectives of the HIS are to:
 - develop a community understanding of the importance of heritage conservation and encourage owners to support the designation/retention of buildings as Local or State Heritage Places
 - assist partnerships with property owners in the management of built heritage to engender pride in and support of heritage buildings
 - provide owners with financial incentives and professional advice to conserve and revitalise their heritage buildings
 - maximise conservation works that visually enhance the public realm
 - ensure conservation work meets the Burra Charter

4. OPERATING GUIDELINES

4.1 Eligibility

To be eligible to apply for funding under the HIS, funding is restricted to:

- Local Heritage Places listed in the Adelaide (City) Development Plan, State Heritage Places on the State Heritage Register;
- buildings listed by Donovan and Associates History and Historic Preservation Consultants in their report City of Adelaide Heritage Survey 2008-2009, dated April 2009, as meeting criteria in the Development Act;
- unlisted heritage buildings that were objector properties in the North Adelaide Plan Amendment Report (2003) and
- other unlisted buildings of significant historical character based on their merits.

Funding is provided for conservation works that are in accordance with the Burra Charter and associated with heritage fabric such as:

- those elements of the heritage place designated as of heritage value in the Adelaide (City) Development Plan or the State Heritage Register or work that ensure the structural integrity of the building
- reinstatement of lost elements or fabric of the building where there is physical or archival evidence, such as historical photos or drawings, or remnant site fabric of elements (e.g. conjectural works will not generally be supported except where no evidence exists and a heritage consultant is engaged to achieve an authentic and appropriate outcome agreed with Council heritage staff).

Funding may be allocated to unlisted heritage buildings or buildings of historic character, providing the owner enters into a Land Management Agreement (LMA), to be placed on the Certificate of Title to ensure:

- the building is not demolished;
- support for future Development Plan policy changes to enable heritage listing; and
- conservation works reinforce the heritage value of the building.

The cost of heritage assessment and entering into the LMA is fully funded.

Funding may also be allocated for the construction of appropriately researched and detailed front boundary fences, (where the fence is not part of the heritage listing). Funding of up to \$10k or 50% of the total construction cost, whichever is the lesser amount, may be allocated.

In addition, the applicant must meet the following requirements:

- the project meets category-specific eligibility requirements (see 4.2)
- the building must be owned by the non-government sector
- there must be no form of debt or charge outstanding to Council on the property
- the works have not been substantially commenced or completed prior to funding approval (i.e. retrospective funding is not available)
- the total project value for conservation works must be greater than \$1k
- buildings in multiple ownership, where each owner has agreed to undertake conservation works and the applicant is the body corporate representative of the strata or community title holders.

In the case of works resulting from an insurance claim, any grants would be for actual funds spent by the owner and for works not covered by the insurance.

4.2 Categories of Funding

The following categories of funding apply:

Professional Advice and Documentation – Funding of up to \$10k, or 75% of the total documentation and professional cost, whichever is the lesser amount.

- provides owners with advice, plans and specifications to guide the future management of and investment in heritage buildings
- provides a basis for tendering, implementing and supervising subsequent conservation works

Funding may also be allocated to:

- conservation plans
- reuse options studies
- photographic, archaeological or dilapidation surveys
- fire safety and disabled access upgrade plans

Minor Conservation Works – For conservation works up to \$40k in cost, a grant of up to \$20k or 50% of the total project cost, whichever is the lesser amount, is available.

Major Conservation Works – For conservation works over \$40k in cost, a grant is available based on the following incremental scale:

- 50% subsidy for works up to \$200k (maximum grant of \$100k)
- 25% subsidy for works above \$200k (up to maximum grant of \$250k)

Fees - Development application fees for conservation works requiring Development Approval will be paid from the HIS.

Any licence and permit fees incurred by the owner during the construction period for HIS funded conservation projects (e.g. building works permit fees) may be paid from the HIS.

Loans - In addition to direct funding consideration may also be given to providing projects with subsidised loans. Any funding in the form of a subsidised loan will be in addition to the funding limits and will be within the budget (and at no additional cost) for the Built Heritage Management Program. Loans will be approved at the discretion of Council.

4.3 Process

4.3.1 Step 1 - Preliminary Discussions

Before lodging an application, owners are requested to have on-site preliminary discussions with Council heritage staff to ensure:

- the scope of work, priorities and options are agreed
- there is clarity about the eligibility of the project
- documentation requirements are clear
- the process is understood

The application should reflect the agreed scope and incorporate any written advice from the heritage staff. If heritage staff advise that documentation is required, an application for documentation funding may need to be submitted first.

4.3.2 Step 2 - Lodge Application

All applications must be submitted on the prescribed application form.

Applications for **Professional Advice and Documentation** should include the following information:

- clear scope of works to be undertaken
- two written quotes are preferred for the professional advice and documentation based on an agreed scope of works.

It is recommended professional advice and documentation be received from a suitable qualified person who has demonstrated expertise in the heritage field.

Where the cost of conservation works will exceed \$10,000, it is a requirement that appropriate documentation be provided before an application for conservation works will be considered, unless exempted by Council.

Applications for **Conservation Works** should include the following information:

- Site Plan identifying the location of the proposed works on the property
- details of construction techniques (e.g. Council's standard specifications and advisory notes)
- specification of the work;
- drawings sufficient to detail the proposed works including plans, elevations and sections
- copies of any professional advice and documentation funded through HIS
- two written quotes preferred based on the agreed scope of works

If an application is incomplete or inaccurate, it will not be processed until the owner has had the opportunity to rectify any deficiencies.

Development Approval under the *Development Act 1993* must be obtained prior to the HIS grant being allocated.

4.3.3 Step 3 - Assessment of Application

All grants are at the discretion Council, and Council will determine which conservation it will fund. Once the application is submitted it will be assessed against the guidelines. The assessment will be based on the condition of the building and the merit of the application and will be ranked based on the following criteria:

Principle	Criteria	Rank
Need of the building	<ul style="list-style-type: none"> • Restoration of original heritage fabric • Stability of the building • Emergency work • Useability and economic viability of the building • Conservation works in accordance with the Burra Charter 	High
Visual contribution to the public realm	<ul style="list-style-type: none"> • Conservation work that contributes to the public realm or is accessible to the general public • Conservation works in accordance with the Burra Charter 	High
Heritage value of the building	<ul style="list-style-type: none"> • Retaining, reinforcing and reinstating the heritage significance of the building • Projects that directly support the building's elements of heritage value, identified in the Adelaide (City) Development Plan or the State Heritage Register • Conservation works in accordance with the Burra Charter 	High
State Heritage Places	<ul style="list-style-type: none"> • Consideration of available grant funding from State Government 	Medium
Level of past HIS financial assistance	<ul style="list-style-type: none"> • Properties that have not previously received HIS funding. 	Medium
	<ul style="list-style-type: none"> • Funding history of the building. 	On Merit

The applicant is required to obtain requisite approvals before work can commence. For example most construction projects require Development Approval under the Development Act 1993, and some projects require agreement from other affected parties (e.g. lessees, lessors, owners, encumbrances). Applicants should seek these approvals at an early stage as approvals are required before work can commence.

4.3.4 Step 4 - Funding Allocation

Subject to availability of funds, applications will be accepted on an on-going basis.

Once funding has been approved, funds will be allocated to the project and set aside for a period not exceeding 12 months. If the funding allocation expires, the applicant will need to reapply for funding. The amount of funding allocated to a particular project will not be increased once the grant allocation is approved. *Note: major conservation works may require a longer time frame.*

For more complex conservation projects Council may agree to a contingency allowance as part of the grant allocation for unforeseen cost or scope increases.

An owner may apply to vary a grant allocation. This application would be assessed as a new application against the operating guidelines.

**Note: Grants are based on the real costs incurred to owners.*

4.3.5 Step 5 - Implementation

Once funding approval has been obtained the owner is required to:

- comply with the conditions of the funding allocation and Development Approval
- notify heritage staff that the works are about to commence and at key milestones in the construction process as agreed with Council staff.
- provide a post-completion inspection report when it has been required by Council

The project must be substantially completed within 12 months (except where funded under the *Major Conservation Works* category and an extended completion date has been agreed), otherwise funding will be forfeited.

4.3.6 Step 6 - Payment of Funding

Once documentation is complete, the owner must provide copies of funded professional advice and documentation for approval.

On completion of the conservation works heritage staff will inspect the work before reimbursement is made. If the work is considered acceptable for Council's grant purposes the owner must:

- provide evidence of payment
- provide a post-completion inspection report when it has been required by Council

Once satisfied that documentation has been provided or the conservation work has been satisfactorily completed for HIS grant purposes, Council's heritage staff will arrange reimbursement to the applicant.

5.0 ADMINISTRATIVE REQUIREMENTS

5.1 Legislative Requirements

The identification, statutory protection, conservation, development and other works affecting heritage and historic character streetscapes should be undertaken in accordance with statutory criteria and processes. The relevant legislative documents are:

- Development Act 1993
- Heritage Places Act 1993
- Adelaide (City) Development Plan
- Building Code of Australia

Other relevant documents are:

- The Australian ICOMOS Charter for the Places of Cultural Significance (The Burra Charter)
- ACC specifications and Advisory Notes

5.2 Definitions

Conservation is as defined in The Burra Charter and for the purposes of these guidelines includes restoration, reconstruction and stabilisation.

Conservation works are building works that directly contribute to the heritage values of a heritage place by restoring, conserving, enhancing or reinstating historic fabric or features (including removal of cladding/screening devices on existing facades).

Development is as defined in the *Development Act 1993*.

State Heritage Place is a building which is listed under the *SA Heritage Places Act 1993* as it satisfies one or more of the criteria for listing under *Section 16* of the Act. These buildings are identified in and statutorily protected from inappropriate development through the Adelaide (City) Development Plan.

Local Heritage Place is a building which is listed in Council's Development Plan and satisfies one or more of the criteria for listing under *Section 23* of the *Development Act 1993*. These buildings are identified in and statutorily protected from inappropriate development through the Adelaide (City) Development Plan.

Unlisted Heritage Building is a building which is not listed in Council's Development Plan, but satisfies one or more of the criteria for local heritage listing and has been endorsed by Council (following detailed assessment by heritage advisors) for consideration for listing as part of the:

- Central Business Area/Mixed Use Zones City Heritage DPA [2010]
- Residential/Mainstreet (Hutt) Zones City Heritage DPA (Parts 1 &2) [2010]
- North Adelaide Plan Amendment Report (PAR) [2003]
- other buildings listed by Donovan and Associates History and Historic Preservation Consultants in their report City of Adelaide Heritage Survey 2008-2009, dated April 2009, as meeting criteria in the Development Act, 1993

Character Building is a building which is of a traditional style and materials and considered to contribute to the historical context of a streetscape, but does not satisfy the criteria for local heritage listing.

5.3 Roles and Responsibilities

The Planning & Development Program has overall responsibility for the implementation and monitoring of these Operating Guidelines as well as processing applications for Development Approval under the *Development Act 1993*. Specific roles and responsibilities include:

Advisor - Council will support the management and conservation of heritage places through the provision of advice through the Heritage Advisory Service and the HIS.

Information Provider - Council will foster community awareness and appreciation of the City's built heritage through promotion and education.

Advocate - Council will advocate to:

- other tiers of Government for funding to support heritage conservation
- property owners to invest in their heritage assets

The Chief Executive Officer (CEO) has authority to approve the allocation of funding of:

- grants up to and including \$50k for conservation works
- all grants for conservation works valued at \$10k or more, will be conditional on completion of appropriate documentation as determined by the CEO

Approval for funding greater than \$50k would be the subject of a report to Committee/Council.

The Council will be provided with recommendations from the Planning & Development Program on allocations of project funding and will allocate funds at their absolute discretion.

5.4 Restrictions and Limitations

The following will not be funded:

- projects that do not meet the eligibility criteria
- applications that do not accurately describe the agreed scope of works or are not supported by adequate quotes
- applications for conservation works unaccompanied by professional advice or documentation, previously requested by heritage staff or funded by HIS
- Federal, State and Local Government owned property
- Council reserves the right to withdraw funding if a project is not proceeding as agreed i.e. incomplete or inaccurate applications
- individual owners within a strata or community title building
- ongoing maintenance tasks that are not dependent on the heritage status of the building such as:
 - repainting
 - termite treatment, treatment and remediation of internal walls unless the interior is listed
- additions or enhancements that do not relate to heritage values, such as:
 - landscaping and paving
 - construction of additions and outbuildings
 - re-plumbing, re-wiring and installation of security devices
- cost of owners labour

6. KEY PERFORMANCE INDICATORS

The key performance indicators for the HIS are:

- 80 percent of approved projects completed (*Note: there may be some time lag in measurement e.g. not all approved projects will commence in the same financial year as funding allocation)
- customer satisfaction level of 7 or above (survey of applicants that have received funding)
- all commenced projects are completed to an adequate quality
- administration of the scheme occurs in accordance with the guidelines

7. MONITORING AND IMPLEMENTATION

The performance of the HIS will be monitored through the administrative and financial system. An annual report of the performance of the HIS against the KPI's will be provided to Committee/Council no more than 3 months after the end of the financial year.

8. REVIEW

The HIS Operating Guidelines will be reviewed in 2021.

9. REVISION HISTORY

Revision Summary	Approval Date	Council or Committee	Decision	TRIM Reference	Related Policy
<i>Financial Incentive for Heritage Conservation Adopted</i>	22/2/1988	<i>Policy and City Development Committee</i>	<i>Adopted</i>	-	-
<i>Amendments to Guidelines to streamline process, revise subsidy levels and provide grant and rate rebate ceilings</i>	19/3/1990	<i>Policy and City Development Committee</i>	<i>Adopted</i>	-	-
<i>Increased maximum allocations and percentage allocations</i>	June 1998	<i>City Strategy Committee</i>	<i>Adopted</i>	-	-
<i>Amends HIS Guidelines</i>	18/9/2000	<i>City Strategy Committee</i>	<i>Adopted</i>	1999/01856	-
<i>Amendments to guidelines</i>	2/9/2002	<i>City Strategy & Policy</i>			<i>BHM Policy</i>
<i>Increased clarity and frequency of calling applications</i>	28/6/2004	<i>City Strategy & Policy</i>	<i>Endorsed</i>	1999/01856	<i>BHM Policy</i>
<i>Owners receive grant equivalent of Dev assess fees & subsidised loans to be funded from the BHM Program</i>	28/7/2008	<i>City Strategy Committee</i>	<i>Endorsed</i>	ACC2008/95681	<i>BHM Policy</i>
<i>Amendment to Guidelines to remove criteria for owners of State Heritage Places having to apply to Heritage Branch before seeking funding from HIS</i>	27/9/2011	<i>Council</i>	<i>Endorsed</i>	ACC2011/159974	<i>BHM Policy</i>
<i>Amendment to Guidelines to include the conservation of front fences, to increase the proportion of professional advice and documentation costs covered by HIS from 50% to 75%, and to increase internal delegation to \$50k.</i>	15/9/2016	<i>Council</i>	<i>Endorsed</i>	ACC2016/181572	<i>BHM Policy</i>