

In the matter of Melbourne Planning Scheme Amendment C258

Planning Panels Victoria

Proponent: City of Melbourne

**Expert Witness Statement of
Scott Hartley**

Expert of City of Melbourne

1. Name and address

Mr Scott Hartley

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2. Qualifications and experience

I hold a Bachelor of Commerce degree from the Australian National University. In addition, I hold the following relevant qualifications:

- Fellow Certified Practicing Accountant, CPA Australia
- Chartered Accountant, Chartered Accountant Australia & New Zealand
- Certified Government Audit Professional, Institute of Internal Auditors

I have over twenty years' experience in the in the delivery of audit, risk management and advisory services to clients across the Public Sector with an emphasis on local government, health, education and emergency services. I previously led Grant Thornton Australia's Public-Sector practice and industry focus.

3. Scope

Instructions

I was initially asked to conduct an independent audit of the C258 Heritage Inventory through sampling entries on both the following:

'Exhibited C258 Inventory'; and
'Corrected C258 Inventory'.

Following further discussion, it was agreed (refer email dated 18 July 2018 2.50pm) that the objective of the review was to provide independent assurance that:

1. All properties within a heritage overlay in the City of Melbourne have been subject to reclassification where applicable.
2. The relevant reclassification methodology has been accurately applied to all properties within a heritage overlay in the City of Melbourne (noting that different reclassification methodologies applied in the areas of the recent Arden Macaulay, City North, Kensington and West Melbourne Heritage Reviews).
3. The “Corrected C258 Inventory” list is an accurate and complete record of properties reclassified as Significant, Contributory or Non-Contributory within a “Significant” Streetscape (represented by “-”).

Process and Methodology

The following process was adopted to provide the assurance detailed above:

1. A list of all parent properties with a Heritage Overlay number attached was generated from the City of Melbourne Compass (GIS) System. This included a total of 9,318 properties.
2. Statistically selected a sample of properties for this list based on the following sampling parameters:

Population:	9,318
Confidence Level¹:	95%
Margin of error²:	+/- 5%
Sample Size:	369

For each of the 369 properties sampled the following testing was conducted:

3. Confirmed that the property is in Heritage Overlay through reference to the the City of Melbourne GIS system, Compass
4. Agreed the original grading of the property (prior to reclassification) to either:
 - a) Current Incorporated Inventory Heritage Places Inventory June 2016 for buildings outside the CBD (i.e. not in the Melbourne precinct); or

¹ Confidence level: the probability that the sample results represent the attributes of the population. The industry standard is 95%.

² Margin of error: the range (measured as a percentage) that the population results **may** deviate to that of the sample. Industry standard is 5%.

- b) *A-E Heritage and Streetscape gradings for CBD* spreadsheet to determine derived grading for buildings within the CBD (i.e. within the Melbourne precinct). Note that I was instructed to utilise the derived gradings contained in the spreadsheet for CBD properties and no further verification of these gradings was conducted by me.
5. Applied the reclassification methodology outlined in the “City of Melbourne Heritage Review: Local Heritage Policies and Precinct Statements of Significance Methodology Report” prepared by Lovell Chen Architects and Heritage Consultants Updated May 2016, namely:
- All A and B grade properties were converted to Significant
 - In Parkville, all C and D grade properties were directly converted to Contributory
 - In all other suburbs, C grade properties required a desktop review where most were converted to Contributory and some to Significant
 - In the Central City, Kensington, and North and West Melbourne, all D grade properties required a desktop review
 - In South Yarra, East Melbourne and Jolimont, all D grade properties were converted to Contributory.
- For those properties subject to desktop review, reference was made (depending on the location of the property) to the following:
- a) Amendment C207 - Arden Macaulay Heritage Review December 2017; or
 - b) Amendment C198 - Incorporated City North Heritage Review 2012; or
 - c) Amendment C215 - Kensington Heritage Review 2013; or
 - d) Amendment C258 - West Melbourne Heritage Review; or
 - e) Lovell Chen Gradings Conversion Spreadsheet
6. Agreed that the property and revised grading details had been correctly included on Amendment C258: Heritage Places Inventory 2017 Corrected for re-exhibition November 2017.
7. The following provides an extract of the sample testing:

Sample No.	Sample Entry	Property ID	Planning Scheme (Precinct)	Address	Test 1 Confirm in GIS Property is in Heritage Overlay <i>step 3 above</i>	Test 2 Confirm Original Grading <i>step 4 above</i>			Test 3 Reclassification <i>step 5 above</i>			Test 4 C258 Inventory Documentation <i>step 6 above</i>	
						Source	Building	Streetscape	Source	Building	Streetscape	Should be recorded in C258 HPI 2017?	Is correctly recorded in Amendment C258?
12	7542	104920	South Yarra	46-48 Hope Street SOUTH YARRA VIC 3141	HO6 South Yarra Precinct	HPI June 2016	D	2	Converted per Methodology	Contributory	-	Yes	Yes
13	2927	104250	East Melbourne & Jolimont	123 George Street EAST MELBOURNE VIC 3002	HO2 East Melbourne & Jolimont Precinct	HPI June 2016	C	2	Desktop Review - Lovell Chen	Contributory	-	Yes	Yes
42	2032	615562	Barnett Street South Residential	87 Barnett Street KENSINGTON VIC 3031	HO1163 (Barnett Street South Residential Precinct)	HPI June 2016	D	2	Kensington Heritage Review	Significant	-	Yes	Yes

4. Findings

The sample parameters selected allow me to conclude with 95% confidence that the sample result is representative of the results of the population.

No anomalies were identified in the sample tested.

I therefore conclude within the sample parameters identified (*95% confidence level and an error margin of +/- 5%*) that:

1. All properties within a heritage overlay in the City of Melbourne have been subject to reclassification where applicable.
2. The relevant reclassification methodology has been accurately applied to all properties within a heritage overlay in the City of Melbourne (noting that different reclassification methodologies applied in the areas of the recent Arden Macaulay, City North, Kensington and West Melbourne Heritage Reviews).
3. The "Corrected C258 Inventory" list is an accurate and complete record of properties reclassified as Significant, Contributory or Non-Contributory within a "Significant" Streetscape (represented by "-").

5. Declaration

I have made all inquiries that I believe are desirable and appropriate and no matters of significance which I regard as relevant have to my knowledge been withheld from the Panel.

Signed:



Dated: 27th July 2018