

Review of the sale of Crown land at Woy Woy

Outcome of the review of the sale of Crown land at Woy Woy in 2015

In response to concerns raised in the media and community in August 2018, the Department of Industry (DoI) – Crown Lands undertook a review of the sale of a parcel of Crown land at Woy Woy in 2015.

The review found that the sale was done in compliance with departmental guidance in place at the time and achieved a price within the range suggested by the independent valuer.

Background

The small parcel of land sold in 2015 makes up part of one of the three bowling greens at the Woy Woy Bowling Club. DoI – Crown Lands made the sale by direct negotiation following assessment of an application to purchase from the long-term leaseholder of the parcel, which also manages the Bowling Club.

Review findings

Assessment and Sales Process

The review found that the process of assessment and sale was undertaken in accordance with the departmental guidance applicable at the time.

The following key factors were noted during the assessment of the land's suitability for sale:

- The land's existing use as a bowling green (by the applicant)
- The irregular shape of the parcel
- Local council's planning controls and zoning of the site
- The land's location in a flood zone, and
- The existence of a nearby Crown land public reserve.

DoI – Crown Lands concluded that: the Bowling Club was well placed to make use of the land, there was little prospect of interest from another buyer, and the broader community's recreational needs would be met by ongoing access to the nearby Crown reserve, including the Lions Park located across the road from the site.

DoI – Crown Lands commissioned a market valuation by an independent registered valuer and the sale was subsequently negotiated directly with the Bowling Club's owners.

Sale price

The review confirmed that the achieved sale price of \$38,830 for the land was within the price range determined by the independent registered valuer.

Advertisement

In August 2013 the department advertised its intention to sell the land parcel in a paper local to the Woy Woy area. When finalisation of the sale was delayed to 2015, the department took a conservative approach and decided to re-advertise the sale. However, an administrative error was made and this second advertisement appeared in the wrong newspaper.

The process of booking advertisements has since been improved to ensure errors are not made.

Comparable Sales

The review considered comparable sales undertaken by DoI – Crown Lands around this time and found that all sales were undertaken in accordance with the applicable guidance, and that the Woy Woy outcome was consistent with the outcomes determined through these other sales.

Next steps

Since 2015, the guidance documentation governing sales of Crown land has been substantially improved in support of the commencement of the *Crown Land Management Act 2016* in July 2018. It now includes an enhanced policy, external guidelines and internal procedures. All staff involved in the sale of Crown land have been trained in the effective application of this guidance documentation.

DoI – Crown Lands is conscious of the importance of ensuring appropriate engagement of the local community whenever a sale of Crown land is proposed. The department's Community Engagement Strategy, which took effect in July 2018, seeks to ensure community input is actively sought and considered before decisions are made about the management of Crown land.

DoI – Crown Lands will also engage an independent service provider to undertake a detailed review of Crown land sales completed over the past 12 months. The purpose of this review is to provide extra assurance that no errors (such as occurred with the Woy Woy advertisement) were made in these sales.