

Heritage Incentives Scheme Allocation over \$50,000

Strategic Alignment - Dynamic City Culture

HIS/27/2023 & HIS/34/2023

Public

Tuesday, 3 October 2023

**City Planning, Development
and Business Affairs
Committee**

Program Contact:

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Director Park Lands, Policy &
Sustainability

Approving Officer:

Ilia Houridis, Director City
Shaping

EXECUTIVE SUMMARY

This report seeks Council approval for two separate funding allocations under Council's Heritage Incentive Scheme for heritage conservation and improvement projects at:

1. State Heritage Place - 'Botanic Chambers', 304 North Terrace, Adelaide – the proposed works comprise decorative render repairs and reinstatement, stonework repointing, partial conservation of the balcony, timber joinery repairs and conservation to the front fence.
2. State Heritage Place - 'Cottage Homes', 51-60 Kingston Terrace, North Adelaide – the proposed works comprise repointing of brick chimneys and upper-level masonry, replacement of roof and gutters and minor conservation of timberwork.

The Heritage Incentives Scheme (HIS) Operating Guidelines require proposed funding allocations of more than \$50,000 to be approved by Council.

The Heritage Incentive Scheme budget for 2023/2024 is \$1.162 million. There is \$983,045 remaining for allocation this financial year. Should Council support these recommendations, the budget available for allocation for the remainder of the 2023/24 financial year will be \$753,188.

RECOMMENDATION

The following recommendation will be presented to Council on 10 October 2023 for consideration

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Approves an allocation of \$113,932 for conservation works to 'Botanic Chambers', 304 North Terrace, Adelaide in accordance with the Heritage Incentives Scheme Operating Guidelines as contained in Attachment A to Item 7.3 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 3 October 2023.
 2. Approves an allocation of \$115,925 for conservation works to 'Cottage Homes', 51-60 Kingston Terrace, North Adelaide in accordance with the Heritage Incentives Scheme Operating Guidelines as contained in Attachment B to Item 7.3 on the Agenda for the meeting of the City Planning, Development and Business Affairs Committee held on 3 October 2023.
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IMPLICATIONS AND FINANCIALS

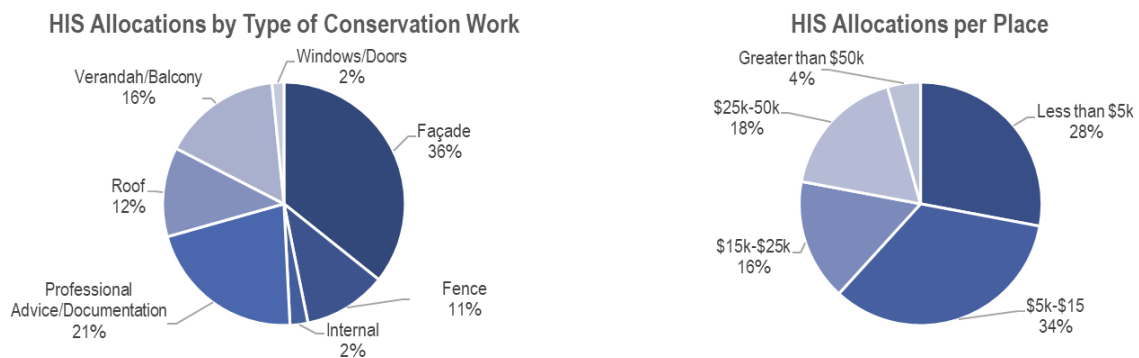
City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Dynamic City Culture 3.3 Encourage smart, creative, adaptive reuse of heritage assets, including through incentives and promotion
Policy	Heritage Incentives Scheme allocations greater than \$50,000 are in accordance with Council’s Built Heritage Management Policy and HIS Operating Guidelines.
Consultation	Not as a result of this report
Resource	Not as a result of this report
Risk / Legal / Legislative	Financial risk to Council is managed by allocations being reimbursed to owners upon satisfactory completion of conservation and improvement works.
Opportunities	Leveraging other initiatives of Council to further enhance the liveability of the city.
23/24 Budget Allocation	The Heritage Incentive Scheme budget is \$1.162 million in 2023/2024, with \$178,955 allocated to date. The recommended (two) allocations, totalling \$229,857, are within the allocated budget and would take total allocations for 2023/2024 to \$408,812.
Proposed 24/25 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
23/24 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Ongoing maintenance costs are a matter for the property owner.
Other Funding Sources	The property owners will contribute the cost of the works as follows: 1. ‘Botanic Chambers’, private investment of \$141,796 2. ‘Cottage Homes’, private investment of \$147,775.

DISCUSSION

1. The City of Adelaide has one of the most substantial heritage grant schemes in Australia, the Heritage Incentive Scheme (HIS).
2. The HIS is an important element in preserving, improving and enhancing the heritage fabric of the City of Adelaide, enabling many of the City’s iconic and important heritage buildings to be preserved and retained for productive ongoing use.
3. The [Heritage Incentives Scheme \(HIS\) Operating Guidelines](#) (Link 1) require Council to decide funding allocations of more than \$50,000.
4. The HIS Operating Guidelines funding criteria is:
 - 4.1. Professional Advice and Documentation – funding of up to \$10,000 or 75% of the total documentation and professional cost, whichever is the lesser amount.
 - 4.2. Minor Conservation Works – for conservation works up to \$50,000 in cost, a grant of up to \$25,000 or 50% of the total project cost, whichever is the lesser amount, is available.
 - 4.3. Major Conservation Works – for conservation works over \$50,000 in cost, a grant is available based on the following incremental scale:
 - 4.3.1. 50% subsidy for works up to \$200,000 (maximum grant of \$100,000)
 - 4.3.2. 25% subsidy for works above \$200,000 (up to maximum grant of \$250,000).

Historical Funding Allocations

5. From 2010 to current, the average HIS allocation has been \$10,396 per project with 1446 projects supported by the scheme. Of these;
 - 5.1. 30 projects (2%) have had allocations over \$50,000 with an average of \$93,243 funded by Council.
 - 5.2. The largest allocation was \$300,000 in 2013 for conservation works to Elder Hall.
 - 5.3. 1416 projects (98%) have had allocations of \$50,000 or below with an average allocation of \$8,641.
6. In 2022/2023 the highest demand for HIS funding was for smaller projects such as salt damp treatment or masonry conservation. 62% of projects received allocations under \$15,000. Projects over \$50,000 made up only 4% of allocations. These larger projects are typically complex and involve multiple trades under the supervision of a managing contractor/architect.
7. A summary of allocations in 2022/23 is provide below, further detail is available in the Heritage Achievements Annual Summary 2022-2023 (Link 2 view [here](#)).



Conservation works to ‘Botanic Chambers’ 304 North Terrace, Adelaide (Proposed Allocation: \$113,932)

8. The Botanic Hotel and Chambers - c1878 – was erected first as a ‘family hotel & restaurant’ with houses and shops to East Terrace and terrace houses to North Terrace. Designed by Michael McMullen and built by J. Barry in 1876-77 for Richard Vaughan. Vaughan founded the East End Market Company and played a pivotal role in the development of the nearby produce market, and with it the east end of the city.
9. Botanic Chambers is highly visible from North Terrace. The terrace house is listed as a State Heritage Place.
10. The proposed works comprise decorative render repairs and reinstatement, stonework repointing, partial conservation of the balcony, timber joinery repairs and conservation to the front fence. Development Approval for conservation works was granted on 16 November 2022.

11. The facade masonry, render and fence will continue to deteriorate unless essential conservation works are undertaken.
12. HIS funding of \$7,938 was granted for the documentation of the proposed conservation works. Previous HIS funding of \$10,000 was allocated in 2011 for salt damp treatment.
13. The total cost of HIS eligible works (incl GST) is \$255,728. An allocation of \$113,932 is recommended (\$200,000 @ 50%, \$55,728 @ 25%)
14. **Attachment A** provides further information about the project, and an assessment of the proposal against the HIS Operating Guidelines.

Conservation works to 'Cottage Homes' 51-60 Kingston Terrace (Proposed Allocation: \$115,925)

15. What became Cottage Homes Incorporated was initiated by Anglican Archdeacon Charles Marryat in 1871. The organisation's purpose was to fund cottages for the aged poor. Sited on an acre of land, 10 row houses were built along Kingston Terrace (the Lady Ayers Homes) and 10 along Stanley St (the Dean Marryat Homes). They are reminiscent of English alms-houses and are uncommon in South Australia.
16. The cottages are highly visible from Kingston Terrace. The 4 rows comprising the Cottage Homes, including the Lady Ayers Homes, are listed as a State Heritage Place.
17. All four rows of cottages require extensive conservation works. This row of 7 cottages is the initial priority. The roof and masonry will continue to deteriorate unless essential conservation works are undertaken. Development Approval for conservation works was granted on 8 September 2022.
18. HIS funding of \$10,000 was granted for the documentation of the proposed conservation works. Previous HIS funding of \$22,000 was allocated in 2016 for professional fees and assistance with stormwater management for the two rows of cottages fronting Kingston Terrace.
19. The total cost of HIS eligible works (incl GST) for 7 cottages is \$263,700. An allocation of \$115,925 is recommended (\$200,000 @ 50%, \$63,000 @ 25%)
20. **Attachment B** provides further information about the project, and an assessment of the proposal against the HIS Operating Guidelines.

DATA AND SUPPORTING INFORMATION

Link 1 – Heritage Incentives Scheme Operating Guidelines

Link 2 – Heritage Achievements Annual Summary 2022-2023

ATTACHMENTS

Attachment A – HIS Assessment of Application: HIS/27/2023 - 'Botanic Chambers', 304 North Terrace, Adelaide

Attachment B – HIS Assessment of Application: HIS/34/2023 - 'Cottage Homes', 51-60 Kingston Terrace, North Adelaide

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