



THREE TREE LODGE
AGED CARE SERVICE

27 October 2022

Mayor and Councillors
Lithgow City Council
PO Box 19
180 Mort Street
LITHGOW NSW 2790

Dear Mayor and Councillors,

**Re: Application for Exemption from Any Fees/Charges Payable under
Development Application No.256/2021 including:
Section 7.12 (former S94A) or Water/Sewer (Section 64 Headworks) levies
Redevelopment for Extended Residential Aged Care Services
Three Tree Lodge Lithgow Limited, 2A Col Drewe Drive, Bowenfels**

Three Tree Lodge Lithgow Limited (Three Tree Lodge) lodged a Development Application with Lithgow City Council on Monday 15 November 2021 for the redevelopment (alterations and additions) to the existing residential aged care facility adjacent to Lithgow Hospital in Col Drewe Drive. This includes a new extension to the 'Wattle Building'.

Three Tree Lodge wishes to apply for an exemption to any contributions/levies/fees payable for the above development including, but not limited to:

- Section 7.12 Contributions levy as set out in the Lithgow City Council (LCC) *Section 94A Development Contributions Plan*;
- Section 64 of the *Local Government Act 1993* or Council's *Development Servicing Plans for Water Supply and Sewerage 2018* ('DSP2018') or the *Water Management Act 2000*;
- Development Application Fees payable under Council's *Fees and Charges 2021/2022*.

Contributions Plan

Under the former 2012 Contributions Plan - *Section C7 – Are there any exemption to the levy?* - an exemption could be sought where it is:

- (k) An application for privately funded community infrastructure, such as education facilities, university, private hospital etc., or
- (n) Any other development for which Council considers an exemption is warranted, where the decision is made by formal resolution of Council at an Ordinary Council meeting.

Unfortunately, subsections (k) and (n) appear to have been removed from the 2015 Contributions Plan. However, we suggest that Council may still have a discretion to waive contributions where the proposed development provides a significant community benefit, such as high-demand community residential aged care.

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The Applicant would prefer not to have to expend additional funds pursuing a Voluntary Planning Agreement (VPA) or site-specific Contributions Plan as a means to reach this conclusion.

DSP2018 Headworks Charges

Council has required that the Applicant provide a new potable water and fire hydrant to the entire facility that separates it from the hospital. This separation did not occur at the time the land was subdivided as is the common practice so it has now fallen to the current provider to pay for this significantly and expensive upgrade.

Under DSP2018 Section 8.6 – Levying Lower Charges – it states that Council *'may consider financial, social and environmental factors to determine a level of developer charges that is balanced, fair and meet Council's objectives'*.

We suggest that as per previous approvals, that the Headworks charges should be waived in full for the provision of essential aged care beds (7 additional) without placing a significant burden on existing rate-payers.

Council may apply an exemption to water supply and sewerage special rates under *Section 558 of the Local Government Act 1993* for public hospitals and public charities but it is unclear if Council's Policy 8.10 overrules this.

In summary, the proposed development:

- a) Is the minor demolition of the existing Wattle Wing (unit) (removal of one bed/room) to allow for a new construction that will create an additional five (5) rooms to facilitate an additional seven (7) new residential aged care places and expanded communal spaces including a domestic style kitchenette and dining area and enhanced indoor and outdoor living spaces (see details below);
- b) Is the creation of an additional two (2) parking spaces, including one (1) which is accessible;
- c) Is separation of potable water supply and fire hydrant system from the Lithgow Hospital system and new connection to Col Drewe Drive;
- d) Is an important addition to existing community health and aged care infrastructure in the Region;
- e) Builds on the existing health, aged care, and education precinct to make Lithgow a premier example of strategic industry co-operation and synergy;
- f) Meets a growing demand for aged care services for an ageing population. It allows more people to remain in their local community ('age-in-place') whilst providing a high standard of quality care and amenity for people living with dementia and those who are financially disadvantaged and new models to adapt to changing needs and opportunities. It is a fundamental community service that makes a significant contribution to the viability of the local regional community;

- g) Creates new employment positions plus increased demand for other services at the facility and multiplier effects for local services and employment;
- h) Is construction 'ready' i.e., it has BOTH approved bed licences for the additional seven (7) places PLUS approved grant funding for construction of the new building;
- i) Recognises that TTL is a community based (not-for-profit) organisation that is also a registered charity. The organisation is governed by a voluntary community-based Board and provides employment to more than 80 local staff;
- j) Is consistent with the broader strategic plan by Three Tree Lodge and the master site plan aimed at the upgrade and redevelopment of the site to maximise local services and adapt to changing expectations and needs in the aged care sector;
- k) Council has previously recognised the important role and the benefits that aged care providers provide to the local community and have previously waived the entire contributions for similar development proposals.

Overview of Proposed Development



Proposed view of south elevation to new building (Source: IDG Architectural Plans).

a) The Wattle Wing (unit) Extension

The proposal provides the potential to create an additional seven (7) places as part Wattle Wing increasing the total to 17 places in this Wing and an overall increase in approved places from 66 (62 constructed) to 73 approved places. It is proposed to provide two (2) new single bedrooms and three (3) new shared (two single beds) rooms, providing additional options for couples or those seeking accommodation who are financially or socially disadvantaged whilst maintaining amenity and safety. The proposed building will also create additional indoor and outdoor communal spaces relieving pressure in other Wings on the site therefore enhancing amenities for both residents and their visitors.

The increased number of approved places will enhance the overall efficiency and sustainability of the facility whilst also adding additional services and communal spaces.

The proposed development will also provide for the separation of potable water supply and hydrant water supply from the Lithgow Hospital system and create two (2) additional parking spaces near the main entrance, including one that is accessible.

Additional Benefits to the Community

In addition to the above benefits the proposed extension will create additional direct employment in the new building. Indirectly, there will also be additional demand for professional medical, pharmaceutical, and care staff who visit the facility and provide local services and other local services and personal care needs. Overall, the employment and subsequent economic multiplier effects will be a significant contributor to the local economy.

Three Tree Lodge is also strategically located to take advantage of its proximity and links with the Lithgow Health Service, Bowenfels Medical Centre adjacent in terms of emergency health care and the adjacent TreeView Estates (retirement village). The facility also has links with Notre Dame University. In this way a key strategic aged care, seniors living, health and education cluster is being reinforced that creates an excellent example of developing industry synergies to other regions.

Grant Funding & Bed Licences

Three Tree Lodge has approved grant funding from the Australian Government - Department of Social Services for the provision of the significant core of the proposed application. This Grant was lodged in early 2021 as part of the '*Aged Care Approval Round 2020*' and subsequently approved to substantially contribute to the construction of the proposed extension of Wattle Wing and construction of the existing approved Melaleuca Wing extension (Stage 2) (DA200/16). The grant also saw the allocation of the additional seven (7) residential places. While the Grant will provide a significant proportion of the funds for the construction of these projects, Three Tree Lodge will be required to make a significant contribution.

Background to Three Tree Lodge

Three Tree Lodge is a community based (not-for-profit) organisation that is also a registered charity. The organisation is governed by a voluntary community-based Board and provides employment to more than 80 local staff. The service has grown from its initial inception to presently care for 62 residents.

Three Tree Lodge is committed to the ongoing provision of innovative, flexible, high quality care and services to ensure older people living in the Lithgow region can remain connected to family and their community through the provision of local services that are tailored to meet the individual needs of each person. In addition, the proposed expanded Three Tree Lodge facility will be a significant piece of community infrastructure, will support the sustainable development of our local government area and meet the growing demand for aged care services.

While Three Tree Lodge has received grant funding for a significant proportion of the development, it will need to commit significant sums of money for the completion of the proposed infrastructure. Three Tree Lodge is also acutely aware of the escalating construction costs since advice of the successful grant application. Recent updates to the original quotations that formed the basis of the grant application have risen by over 60%. This will place a significant additional pressure on project costs for the organisation and

therefore as a small community based not-for-profit aged care provider Three Tree Lodge is pursuing all avenues to reduce the total costs associated with the project, through waiver and/or reduction of fees and charges.

On behalf of Three Tree Lodge Board of Directors we look forward to a positive response to this submission.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G. Brown', with a stylized flourish at the end.

Garry Brown

Chair, Three Tree Lodge Board of Directors

