



Ordinary Council

Business Paper

date of meeting: Wednesday 19 October 2016

location: Laurieton School of Arts Hall
Corner Bold & Laurie Streets
Laurieton

time: 5.30pm

Note: Council is distributing this agenda on the strict understanding that the publication and/or announcement of any material from the Paper before the meeting not be such as to presume the outcome of consideration of the matters thereon.

Community Vision

A sustainable high quality of life for all

Community Mission

Building the future together
People Place Health Education Technology

Council's Corporate Values

- ★ Sustainability
- ★ Excellence in Service Delivery
- ★ Consultation and Communication
- ★ Openness and Accountability
- ★ Community Advocacy

Council's Guiding Principles

- ★ Ensuring good governance
- ★ Looking after our people
- ★ Helping our community prosper
- ★ Looking after our environment
- ★ Planning & providing our infrastructure



**PORT MACQUARIE
HASTINGS**

How Members of the Public Can Have Their Say at Council Meetings

Council has a commitment to providing members of the public with an input into Council's decision making. The Council's Code of Meeting Practice provides two (2) avenues for members of the public to address Council on issues of interest or concern at the Ordinary Council Meeting. These are:

Addressing Council on an Agenda Item:

If the matter **is** listed in the Council Business Paper, you can request to address Council by:

- Completing the *Request to Speak on an Agenda Item at a Council Meeting*, which can be obtained from Council's Offices at Laurieton, Port Macquarie and Wauchope or by downloading it from Council's website.
- On-line at <http://www.pmhc.nsw.gov.au/About-Us/How-Council-Works/Council-Committee-Meetings/Request-to-speak-on-an-Agenda-Item>

Your request to address Council must be received by Council no later than 4:30pm on the day prior to the Council Meeting.

Council's Code of Meeting Practice sets out the following guidelines for addressing Council:

- Addresses will be limited to 5 minutes.
- If you wish any written information, drawings or photos to be distributed to the Council to support the address, two (2) copies should be provided to the Group Manager Governance & Executive Services prior to the commencement of the meeting.
- Where speakers wish to make an audio visual presentation, a copy is to be provided to the Group Manager Governance & Executive Services by 4.30pm on the day prior to the Council Meeting.
- Council will permit only two (2) speakers "Supporting" and two (2) speakers "Opposing" the *Recommendation* contained in the Business Paper. If there are more than two speakers supporting and opposing, the Mayor will request the speakers to determine who will address Council.

Addressing Council in the Public Forum:

If the matter **is not** listed in the Council Business Paper, you can request to address Council by:

- Completing the *Request to Speak in the Public Forum at Ordinary Council Meeting*, which can be obtained from Council's Offices at Laurieton, Port Macquarie and Wauchope or by downloading it from Council's website.
- On-line at <http://www.pmhc.nsw.gov.au/About-Us/How-Council-Works/Council-Committee-Meetings/Request-to-speak-in-a-Public-Forum>

Your request to address Council must be received by Council no later than 4:30pm on the day prior to the Council Meeting.

A maximum of eight (8) speakers will be heard in the Public Forum. Each speaker will be limited to 5 minutes. Council may ask questions of speakers but speakers **cannot** ask questions of Council.

Council will not determine matters raised in the Public Forum session, however may resolve to call for a further report, when appropriate.

Speakers will be allowed to address Council in the Public Forum on the same issue no more than three (3) times in each calendar year. (Representatives of incorporated community groups may be exempted from this restriction).



**PORT MACQUARIE
HASTINGS**

Ordinary Council Meeting

Wednesday 19 October 2016

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**PORT MACQUARIE
HASTINGS**

Item: 01**Subject: WELCOME TO COUNTRY**

A representative from the Bunyah Local Aboriginal Land Council will be invited to deliver the Welcome to Country.

Item: 02**Subject: LOCAL GOVERNMENT PRAYER**

A Minister from the Combined Churches of Port Macquarie will be invited to deliver the Local Government Prayer.

Item: 03**Subject: APOLOGIES**

RECOMMENDATION

That the apologies received be accepted.

Item: 04**Subject: CONFIRMATION OF PREVIOUS MINUTES**

RECOMMENDATION

That the Minutes of the Ordinary Council Meeting held on 5 October 2016 be confirmed.

PRESENT**Members:**

Councillor Peter Besseling (Mayor)
Councillor Rob Turner
Councillor Michael Cusato
Councillor Sharon Griffiths
Councillor Peter Alley
Councillor Justin Levido
Councillor Geoff Hawkins
Councillor Lisa Intemann
Councillor Lee Dixon

Other Attendees:

General Manager (Craig Swift-McNair)
Director of Community and Economic Growth (Tricia Bulic)
Director of Corporate and Organisational Services (Rebecca Olsen)
Director of Development and Environment Services (Matt Rogers)
Director of Infrastructure and Asset Management (Jeffery Sharp)
Group Manager Governance and Executive Services (Blair Hancock)
Governance Support Officer (Bronwyn Lyon)
Acting Communication Engagement and Marketing Team Leader (Leanne Jeffery)

The meeting opened at 5:30pm.

01 ACKNOWLEDGEMENT OF COUNTRY

The Mayor opened the Meeting with an Acknowledgement of Country and welcomed all in attendance in the Chamber.

02 LOCAL GOVERNMENT PRAYER

Major Brett Gallagher from the Salvation Army Church delivered the Local Government Prayer.

SUSPENSION OF STANDING ORDERS

RESOLVED: Turner/Griffiths

That Standing Orders be suspended to allow Items 09.01 and 09.02 to be brought forward and considered next.

CARRIED: 9/0

FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and Turner

AGAINST: Nil

09.01 OATH OR AFFIRMATION OF OFFICE

RESOLVED: Levido/Hawkins

That the Mayor and Councillors take an Oath or Affirmation of Office before the General Manager.

CARRIED: 9/0

FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and Turner

AGAINST: Nil

Councillors were asked to take their choice of Oath or Affirmation as per the New South Wales Local Government Act 1993 requirement for their first Ordinary Council Meeting of their term of Council.

Councillor	Oath or Affirmation
Mayor Peter Besseling	Oath
Rob Turner	Oath
Mike Cusato	Oath
Sharon Griffiths	Oath
Peter Alley	Affirmation
Justin Levido	Oath
Geoff Hawkins	Oath
Lisa Intemann	Oath
Lee Dixon	Oath

The General Manager witnessed each Councillor taking their Oath / Affirmation.

09.02 CREATION OF OFFICE OF DEPUTY MAYOR

RESOLVED: Turner/Cusato

That Council:

1. Create the Office of Deputy Mayor.
2. Set the term of the Office of Deputy Mayor to be twelve (12) months, expiring at the September 2017 Ordinary Council Meeting.
3. Elect the Deputy Mayor by way of open voting (show of hands), if more than one nomination for Deputy Mayor is received.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

The General Manager, acting as Returning Officer, called for nominations for the Office of Deputy Mayor.

The Returning Officer, advised that a nomination for the Office of Deputy Mayor had been received for Councillor Lisa Intemann, nominated by two Councillors.

The Returning Officer then called for a show of hands in favour of Councillor Intemann for Deputy Mayor.

All Councillors supported Councillor Intemann's nomination.

The Returning Officer declared Councillor Intemann elected to the Office of Deputy Mayor for the ensuing period as resolved by Council.

The Mayor congratulated Councillor Intemann on her election to the Office of Deputy Mayor.

03 APOLOGIES

Nil.

04 CONFIRMATION OF MINUTES

RESOLVED: Intemann/Cusato

That the Minutes of the Ordinary Council Meeting held on 10 August 2016 be confirmed.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

05 DISCLOSURES OF INTEREST

Councillor Alley declared a Pecuniary Interest in Item 15.04 - T-16-40 Supply Of Server And Storage Infrastructure, the reason being that Councillor Alley receives a financial benefit not available to ordinary members of the public from one of the tenderers.

RESOLVED: Turner/Dixon

That the disclosure of interest be accepted.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

06.01 MAYORAL DISCRETIONARY FUND ALLOCATIONS

RESOLVED: Besseling

That the Mayoral Discretionary Fund allocations for the period 29 July to 22 September 2016 inclusive be noted.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

07 CONFIDENTIAL CORRESPONDENCE TO ORDINARY COUNCIL MEETING

There are no confidential attachments to reports for the Ordinary Council Meeting.

08 PUBLIC FORUM

The Mayor advised of applications to address Council in the Public Forum from:

1. Mr Greg Oaten regarding land situated at Tuffins Lane.
 2. Ms Nikala Sim regarding the confidential item 15.01 Land Situated at Tuffins Lane.
 3. Ms Janette Hyde regarding the future of Tuffins Lane fields for sport.
-

RESOLVED: Levido/Hawkins

That the above requests to speak in the Public Forum be acceded to.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

08.01 LAND SITUATED AT TUFFINS LANE

Mr Greg Oaten, representing Port Macquarie Touch Association, addressed Council in regard to land situated at Tuffins Lane.

08.02 CONFIDENTIAL ITEM 15.01 LAND SITUATED AT TUFFINS LANE

Ms Nikala Sim addressed Council in relation to confidential item 15.01 Land Situated at Tuffins Lane.

08.03 FUTURE OF TUFFINS LANE FIELDS FOR SPORT

Ms Janette Hyde, representing Greater Port Macquarie Tourism, addressed Council in relation to future of Tuffins Lane fields for sport.

REQUESTS TO SPEAK ON AN AGENDA ITEM

The Mayor advised of requests to speak on an agenda item, as follows:

Item 13.01 - Mrs Diane Gilbert in support of the recommendation.

RESOLVED: Levido/Intemann

That the requests to speak on an agenda item be acceded to.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

SUSPENSION OF STANDING ORDERS

RESOLVED: Levido/Intemann

That Standing Orders be suspended to allow Item 13.01 to be brought forward and considered next.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

13.01 WAUCHOPE POOL - LAND CONVEYANCING MATTERS

Mrs Diane Gilbert, representing the Wauchope Heated Indoor Pool, addressed Council in support of the recommendation and answered questions from Councillors.

RESOLVED: Intemann/Turner

That Council:

1. Affix the Common Seal of Council to the plan of consolidation of Lots 3 and 4 Deposited Plan 1106294 and Lots 41 and 42 Deposited Plan 1167914.
2. Delegate authority to the General Manager to sign the:
 - (a) Deed of Enlargement over Lot 41 Deposited Plan 1167914; and
 - (b) Land and Property Information Request Form.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

09.03 STATUS OF REPORTS FROM COUNCIL RESOLUTIONS

RESOLVED: Intemann/Griffiths

That Council note the information in the Status of Reports from Council Resolutions report.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

09.04 DISCLOSURES REGISTER - ANNUAL RETURNS 2015-2016

RESOLVED: Cusato/Hawkins

That Council:

1. Note the information in the Disclosure Register for 2015-2016.
2. Determine that the following position becomes a Designated Person pursuant to the provisions of section 441 of the Local Government Act 1993:
 - Group Manager Economic Development.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

09.05 DISCLOSURE OF INTEREST RETURN

RESOLVED: Intemann/Cusato

That the Disclosure of Interest returns for the following positions be noted:

1. Town Planner
2. Development Engineer (2 positions)

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

09.06 2016 LOCAL GOVERNMENT NSW ANNUAL CONFERENCE

RESOLVED: Turner/Dixon

That Council:

1. Note that accommodation bookings and draft registrations for three Councillors and the General Manager to attend the Local Government NSW Annual Conference to be held in Wollongong from 16 to 18 October 2016 were made in late July 2016.
2. Endorse attendance at the Local Government NSW Annual Conference of Mayor Peter Besseling, Councillor Peter Alley, Councillor Mike Cusato and the General Manager.
3. Note that Mayor Peter Besseling, Councillor Peter Alley and Councillor Mike Cusato will be Council's voting delegates on motions at the Local Government NSW Annual Conference.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

09.07 NOTICE OF MOTION - PERFORMANCE MEASUREMENT FRAMEWORK

RESOLVED: Hawkins/Cusato

That the General Manager be requested to provide to the February 2017 Council Meeting an update on both the NSW Government's efforts and those of PMHC to build a new local government performance measurement framework. In responding, the General Manager is requested to:

1. Cross reference to the content of the report to Council of 19 February 2014 on the same subject; and
2. In addition to providing recent historical details of progress to date, lay out a broad proposed forward path incorporating high level milestones and indicative timelines.

CARRIED: 9/0

FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and Turner

AGAINST: Nil

09.08 MONTHLY FINANCIAL REVIEW FOR AUGUST 2016

RESOLVED: Levido/Hawkins

That Council adopt the adjustments in the "Financial and Economic Implications" section of the Monthly Financial Review Report for August 2016.

CARRIED: 9/0

FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and Turner

AGAINST: Nil

09.09 INVESTMENTS - AUGUST 2016

RESOLVED: Hawkins/Intemann

That Council:

1. Note the Investment Report for the month of August 2016.
2. Request the General Manager provide additional detail in relation to the external and internal restrictions relating to the invested funds in future investment reports to Council.
3. Request the General Manager provide a briefing to Councillors on Council's external and internal restrictions before or during December 2016 as part of the development of the next delivery program and operational plan.

CARRIED: 9/0

FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and Turner

AGAINST: Nil

09.10 IPART REVIEW OF THE LOCAL GOVERNMENT RATING SYSTEM

RESOLVED: Griffiths/Turner

That Council:

1. Note the information in this report regarding the IPART Rating System Review.
2. Endorse the proposed submission to IPART in relation to the IPART Draft Rating Review.

CARRIED: 9/0

*FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner*

AGAINST: Nil

14 QUESTIONS FOR NEXT MEETING

Nil.

CONFIDENTIAL COMMITTEE OF THE WHOLE

RESOLVED: Levido/Alley

1. That pursuant to section 10A subsections 2 & 3 and 10B of the Local Government Act 1993 (as amended), the press and public be excluded from the proceedings of the Council in Confidential Committee of the Whole (Closed Session) on the basis that items to be considered are of a confidential nature.
2. That Council move into Confidential Committee of the Whole (Closed Session) to receive and consider the following items:

Item 15.01 Land Situated at Tuffins Lane

This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Item 15.02 T-16-07 Fitout of a 8 Tonne Road Maintenance Truck

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

Item 15.03 T-16-15 Hyndman's Creek Bridge Replacement - Supply of Pre-Stressed Concrete Deck Units

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial

information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

Item 15.04 T-16-40 Supply of Server and Storage Infrastructure

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

Item 15.05 T-16-43 Supply of Checkpoint Security Appliance

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

3. That the resolutions made by the Council in Confidential Committee of the Whole (Closed Session) be made public as soon as practicable after the conclusion of the Closed Session and such resolutions be recorded in the Minutes of the Council Meeting.

CARRIED: 9/0

FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner

AGAINST: Nil

ADJOURN MEETING

The Ordinary Council Meeting adjourned at 6:23pm.

RESUME MEETING

The Ordinary Council Meeting resumed at 6:31pm.

ADOPTION OF RECOMMENDATIONS FROM THE CONFIDENTIAL COMMITTEE OF THE WHOLE

RESOLVED: Levido/Turner

That the undermentioned recommendations from Confidential Committee of the Whole (Closed Session) be adopted:

Item 15.01 Land Situated at Tuffins Lane

This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

RECOMMENDATION

That Council:

1. Note the offer by Chase Parklands Pty Ltd for Council to purchase

-
2. their land situated on Tuffins Lane, Port Macquarie and the conditions attached to any such sale.
 2. Request the General Manager bring back a report to the 19 October 2016 Council Meeting detailing alternate options to provide regional sports fields within the Port Macquarie-Hastings Local Government Area.

Item 15.02 T-16-07 Fitout of a 8 Tonne Road Maintenance Truck

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

RECOMMENDATION

That Council:

1. Accept the quotation from Midcoast Trucks (Part A), through the NSW Government Motor Vehicle Prequalification Scheme, for the supply and delivery of a 2016 Isuzu FVR 165-300 Medium Automatic Cab Chassis truck for \$114,186 (excl GST).
2. Accept the quotation, through Local Government Procurement, from Ausroad Systems Pty Ltd (Part B) for the supply and fitout of an 8 Tonne Road Maintenance Truck for \$213,258 (excl GST).
3. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-07.

Item 15.03 T-16-15 Hyndman's Creek Bridge Replacement - Supply of Pre-Stressed Concrete Deck Units

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

RECOMMENDATION

That Council:

1. Note that no tenders were received for Tender T-16-15 Hyndman's Creek Bridge Replacement - Supply of Pre-Stressed Concrete Deck Units.
2. Noting no tenders were received, enter into negotiations, in accordance with clause 178 3(e) of the Local Government (General) Regulation 2005 with any person (whether or not the person was a tenderer) with a view to entering into a contract in relation to the subject matter of the tender.
3. In order to avoid delay to the Hyndman's Creek Bridge Replacement project and risk RMS funding, enter into negotiations with the following qualified suppliers with a view to entering into a contract for the supply and delivery of pre-stressed concrete deck units and other ancillary pre-cast items, the outcome of which will be reported to the Ordinary Council meeting 19 October 2016:
 - i. Australian Precast Solutions;
 - ii. BCI Australia;
 - iii. Civilbuild;
 - iv. Civmec;
 - v. Shumack Engineering;
 - vi. Structural Concrete Industries;

vii. Wagners Precast.

4. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-15.

Item 15.04 T-16-40 Supply of Server and Storage Infrastructure

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

RECOMMENDATION

1. Accept the quotation, through Local Government Procurement, from Leading Edge Computers Port Macquarie, for the purchase of Server and Storage Infrastructure for \$612,507 (excl GST).
2. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-40.

Item 15.05 T-16-43 Supply of Checkpoint Security Appliance

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

RECOMMENDATION

That Council:

1. Accept the quotation, through Local Government Procurement, from Leading Edge Computers Port Macquarie, for the purchase of Checkpoint Security Appliance for \$248,797 (excl GST).
2. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-43.

CARRIED: 9/0

FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann, Levido and
Turner

AGAINST: Nil

The meeting closed at 6:32pm.

.....
Peter Besseling
Mayor

Item: 05
Subject: DISCLOSURES OF INTEREST

RECOMMENDATION

That Disclosures of Interest be presented

DISCLOSURE OF INTEREST DECLARATION

Name of Meeting:

Meeting Date:

Item Number:

Subject:
.....

I, declare the following interest:

☐

Pecuniary:

Take no part in the consideration and voting and be out of sight of the meeting.

☐

Non-Pecuniary - Significant Interest:

Take no part in the consideration and voting and be out of sight of the meeting.

☐

Non-Pecuniary - Less than Significant Interest:

May participate in consideration and voting.

For the reason that:
.....

Signed: Date:

(Further explanation is provided on the next page)

Further Explanation

(Local Government Act and Code of Conduct)

A conflict of interest exists where a reasonable and informed person would perceive that a Council official could be influenced by a private interest when carrying out their public duty. Interests can be of two types: pecuniary or non-pecuniary.

All interests, whether pecuniary or non-pecuniary are required to be fully disclosed and in writing.

Pecuniary Interest

A pecuniary interest is an interest that a Council official has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the Council official. (section 442)

A Council official will also be taken to have a pecuniary interest in a matter if that Council official's spouse or de facto partner or a relative of the Council official or a partner or employer of the Council official, or a company or other body of which the Council official, or a nominee, partner or employer of the Council official is a member, has a pecuniary interest in the matter. (section 443)

The Council official must not take part in the consideration or voting on the matter and leave and be out of sight of the meeting. (section 451)

Non-Pecuniary

A non-pecuniary interest is an interest that is private or personal that the Council official has that does not amount to a pecuniary interest as defined in the Act.

Non-pecuniary interests commonly arise out of family, or personal relationships, or involvement in sporting, social or other cultural groups and associations and may include an interest of a financial nature.

The political views of a Councillor do not constitute a private interest.

The management of a non-pecuniary interest will depend on whether or not it is significant.

Non Pecuniary – Significant Interest

As a general rule, a non-pecuniary conflict of interest will be significant where a matter does not raise a pecuniary interest, but it involves:

- (a) A relationship between a Council official and another person that is particularly close, for example, parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child of the Council official or of the Council official's spouse, current or former spouse or partner, de facto or other person living in the same household.
- (b) Other relationships that are particularly close, such as friendships and business relationships. Closeness is defined by the nature of the friendship or business relationship, the frequency of contact and the duration of the friendship or relationship.
- (c) An affiliation between a Council official an organisation, sporting body, club, corporation or association that is particularly strong.

If a Council official declares a non-pecuniary significant interest it must be managed in one of two ways:

1. Remove the source of the conflict, by relinquishing or divesting the interest that creates the conflict, or reallocating the conflicting duties to another Council official.
2. Have no involvement in the matter, by taking no part in the consideration or voting on the matter and leave and be out of sight of the meeting, as if the provisions in section 451(2) apply.

Non Pecuniary – Less than Significant Interest

If a Council official has declared a non-pecuniary less than significant interest and it does not require further action, they must provide an explanation of why they consider that the conflict does not require further action in the circumstances.

SPECIAL DISCLOSURE OF PECUNIARY INTEREST DECLARATION

By <i>[insert full name of councillor]</i>	
In the matter of <i>[insert name of environmental planning instrument]</i>	
Which is to be considered at a meeting of the <i>[insert name of meeting]</i>	
Held on <i>[insert date of meeting]</i>	
PECUNIARY INTEREST	
Address of land in which councillor or an associated person, company or body has a proprietary interest (<i>the identified land</i>) ⁱ	
Relationship of identified land to councillor [Tick or cross one box.]	<input type="checkbox"/> Councillor has interest in the land (e.g. is owner or has other interest arising out of a mortgage, lease trust, option or contract, or otherwise). <input type="checkbox"/> Associated person of councillor has interest in the land. <input type="checkbox"/> Associated company or body of councillor has interest in the land.
MATTER GIVING RISE TO PECUNIARY INTEREST	
Nature of land that is subject to a change in zone/planning control by proposed LEP (<i>the subject land</i>) ⁱⁱⁱ [Tick or cross one box]	<input type="checkbox"/> The identified land. <input type="checkbox"/> Land that adjoins or is adjacent to or is in proximity to the identified land.
Current zone/planning control [Insert name of current planning instrument and identify relevant zone/planning control applying to the subject land]	
Proposed change of zone/planning control [Insert name of proposed LEP and identify proposed change of zone/planning control applying to the subject land]	
Effect of proposed change of zone/planning control on councillor [Tick or cross one box]	<input type="checkbox"/> Appreciable financial gain. <input type="checkbox"/> Appreciable financial loss.

Councillor's Signature: Date:

Important Information

This information is being collected for the purpose of making a special disclosure of pecuniary interests under sections 451 (4) and (5) of the *Local Government Act 1993*. You must not make a special disclosure that you know or ought reasonably to know is false or misleading in a material particular. Complaints made about contraventions of these requirements may be referred by the Director-General to the Local Government Pecuniary Interest and Disciplinary Tribunal.

This form must be completed by you before the commencement of the council or council committee meeting in respect of which the special disclosure is being made. The completed form must be tabled at the meeting. Everyone is entitled to inspect it. The special disclosure must be recorded in the minutes of the meeting.

i. Section **443** (1) of the *Local Government Act 1993* provides that you may have a pecuniary interest in a matter because of the pecuniary interest of your spouse or your de facto partner or your relative^{iv} or because your business partner or employer has a pecuniary interest. You may also have a pecuniary interest in a matter because you, your nominee, your business partner or your employer is a member of a company or other body that has a pecuniary interest in the matter.

ii. Section **442** of the *Local Government Act 1993* provides that a **pecuniary interest** is an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person. A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to the matter or if the interest is of a kind specified in section **448** of that Act (for example, an interest as an elector or as a ratepayer or person liable to pay a charge).

iii. A pecuniary interest may arise by way of a change of permissible use of land adjoining, adjacent to or in proximity to land in which a councillor or a person, company or body referred to in section **443** (1) (b) or (c) of the *Local Government Act 1993* has a proprietary interest—see section **448** (g) (ii) of the *Local Government Act 1993*.

iv. **Relative** is defined by the *Local Government Act 1993* as meaning your, your spouse's or your de facto partner's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child and the spouse or de facto partner of any of those persons.

Item: 06.01

**Subject: MAYORAL MINUTE - MAYORAL DISCRETIONARY FUND
ALLOCATIONS**

Mayor, Peter Besseling

RECOMMENDATION

That the Mayoral Discretionary Fund allocations for the period 23 September to 5 October 2016 inclusive be noted.

Discussion

Mayoral Discretionary Fund Allocations

The total commitment from the Mayoral Discretionary Fund from 23 September to 5 October 2016 inclusive was \$1,830.00.

This included the following:

Donation to PMQ-Hastings Educational establishments for end of year	\$1,830.00
Award presentations	

	<u>\$1,830.00</u>
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Attachments

Nil

Item: 07

Subject: **CONFIDENTIAL CORRESPONDENCE TO ORDINARY COUNCIL MEETING**

Presented by: General Manager, Craig Swift-McNair

Alignment with Delivery Program

1.4.3 Build trust and improve Council's public reputation through transparency and accountability

RECOMMENDATION

That Council determine that the attachment to Item Number 13.03 be considered as confidential, in accordance with Section 11(3) of the Local Government Act.

Discussion

The following confidential attachment has been submitted to the Ordinary Council Meeting:

Item No:	13.03
Subject:	Three Villages Sewerage Scheme Construction
Attachment Description:	Three Villages Financial Information
Confidential Reason:	If disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. <i>Local Government Act 1993 - Section 10A(2)(c).</i>

Item: 08**Subject: PUBLIC FORUM**

Residents are able to address Council in the Public Forum of the Ordinary Council Meeting on any Council-related matter not listed on the agenda.

A maximum of eight speakers can address any one Council Meeting Public Forum and each speaker will be given a maximum of five minutes to address Council. Council may wish to ask questions following an address, but a speaker cannot ask questions of Council.

Once an address in the Public Forum has been completed, the speaker is free to leave the chambers quietly.

If you wish to address Council in the Public Forum, you must apply to address that meeting **no later than 4.30pm on the day prior to the meeting** by completing the 'Request to Speak in Public Forum at Ordinary Council Meeting Form'. This form is available at Council's offices or online at www.pmhc.nsw.gov.au.

Ensuring Good Governance

What are we trying to achieve?

A collaborative community that works together and recognises opportunities for community participation in decision making that is defined as ethically, socially and environmentally responsible.

What will the result be?

- A community that has the opportunity to be involved in decision making.
- Open, easy, meaningful, regular and diverse communication between the community and decision makers.
- Partnerships and collaborative projects, that meet the community's expectations needs and challenges.
- Knowledgeable, skilled and connected community leaders.
- Strong corporate management that is transparent.

How do we get there?

- 1.1 Engage the community in decision making by using varied communication channels that are relevant to residents.
- 1.2 Create professional development opportunities and networks to support future community leaders.
- 1.3 Create strong partnerships between all levels of government and their agencies so that they are effective advocates for the community.
- 1.4 Demonstrate conscientious and receptive civic leadership.
- 1.5 Implement innovative, fact based business practices.

Ensuring Good Governance

Item: 09.01

Subject: STATUS OF REPORTS FROM COUNCIL RESOLUTIONS

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.4.3 Build trust and improve Council's public reputation through transparency and accountability.

RECOMMENDATION

That Council note the information in the Status of Reports from Council Resolutions report.

Discussion

Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Development Contributions Assessment Policy - post public exhibition. (Item 12.01 - OC 20/07/16)		DDES		Oct 2016
QFPM - Port Macquarie Indoor Stadium Upgrade. (Item 14.01 - OC 10/08/16)		DCEG		Oct 2016
PMH Regional Sport Fields - alternate options (Item 15.01 - OC 05/10/16)		DCEG		Oct 2016
T-16-15 Hyndman's Creek Bridge Replacement - Supply of Pre-Stressed Concrete Deck Units - outcome of negotiations (Item 15.03 - OC 05/10/16)		DIAM		Oct 2016
Three Villages Sewerage Scheme Construction - options to deliver fit-for-purpose and value-for-money. (Item 09.02 - EX-OC 29/07/15)	Awaiting funding determination.	DIAM	Nov 2015	Oct 2016

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Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Payment of Expenses and Provision of Facilities to Councillors Policy (Item 09.11 - OC 10/08/16)		DCOS		Nov 2016
Acquisition of Land - 33 Commerce Street, Wauchope. (Item 15.07 - OC 20/07/16)		DCOS		Nov 2016
2016 Tastings on Hastings Event (Item 11.01 - OC 15/06/16)		DCEG		Dec 2016
Land Development Approvals Process Review (Item 09.01 - OC 15/06/16)		GM		Dec 2016
Draft Structure Plan for the Greater Sancrox Area - consideration/investigations of potential urban capability/serviceability / capacity of lands between Oxley Highway to north, Pacific Highway to west and Houston Mitchell Drive to south and viability of rural residential development in the Greater Sancrox area. (Item 13.07 - OC 18/02/15)		DDES		Dec 2016
Draft Biodiversity Certification Assessment and Strategy - Port Macquarie Airport and Surrounding Land - viability and implications of the options for securing the required Blackbutt Tallowood dry grassy open forest and Koala habitat credits, prior to the clearing that creates the demand for those credits. (Item 12.01 - OC 10/08/16)		DDES		Dec 2016
Water Fluoridation - request for detailed information on studies and programs. (Item 10.01 - OC 15/07/15)	Awaiting further information from NSW Health.	DIAM	Nov 2016	Dec 2016

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Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Committee Review - articulate recommendations to ensure ongoing effectiveness of Committees. (Item 09.05 - OC 20/04/16)		DCOS		Dec 2016
Impact of Road Openings and Closures on Private Property (Item 12.03 - OC 18/09/13)	To be included in overall review of roads policies. Information still being sought.	DIAM	Mar 2015	Feb 2017
Draft Yippin Creek Structure Plan - submission following exhibition. (Item 13.06 - OC 15/06/16)	Issues raised during exhibition necessitate further consideration of aspects of the draft Plan.	DDES	Oct 2016	Feb 2017
Planning Proposal for Residential Infill and Environmental Purposes - Lincoln Road, Castle Court and Marian Drive, Port Macquarie - post exhibition (Item 13.08 - OC 20/07/16)	In negotiations with proponent regarding zone and off-set outcomes	DDES	Oct 2016	Feb 2017
Performance Measurement Framework (Item 09.07 - OC 05/10/16)		DCOS		Feb 2017
Planning Controls for Short Term Rental Accommodation Report on findings and recommendations arising from the Inquiry ' <i>Adequacy of the regulation of short-term holiday letting in NSW</i> '. (Item 13.07 - OC 16/03/16)		DDES		Mar 2017
Cultural Plan 2016-2019 - Progress Report. (Item 10.03 - OC 10/08/16)		DCEG		April 2017
Sancrox Employment Land Environmental Lands and Services Planning Agreement - post public exhibition. (Item 12.04 - OC 10/08/16)		DDES		TBA

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Cyclic Reports

Report	Reporting Officer	Reporting Cycle
Monthly Financial Update	DCOS	Monthly
Investments	DCOS	Monthly
Mayoral Discretionary Fund Allocations	GM	Monthly
Development Activity and Assessment System Performance	DDES	Quarterly (May, Aug, Nov, Feb)
Glasshouse Quarterly Report	DCOS	Quarterly (July, Oct, Feb, Apr)
Delivery Program - Progress Report	DCEG	Biannual (Mar, Sept)
Operational Plan - Progress Report	DCEG	Biannual (May, Oct)
Economic Development Strategy - Progress Report (Item 10.03 - ORD 20/11/2013)	DCEG	Biannual (June, Dec)
Mayoral and Councillor Fees (Setting of)	GM	Annually (June)
MIDROC Strategic Plan 2013-2017 Outcomes (Item 08.03 - ORD 21/08/2013)	GM	Annually (July)
Council Policy - Status Report	DCOS	Annually (July)
Annual Report of the Activities of the Mayor's Sporting Fund	DCEG	Annually (Aug)
Compliments and Complaints Annual Report	DCEG	Annually (Sep)
Council Meeting Dates	GM	Annually (Sept)
Creation of Office - Deputy Mayor	GM	Annually (Sept)
Payment of Expenses and Provision of Facilities to Councillors Policy for Exhibition	DCOS	Annually (Sept)
Audit Committee Annual Report	DCOS	Annually (Sept)
Annual Report of Disability Discrimination Act Action Plan	DCEG	Annually (Sep)
Annual Disclosure of Interest Returns	GM	Annually (Oct)
Payment of Expenses and Provision of Facilities to Councillors Policy for Adoption	DCOS	Annually (Nov)
Council's Annual Report	DCEG	Annually (Nov)
Annual Reporting of Contracts for Senior Staff	GM	Annually (Nov)

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Report	Reporting Officer	Reporting Cycle
Update Report - Impact of cost shifting for the previous financial year including any additional categories of cost-shifting that have been identified (Item 09.04 - OC 21/10/15)	DCOS	Annually (Nov)

Attachments

Nil

Ensuring Good Governance

Item: 09.02

Subject: JOINT ORGANISATIONS BOUNDARIES SUBMISSION

Presented by: General Manager, Craig Swift-McNair

Alignment with Delivery Program

1.3.1 Participate in active alliances with other agencies to make effective decisions that address the needs of our community.

RECOMMENDATION

That Council:

- 1. Note the information in this report regarding Joint Organisations.**
- 2. Give consideration to lodging a submission to the NSW Government in response to the paper titled 'Joint Organisations: Getting the Boundaries Right' by 27 October 2016 in line with the information included in this 19 October 2016 Joint Organisations Boundaries Council report.**

Executive Summary

As part of the NSW Governments local government reform program, Joint Organisations (JO's) are to be established across regional NSW. According to the NSW Government, JO's are a crucial part of their plan to revitalise and strengthen regional NSW. The Government has stated that (JO's) will provide a forum for local Councils and the State to work together on issues of regional strategic priority and deliver the things that matter most to regional communities.

The Honourable Paul Toole MP, Minister for Local Government has stated that JO's will change the way that Councils and the State Government work together on regional planning and help to provide better services and infrastructure for regional communities through sharing resources, lowering costs and reducing red tape.

In June 2016 the NSW Government released a paper titled '*Joint Organisations Towards a New Model of Collaboration*', seeking submissions from Council's. Port Macquarie-Hastings Council lodged an online submission to that paper on 15 July 2016.

In September 2016, the NSW Government released a further paper titled '*Joint Organisations: Getting the Boundaries Right*' and are seeking submissions from Councils by 27 October 2016. It is the submission to this latest paper that forms the basis of this report.

Discussion

Since 2015 there have been numerous reports and papers from the NSW Government specifically on JO's. The key papers have been:

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- Joint Organisations: Mid Pilot Report – July 2015;
- Joint Organisations: Emerging Directions Paper – September 2015;
- Joint Organisations: Office of Local Government End Pilot Evaluation Report by KJA Engaging Solutions – March 2016
- Joint Organisations: Towards a New Model for Regional Collaboration Overview – June 2016
- Joint Organisations: Towards a New Model for Regional Collaboration Full Paper – June 2016
- Joint Organisations: Getting the Boundaries Right – September 2016

All the above papers are attached to this report, including copies of the two submissions Council has previously made to the NSW Government relating to JO's.

As stated earlier in this report, the NSW Government will be establishing JO's as part of their local government reform program. It should be noted that JO's are to be established across regional NSW and regional / rural Councils and not metropolitan Councils. According to the NSW Government, JO's are a crucial part of their plan to revitalise and strengthen regional NSW. The Government has stated that (JO's) will provide a forum for local Councils and the State to work together on issues of regional strategic priority and deliver the things that matter most to regional communities.

The NSW Government has stated that JO's will undertake three core functions being:

- Regional strategic planning and priority setting;
- Intergovernmental collaboration;
- Regional leadership and advocacy.

These core functions will be embedded in legislation.

In addition to the core functions, there will be optional JO functions such as service delivery and capacity building. According to the NSW Government, these will be enabled but not prescribed by legislation.

Whilst the key purpose of this report is to detail information relating to a submission to the latest discussion paper titled *Joint Organisations: Getting the Boundaries Right*, there are a range of key issues relating to JO's that are worthy of highlighting here prior to dealing with the JO boundaries (shown in no particular order):

- 1) Each JO will be required to establish a Regional Strategic Plan. What is not clear as yet is how such a Regional Strategic Plan will integrate with each Councils Community Strategic Plan, Delivery Program, as well as the current draft North Coast Regional Plan, the overarching 30 State Priorities Plan and various other plans such as the RDA Regional Plan and the like. Perhaps more importantly, at the core of this is also the issue of the potential conflict between priorities in a Regional Strategic Plan and those adopted and supported by a member Council at a local level. To date there has been no discussion on how all these plans will integrate; which plans will take priority and critically, what impact all these plans will have on the local community.
- 2) One of the core governance issues still to be resolved is the potential conflict between priorities at a local level and proposed priorities at a regional level.

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To date there is no discussion around how the elected Mayor and or Councillors are meant to deal with conflicting priorities, when they are elected to represent the people of a particular local government area, not the broader region.

- 3) The voting model put forward by the NSW Government for JO's is one vote per Council. This governance / voting mechanism is potentially setting the JO up to fail from the outset as depending on the makeup of member Councils, there could be a situation where smaller Councils ultimately dictate what the priorities will be for larger 'regional city' Councils. In our previous submission, Council suggested that further work was required relating to the voting model put forward to ensure that larger Councils (that have been determined by the State government to be of significance to a region), are not impacted negatively by the force of votes of smaller Councils on particular regional priorities.
- 4) The *Joint Organisations: Towards a New Model for Regional Collaboration Paper – June 2016*, states that the JO representative (assume the Mayor) will automatically be authorised by their Council to make appropriate decisions on their behalf in relation to the legislated core functions. It is still unclear how this will work i.e. will formal delegation be given by the individual Councils to their Mayor to make decisions on behalf of Council at the JO level or will this be enabled through legislation?
- 5) There could be a situation where a Mayoral decision at a JO level is in conflict with the official position of the individual Council. To date there has been no detail available as to how this will be dealt with. This indicates that there needs to be close interlinking between any future JO legislation and the existing relevant provisions of the LG Act with regard to Council decision making.
- 6) Further to the above, Page 26 of the *Joint Organisations: Towards a New Model for Regional Collaboration Paper – June 2016* acknowledges that JO representatives are to act in the interests of the region as a whole. The paper goes on to say that whilst there is potential conflict between a Councillors local and regional role, there is no solution offered up to address this. It is considered appropriate that further work is required in relation to how the NSW Government anticipates such conflicts should be dealt with rather than simply recognising that it might be an issue.
- 7) From a governance perspective, there is no mechanism to hold JO's accountable for the decisions they make. Within a Council, the individual Councillors are held accountable by ratepayers every four years. On company boards, directors are held accountable for their decisions by shareholders etc. There is currently no mechanism detailed in any of the JO documentation that speaks to how a JO will be held accountable. Given that membership of JO's will be mandatory for Councils via legislation, each Council and Mayor will be held responsible for the actions and decisions of the JO. If the JO is accountable to member Councils as stated in the *Joint Organisations: Towards a New Model for Regional Collaboration Paper – June 2016*, what is the mechanism that Councils can use to hold them accountable?

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- 8) The paper titled *Joint Organisations: Towards a New Model for Regional Collaboration Paper – June 2016*, posed the question as to whether JO's should be enabled to undertake regulatory functions. As detailed in the Port Macquarie-Hastings Council submission, if a JO is enabled to undertake regulatory functions, then this will confirm the creation of JO's as simply a fourth tier of government. It is for this reason that Port Macquarie-Hastings Council is opposed to JO's undertaking regulatory functions. In addition to this, regulatory functions are not one of the three core functions that are being prescribed for JO's, so it does not appear to make sense to single out these particular functions as requiring specific consideration.

In relation to the key purpose of this report, which is to deal with a draft submission on the most recent JO paper titled *Joint Organisations: Getting the Boundaries Right*, please note the comments below regarding boundaries that were originally included in the Port Macquarie-Hastings Council submission to the NSW Government in response to the paper titled *Joint Organisations: Towards a New Model for Regional Collaboration Paper – June 2016*:

- Early in the Fit for the Future (FFF) local government reform process, the NSW Government had deemed that the then Great Lakes Council, Greater Taree City Council, Gloucester Shire Council, Port Macquarie-Hastings Council and Kempsey Shire Council would form a Mid North Coast JO. Sometime after this announcement, the NSW Government changed the regional planning boundary to the south of Port Macquarie so that the then Great Lakes Council could become a member of a JO with the Hunter Group of Councils at Great Lakes Councils request.

Since this time, Great Lakes Council, Greater Taree City Council and Gloucester Shire Council have been merged to form the Mid Coast Council, noting that this newly merged Council spans two regional planning areas. This effectively ends the likelihood of Port Macquarie-Hastings Council and Kempsey Shire Council being able to form a JO, noting the reduction in member Councils in the original proposal from five to two. The formation of the Mid Coast Council and their alignment with the Hunter JO means that Port Macquarie-Hastings Council and Kempsey Shire Council alone will not provide appropriate scale and capacity to partner with the State and Commonwealth Government and other investment partner as compared to many other JO's.

The *Joint Organisations: Getting the Boundaries Right* paper states on Page 3 that while fifteen JO's were originally considered, the NSW Government has yet to make a decision about the number of JOs or their final boundaries, hence the purpose of this most recent JO paper.

As detailed on Page 3 of the *Joint Organisations: Getting the Boundaries Right* paper the NSW Government has stated that each JO will focus on delivering its three core functions through a shared model, helping to strengthen collaboration to deliver better community outcomes. As such, the boundaries will need to bring together members to fulfil those core functions for a specific region. The paper goes on to state that Councils will still be able to work with other Councils outside their JO. This could be achieved by becoming an Associate (non-voting) member of another JO or simply continuing existing initiatives to deliver shared services, procurement, etc.

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Page 4 of the *Joint Organisations: Getting the Boundaries Right* paper proposes that Port Macquarie-Hastings Council form part of the North Coast JO which will include the following Councils:

- Port Macquarie-Hastings Council;
- Kempsey Shire Council;
- Nambucca Shire Council;
- Bellingen Shire Council;
- Coffs Harbour City Council;
- Clarence Valley Council.

The NSW Government has determined that the following are the criteria that will be used in determining the final JO boundaries i.e. each JO should:

- 1) Align or 'nest' within strategic growth planning boundaries;
- 2) Demonstrate clear community of interest between member councils and regions;
- 3) Not adversely impact on other councils or JOs, for example, leaving too few Councils to form a JO;
- 4) Be based around a strong regional centre, where possible;
- 5) Be of appropriate scale and capacity to partner with the NSW Government, Commonwealth Government and other partners.

In light of Port Macquarie-Hastings Council being included in the proposed North Coast JO, a brief review of how each of the criteria listed above relates to Port Macquarie-Hastings Council and the proposed North Coast JO follows:

- 1) *Align or 'nest' within strategic growth planning boundaries;*

The proposed North Coast JO is 'nested' within the north coast regional planning boundary.

- 2) *Demonstrate clear community of interest between member councils and regions;*

The *Joint Organisations: Getting the Boundaries Right* paper included a definition of what a community of interest is, as follows:

For the purposes of determining JO boundaries, a community of interest may exist where member councils and the local communities they serve share common or closely related interests and goals, are geographically connected, share similar social and cultural identities and the sense that they 'belong together' as part of a cohesive region. Community of interest also relates to the ways that councils are bound together by common planning and growth interests.

With a proposed JO that runs from Port Macquarie-Hastings to the Clarence Valley and based on the NSW Governments definition of community of interest as detailed above, there is little evidence that would suggest that Port Macquarie-Hastings has a true community of interest with other member Councils of the proposed JO, as defined by the NSW Government.

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Having said that, it is clear that Port Macquarie-Hastings and Kempsey are geographically connected and to some extent share some similar social identities, but it should be stated that no detailed analysis has been undertaken with regard to this issue.

Aside from the geographical and potential social links between Port Macquarie-Hastings and Kempsey, it is hard to apply the above definition of a community of interest between Port Macquarie-Hastings and the other Councils proposed to be part of the North Coast JO.

It should be noted that Port Macquarie-Hastings Council has been a member of the Mid North Coast Regional Organisation of Councils (MIDROC) for many years. Until recently, MIDROC included the following member Councils:

- Port Macquarie-Hastings Council;
- Kempsey Shire Council;
- Nambucca Shire Council;
- Bellingen Shire Council;
- Coffs Harbour City Council;
- Greater Taree City Council;
- Gloucester Shire Council.

The recent merging of Great Lakes Council, Greater Taree City Council and Gloucester Shire Council to become Mid Coast Council has seen those Councils leave MIDROC.

MIDROC has worked collectively for many years on a range of issues, mostly from an advocacy perspective, with a number of operational sub-groups established throughout that time. As demonstrated by our long term membership of MIDROC, Port Macquarie-Hastings Council is not averse to working regionally with other Councils; however MIDROC membership has been voluntary in the absence of a legislated requirement to participate as will be the case with JO's.

- 3) *Not adversely impact on other councils or JOs, for example, leaving too few Councils to form a JO;*

As stated earlier in this report, the merging of the three Councils to the south of Port Macquarie-Hastings effectively put an end to the originally proposed Mid North Coast JO. This merger has effectively left too few Councils in the proposed Mid North Coast JO, being just Port Macquarie-Hastings and Kempsey.

The newly proposed North Coast JO does allow for six Councils to be included in the JO, therefore meeting the NSW Government's desire for scale and capacity for a JO, however as detailed by this brief analysis, there is minimal commonality between Port Macquarie-Hastings and other Councils included in the proposed JO.

It could be argued that the previous Greater Taree City Council and Port Macquarie-Hastings Council share a greater community of interest than with our neighbours to the north. In light of this, Council may consider including in its submission a request to the government to reconsider the inclusion of Mid

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Coast Council in the Hunter JO in favour of reinstating the Mid North Coast JO, which would include Mid Coast Council, Port Macquarie-Hastings Council and Kempsey Shire Council.

4) Be based around a strong regional centre, where possible;

The proposed North Coast JO includes not one but two strong regional centres, being Port Macquarie and Coffs Harbour. It is unknown at the time of writing this report how effective a JO will be that includes two major regional centres. This may become problematic when JO discussions turn to issues of strategic regional planning; regional infrastructure priorities and regional leadership and advocacy, combined with the fact that a JO will be able to compete with individual Councils for funding programs from the State and possibly Federal governments.

5) Be of appropriate scale and capacity to partner with the NSW Government, Commonwealth Government and other partners.

As stated in response to Point 3 above, the merging of the three Councils to the south of Port Macquarie-Hastings effectively put an end to the originally proposed Mid North Coast JO. This merger left too few Councils in the proposed Mid North Coast JO, being just Port Macquarie-Hastings and Kempsey, therefore arguably there was not the scale and capacity required to be an effective JO according to the NSW Governments definition.

The newly proposed North Coast JO does allow for six Councils to be included in the JO, therefore meeting the NSW Governments desire for scale and capacity for a JO.

Based on the brief analysis above, the proposed North Coast JO is aligned to the defined JO criteria in the following way:

Joint Organisation Criteria	Meets Criteria?
1) Align or 'nest' within strategic growth planning boundaries.	Yes
2) Demonstrate clear community of interest between member Councils and regions.	No
3) Not adversely impact on other councils or JOs, for example, leaving too few Councils to form a JO.	Yes
4) Be based around a strong regional centre, where possible.	Yes
5) Be of appropriate scale and capacity to partner with the NSW Government, Commonwealth Government and other partners.	Yes

At a recent meeting of MIDROC General Managers, it was agreed to engage consultants to undertake a desktop analysis of three options for JO boundaries. The AEC Group Pty Ltd (AEC Group) was engaged to undertake this review and three JO options were put forward for investigation:

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- 1) Option 1 - Port Macquarie-Hastings and Kempsey only;
- 2) Option 2 - All MIDROC Councils and Clarence Valley Council;
- 3) Option 3 - Port Macquarie Hastings Council in the south through to Tweed City Council in the north.

It should be noted that whilst Option 3 above includes Councils to the north of Clarence Valley Council, no discussions have been held with the northern rivers Councils in relation to this as a possible JO option.

At the time of writing this report, the full report from the AEC Group is not complete, however early advice from the AEC Group is that their key findings are as follows:

- Local politics retains a strong influence on regional priorities - origins of Councils as agricultural, urban or marine based communities will have an ongoing influence on their JO involvement.
- Work is required on any JO with respect to governance but the more members the more complex the small and large P politics – parochialism is a challenge.
- Many economic, tourism, social plans already exist, so question what benefit an additional layer of planning will be for the members.
- Challenge is on identifying practical opportunities and initiatives for collaboration, shared services and shared arrangements that have a genuine application that would deliver something that Councils require such as technical (bridge inspectors) or back office services (procurement).
- Relative sizes of the JO member Councils will have a significant influence on how they interact, manage the relationship and select JO priorities.
- Communities of interest are not generally defined consistently and are relative to those defining the communities in terms of socio-economics and/or participation in sport or interests.
- There are Memorandums of Understanding (MOU's) i.e. waste services and shared services arrangements and agreements in place between some Councils that are working and ought to be carried over into any JO.
- Opportunities to better prepare and advocate for joint, regional funding priorities.
- Opportunities to increase Council capacity and capability for best practice through shared delivery of training and process/systems improvement.

The three options examined by the AEC Group and the preliminary results of that examination are in summary:

- *Option 1 – Port Macquarie-Hastings and Kempsey only.*

Not viable with only the two Councils. Not large enough to be effective as a regional grouping to influence and work with the State/Commonwealth as envisaged by the State – one partner would dominate.

Ensuring Good Governance

- *Option 2 – All MIDROC Councils and Clarence Valley Council.*

Sits comfortably within the draft Regional Plan, incorporates two of the three Regional Cities and associated infrastructure and could be effective for advocacy.

- *Option 3 – Port Macquarie Hastings Council in the south through to Tweed City Council in the north.*

Represents the whole of the draft Regional Plan and would be a significant stakeholder for the State to work with. The logistics of meeting and coordinating politics would be challenging.

It is the view of the AEC Group that Option 2 as detailed above is the most viable i.e. a JO consisting of all existing MIDROC Councils with the addition of Clarence Valley Council, which is in line with the boundaries as proposed in the recently released paper titled '*Joint Organisations: Getting the Boundaries Right*'.

Proposed Port Macquarie-Hastings Council submission to the paper titled '*Joint Organisations: Getting the Boundaries Right*':

If Council resolves to lodge a submission to the NSW Government by 27 October 2016 on the paper titled '*Joint Organisations: Getting the Boundaries Right*', it is the staff view that the following boundary preferences may wish to be considered by Council:

- 1) That Port Macquarie-Hastings Council forms a JO with Mid Coast Council, Port Macquarie-Hastings Council and Kempsey Shire Council, in line with the original JO boundaries.
- 2) That Port Macquarie-Hastings Council forms a JO with other existing MIDROC member Councils with the addition of Clarence Valley Council, as per the boundaries put forward in the paper titled '*Joint Organisations: Getting the Boundaries Right*'.
- 3) That Port Macquarie-Hastings Council forms a JO with all Councils from Port Macquarie-Hastings to Tweed Shire Council in the north.

Whilst not the original intent of submissions to the *Joint Organisations: Getting the Boundaries Right* paper, if Council is to lodge a submission, then it is proposed that Council reiterate in its submission that there are still serious concerns with regard to the governance model for JO's as detailed earlier in this report, specifically around voting rights of member Councils, the potential conflict between local priorities and regional priorities and how JO's will be held accountable.

Options

Council has the option to endorse the submission as included in this report or make amendments to any draft submission. Council may also choose not to make a submission.

Ensuring Good Governance

Community Engagement & Internal Consultation

There has been no community engagement in relation to this report. Internal consultation has taken place with the following:

- Mayor;
- General Manager;
- Directors.

Planning & Policy Implications

As detailed earlier in this report, JO's will be enabled by legislation and Council will be legislatively required to become a member of a JO. It is clear that the establishment of JO's will have planning and policy implications for Council. However until such time as the legislation relating to JO's is finalised, it is difficult to tell exactly what those planning and or policy implications will be.

Financial & Economic Implications

The NSW Government will be allocating \$300,000 seed funding to each Joint Organisation for start-up /establishment costs, however ongoing responsibility for the funding of a JO will rest with the member Councils.

JO's will be able to apply for grants and generate income to help fund their ongoing operations. JO's will employ an Executive Officer with appropriate skills under a flexible standard contract and JO's will employ staff under the Local Government (State) Award if required.

Until such time as the legislation relating to JO's is finalised it is difficult to know exactly what the ongoing costs to Council will be, noting that future ongoing costs of the JO will largely be determined by the functions chosen to be undertaken by the JO.

In preparation for the establishment of JO's and in preparing for the ongoing costs of a JO, Council will need to consider allocating appropriate funding in the 2017-2018 budget in the coming months as that budget is developed. At this stage the costs of operating a JO are unknown. In light of this, it is anticipated that a further report on the costs of the JO will be tabled at a future meeting of Council, once known.

Attachments

- 1 [View](#). Joint Organisations - Mid Pilot Report - July 2015
- 2 [View](#). Fit for the Future - Joint Organisations Emerging Directions Paper - September 2015
- 3 [View](#). Joint Organisation End of Pilot Report - March 2016
- 4 [View](#). Joint Organisations Towards a New Model - June 2016
- 5 [View](#). Joint Organisations Background Paper - June 2016
- 6 [View](#). Joint Organisations Getting the Boundaries Right Paper - September 2016
- 7 [View](#). PMHC Submission - Joint Organisation Emerging Directions - October 2015
- 8 [View](#). PMHC Submission - Joint Organisation Background Paper - July 2016

Ensuring Good Governance

Item: 09.03

Subject: COUNCIL MEETINGS DATES FOR 2017

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.4.4 Promote the visibility and profile of Councillors through improved access by the community.

RECOMMENDATION

That Council set the Ordinary Council Meeting dates for 2017 as the third Wednesday of each month (with the exception being no meeting scheduled in January, and an earlier meeting in December due to the proximity of Christmas) being 15 February, 15 March (Taking the Council to the Community - Wauchope), 19 April, 17 May, 21 June, 19 July, 16 August, 20 September, 18 October (Taking the Council to the Community - Laurieton), 15 November, and 13 December.

Executive Summary

It is proposed that the Council Meeting Schedule for 2017 be based on a third Wednesday of the month cycle (excluding January, and an earlier meeting in December due to the proximity of Christmas) and that the March and October Council Meetings be set aside for the "Taking the Council to the Community" program.

Discussion

It is proposed to set the Council Meeting schedule for 2017 on a cycle of the third Wednesday of each month (with the exception being no meeting scheduled in January, and an earlier meeting in December due to the proximity of Christmas).

The proposed meeting schedule for 2017 is as follows:

- 15 February
- 15 March (Taking the Council to the Community - Wauchope)
- 19 April
- 17 May
- 21 June
- 19 July
- 16 August
- 20 September
- 18 October (Taking the Council to the Community - Laurieton)
- 15 November
- 13 December

Ensuring Good Governance

Options

An alternative meeting schedule and/or cycle may be adopted.

Community Engagement & Internal Consultation

- General Manager.
- Group Manager Governance and Executive services.
- Governance Support Officer.

Planning & Policy Implications

Nil.

Financial & Economic Implications

Nil.

Attachments

Nil

Ensuring Good Governance

Item: 09.04

Subject: DISCLOSURE OF INTEREST RETURN

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.4.3 Build trust and improve Council's public reputation through transparency and accountability.

RECOMMENDATION

That the Disclosure of Interest return for Group Manager Economic Development be noted.

Executive Summary

This report informs Council of the lodgement of a return disclosing the interests of a designated person which are required under section 445 of the *Local Government Act 1993*.

Discussion

Section 445 of the *Local Government Act 1993*, requires Designated Persons to prepare and submit written returns of interests in accordance with section 449. The position of Group Manager Economic Development is a designated person under the Local Government Act.

Section 450A(1) requires the General Manager to keep a Register of Returns and section 450A(2) requires the General Manager to table the Returns at the first Council meeting held after the last date for lodgement.

The Returns are then held in the Governance and Executive Services section of Council and, as required by section 6 of the *Government Information (Public Access) Act 2009*, are available for public inspection, by appointment.

The Return for the position of Group Manager Economic Development will be tabled at this meeting.

Options

Nil. Lodgement of a Return by a Designated Person is a requirement under section 445 of the Local Government Act.

Community Engagement & Internal Consultation

Internal Consultation

- Group Manager Governance & Executive Services.

Ensuring Good Governance

- General Manager.
- Group Manager Economic Development

Planning & Policy Implications

Nil.

Financial & Economic Implications

Nil.

Attachments

Nil

Ensuring Good Governance

Item: 09.05

Subject: SIX MONTHLY DELIVERY PROGRAM 2013-2017 - PROGRESS REPORT (JANUARY TO JUNE 2016)

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.4.1 Engage with the community on impacts and changes of operations.

RECOMMENDATION

That the information in the Six Monthly Delivery Program 2013-2017 Progress Report (January to June 2016) be noted.

Executive Summary

Six monthly progress reports on the Delivery Program are a legislated requirement of the NSW Government's Integrated Planning and Reporting Framework.

The Progress Report lets Council and the community know the actions that have been taken relative to the objectives contained within the Delivery Program 2013-2017.

The Delivery Program progress report as attached is a stand-alone reference against the document that can be used by Councillors and the community as an assessment of what is being achieved. It provides information on achievements against the objectives detailed in the Delivery Program 2013-2017 and provides a snapshot of Council's progress in the third year of the program.

Discussion

Delivery Program 2013-2017: Six Monthly Progress Report (January - June 2016)

The Delivery Program 2013-2017 was developed by Council within the legislated nine month timeframe, following elections in September 2012. It details objectives that are to be addressed over a four year period.

The document outlines the Councillors' commitments to the Port Macquarie-Hastings community during their four year term of office. Objectives within the four year Delivery Program represent what the Council aims to deliver and they serve as a guide for Council executive and staff when developing the annual Operational Plan. The Operational Plan sets out the actions and activities that will be undertaken each financial year to deliver the overall objectives in the Delivery Program and ultimately contribute to achieving the vision and goals outlined in the long term Community Strategic Plan.

Ensuring Good Governance

In a broad context, the Delivery Program represents the work Council is responsible for to meet the community's aspirations for the future, as described in the Towards 2030 Community Strategic Plan.

By evaluating each six months the actions that have been carried out, Council and the community are able to see the progress made in achieving Delivery Program objectives.

The Delivery Program objectives are spread across five key themes:

- A Guiding Principle of Ensuring Good Governance
- Looking After Our People
- Helping Our Community Prosper
- Looking After Our Environment
- Planning and Providing Our Infrastructure

Each of the five themes in the Delivery Program also contains a number of results statements describing the outcomes Council envisages will be achieved over the period.

This six monthly reporting phase relates to the four year Delivery Program 2013-2017 covering January to June 2016. It provides a snapshot of the third year of the Delivery Program implementation, assessing the 2015-2016 Operational Plan.

Snapshot of progress on Key Projects across the region

Wauchope/Rural

- Commenced construction of the Wauchope Pool upgrade.
- Commenced design for the replacement of Hyndmans Creek Bridge and Hartys Bridge on Comboyne Road.
- Completed replacement of the Wauchope Skate Park.
- Completed Sancrox 20ML reservoir.
- Commissioned the Small Town Sewerage Program on the North Shore in June 2016.
- Unsealed Road Maintenance Program has included roads graded twice per annum and lower priority roads once per annum in line with the approved Council program.
- Completed various Sportsfields lighting upgrades.
- Completed Sancrox Road intersection interchange.

Laurieton/Camden Haven

- Commenced replacement of Stingray Creek Bridge.
- Completed refurbishment of the Camden Haven Sewer Pump Station.
- Commenced construction on Stages 2 and 3 from Houston Mitchell Drive/ Ocean Drive roundabout.
- Detailed designs and approvals for Kew Transfer Station confirmed with construction planned for 2016-2017.
- Completed construction of the Dunbogan flood access road.
- Completed various park, playground and reserve upgrades.
- Completed accessible fishing platform at Dunbogan.
- Completed pedestrian refuges in Lake Cathie, Bonny Hills and Laurieton.

Ensuring Good Governance

Port Macquarie

- Completion of intersection upgrades to Clarence Street and Hay to Murray Streets, allowing improved parking, landscaping, kerb and guttering and footpath replacements as part of the Town Centre Master Plan.
- Completed Stage 1 construction works at Hastings River Drive, Gordon to Aston Street.
- Commenced design and preconstruction of Town Square.
- Commenced upgrade works of Port Macquarie Indoor Stadium.
- Completed Town Beach kiosk redevelopment and upgrades to Marine Rescue building.
- Completed detailed designs and final approvals for Town Beach amenities upgrade with construction planned for 2016-2017.
- Commenced design and preconstruction for Ocean Drive duplication, Greenmeadows Drive to Matthew Flinders Drive.
- Commenced construction planning for Stage 3 of Wayne Richards Park.
- Completed upgrades to the Cairncross Waste Facility.
- Completed various park, playground and reserve upgrades.

Progress Report Summary by Focus Area

Ensuring Good Governance

Results Statements

- The community actively participates in Council decision making.
- The community is experiencing benefits gained from Council working in alliance with all levels of Government.
- Effective and positive financial management is communicated to the community.
- The staff at Council enjoy a safe, inclusive and supportive environment.

Achievement Highlights

- Conducted over 80 community engagement activities from July to June 2016 including face to face, online and hardcopy techniques, which have encouraged the community to participate and provide input into Council decision making.
- Delivered the 'Listening and Engaging with the Community' and 'Taking the Council to the Community' programs in Pappinbarra, North Shore, Long Flat and Beechwood.
- Managed over 90,000 counter enquires and more than 103,000 calls through Customer Service offices with 93% handled at first point of contact.
- Registered over 2,780 users on the engagement portal 'PMHC Listening' with over 4,700 social media followers helping extend Council's reach to the community.
- Reported to Council financial statements, investment portfolios and quarterly budget reviews as scheduled.
- Determined over 13,700 Development Applications, Constructions Certificates and Complying Development Certificates within agreed processing times.
- Completed Phase 2 of the Service Review Project to define service levels across Council's external services. Phase 3 planned to commence in 2016-2017.

Ensuring Good Governance

Looking After Our People

Results Statements

- A range of activities, programs and events are supported or implemented for the multiple generations within our community.
- The community is empowered. It volunteers together to provide support, participates in community activities and uses facilities that are available.
- Community facilities, including sporting cultural and educational are maintained and improved.

Achievement Highlights

- Over 2,500 students participated in Beach Safety Education Programs.
- Activities have taken place across the region including Portraits of Memory, with 8,000 people attending and Art Walk which saw 3,000 people explore Port Macquarie CBD.
- Distributed over \$260,000 to 58 recipients under the Community Grants Program to help support activities across the region.
- Approved more than 690 bookings to hold events across the region in parks, reserves and at local sporting fields.
- The Volunteer Program has over 1,000 registered participants working on a range of projects across the region.
- Delivered over 21 Performing Arts events and 23 Visual Arts events at the Glasshouse.
- Over 230,000 people visited the Glasshouse and over 45,000 people visited the Regional Art Gallery from July 2015 to June 2016.
- The Imaginarium at Port Macquarie Library was launched and is the first regional free-to-use studio featuring a wide range of recording equipment and software.
- The 'Tech Room' at Port Macquarie Library showcases new technologies such as 3D printing, virtual reality and Raspberry Pi, with free 3D printing available at all library branches.
- Over 1,000 people have passed through the doors at local libraries each day from July 2015 to June 2016.

Helping Our Community Prosper

Results Statements

- There is an increased opportunity to undertake tertiary study within the Port Macquarie-Hastings region.
- Airport usage is increasing.
- Business and industry sectors across the local government area are well supported and growing.
- Tourism visitation numbers are increasing.

Achievement Highlights

- Ongoing implementation of the Construction, Manufacturing, Transport and Warehouse industry Action Plans.
- Implementation of the Major Events Strategic Action Plan has seen a large number of Council sponsored events delivered from July 2015 to June 2016, with an estimated \$27M economic impact to the local economy.

Ensuring Good Governance

- Produced and distributed the 'Eat, See, Do' visitor guide to local accommodation operators and visitor centres.
- Recorded over 5,400 aircraft movements and more than 220,000 passengers at the airport from July 2015 to June 2016.
- Commenced implementation of the Airport Master Plan with the next key stages of development including the \$7.5M upgrade of the passenger terminal building.

Looking After Our Environment

Results Statements

- We have healthy functioning bushland ecosystems, clean waterways and beaches that are rich in biodiversity.
- There is increased recycling and waste reduction across the local government area.
- There is increased usage of reclaimed water across the local government area.
- Our sewerage system is efficient and environmentally compliant.

Achievement Highlights

- Inspected 20% of all plant nurseries in the local government area for invasive weeds.
- The Weed Management Program has seen over 944kms of weed dispersal routes treated, over 860ha of land treated for invasive weeds and more than 320 properties inspected for invasive weeds.
- Completed over 95km of riparian restoration works.
- The Bushland Regeneration Program has resulted in 800ha of public bushland reserves regenerated across the region.
- The Development Assessment Panel has provided a transparent and efficient legislative process.
- Waste education programs targeted general waste reduction and increasing recycling and organic/full food waste recycling. This resulted in a reduction of 2,000 tonnes to landfill over the 2015-2016 financial year.
- Completed the Cairncross Waste precinct facility expansion.
- Installed Solar Photovoltaic Systems at Port Macquarie Library, the Glasshouse, Wauchope Rural Fire Service and the Council office in Port Macquarie.

Planning and Providing Our Infrastructure

Results Statements

- Open space and recreational facilities are well maintained.
- A focus is on improving transport assets through structured maintenance programs.
- Planning and design for future projects are completed a year ahead for transport, water, sewer, stormwater and parks and recreation assets.

Achievement Highlights

- Completed Beechwood Road construction from Bains Bridge to Rosewood Road
- Completed Stage 1 of Hastings River Drive - Gordon Street to Aston Street construction.
- Commenced construction of Stingray Creek Bridge replacement.
- Completed the out of water dry dock slipping of the Settlement Point Vehicular Ferry.

Ensuring Good Governance

- Completed work on the upgrade for the Town Beach amenities/kiosk and marine rescue building.
- Completed various park and playground upgrades across the region, along with park furniture replacements.
- Adopted planning amendments for the Gordon Street, Lord Street/Town Beach Precinct and in effect as at March 2016.
- Completed construction of the rising main along Ocean Drive from North Haven to Laurieton (trunk main and Stingray bridge crossing).
- Commenced upgrade and construction of the Port Macquarie Indoor Stadium.
- Commenced Wauchope Pool upgrade.
- Completed preconstruction and design for Googik Track Stage 2.
- Completed Wauchope Skate Park.
- Completed Sancrox 20ML Reservoir project.
- Commenced the Westport Park boat ramp upgrade with completion planned for in 2016-2017.
- Completed the sportsfields lighting upgrade program at Blackbutt Reserve, Fairmont Gardens, Findlay Park, Lake Cathie Sporting Complex, Landrigan Park, Stuart Park and Woods St Sports fields and Vince Inmon Sporting Complex.
- Completed over 60kms of resealing, rehabilitation or reconstruction works as part of the Sealed Road Maintenance Program.
- Completed construction of over 1.4kms of new footpath/cycleways across the region.

Further details can be found in the attachment to this report providing information on the overall achievements against objectives detailed in the Delivery Program 2013-2017.

Options

It is a statutory requirement to report on the Delivery Program on a six monthly basis. Council could seek further information on the contents of this report or the attachment.

Community Engagement & Internal Consultation

- Planning and Reporting Officer
- Integrated Planning and Reporting Development Officer
- The General Manager, Directors, Group Managers and staff reporting against the 2015-2016 Operational Plan which provided data for the Delivery Program Progress Report.

Planning & Policy Implications

This report is aligned with Council's legislative obligations under the requirements of the NSW Integrated Planning and Reporting Framework.

Financial & Economic Implications

Monthly and quarterly financial reports to Council align with the reporting period referenced in this report.

Ensuring Good Governance

Attachments

1 [View](#). Six Monthly Delivery Program 2013-2017 Progress Report

Ensuring Good Governance

Item: 09.06

Subject: MONTHLY FINANCIAL REVIEW FOR SEPTEMBER 2016

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.4.2 Manage Council's financial assets, and provide accurate, timely and reliable financial information for management purposes and provide plain English community reporting.

RECOMMENDATION

That Council adopt the adjustments in the "Financial and Economic Implications" section of the Monthly Financial Review Report for September 2016.

Executive Summary

This report will detail the monthly budget adjustments to 30 September 2016.

The Council adopted budget position as at 1 July 2016 was a shortfall of \$840,219. This shortfall increased during the month of July 2016 to a shortfall of \$996,487. The budget adjustments for September 2016 contained within this report will improve this shortfall position to a shortfall of \$988,762.

Discussion

Monthly Budget Adjustments for September 2016

Each month, Council's budgets are reviewed by Managers and Directors with any required adjustments reported. The purpose of this report is to provide Council with an up to date view of the current actual financial position in comparison to the original adopted 2016-2017 budget along with the proposed movement of funds to accommodate any changes.

Financial Assistance Grant

Council has received its financial assistance grant (FAG) notification and it is significantly less than budgeted. As part of the 2014-15 Federal Budget the Government paused indexation of the Local Government Financial Assistance Grants Program for three years commencing 1 July 2014, but as the table below shows the amount allocated to Council has been reducing since that time. As stated at the time the general purpose component of the FAG grant is allocated to the States on a population basis. This has meant that the NSW share of the general purpose component grant has decreased during the period of paused indexation because population growth in NSW is below the national average.

Ensuring Good Governance

Below is a table outlining the amount of FAG received over the last few years (excluding any CPI adjustments from previous years).

Year	Roads Component	General Component	Total	Reduction
2012/13	\$2,496,356	\$6,224,829	\$8,721,185	
2013/14	\$2,601,311	\$6,242,435	\$8,843,746	(1.41%)
2014/15	\$2,630,590	\$6,211,347	\$8,841,937	0.02%
2015/16	\$2,638,441	\$6,125,410	\$8,763,851	0.88%
2016/17	\$2,631,794	\$5,943,632	\$8,575,426	2.15%
Total	\$12,998,492	\$30,747,653	\$43,746,145	1.67%

Monthly Budget Review Summary

Original Budget as at 1 July 2016	Shortfall	(\$840,219)
Plus adjustments:		
July Review	Shortfall	(\$156,268)
August Review	Balanced	0
September Review	Surplus	7,725
Forecast budget position for 30 June 2017	Shortfall	(\$988,762)

September 2016 Adjustments

The following adjustments reflect the budget adjustments included in this report that impact Council's budget position:

Item	Surplus/Deficit	Amount \$	Comment
Ordinance Services income	Surplus	\$195,000	At the time of budget preparation the Office of State Revenue was not forwarding fine income to Council on a regular basis. This has now been rectified and the budget can be increased.
Financial Assistance Grant	Deficit	(\$187,275)	Council has received notification of the Financial Assistance Grants and it is substantially less than budgeted.
Total	Surplus	\$7,725	

The following adjustments reflect budget movements as a result of over-expenditure reviews, transfers between accounts, grant funding, transfer from reserves and additional receipts etc that have no impact on the budget position (for example additional income has an associated expenditure budget):

Ensuring Good Governance

Description	Notes	Funding Source	Amount
Grant Projects	1	Grant	(\$8,470)
Land Purchase	2	Reserve	\$149,005
Transfer between projects	3	Contribution/Revenue/Reserve	\$1,145,000
Total			\$1,285,535

The following are included in the September 2016 adjustments:

- Two projects totalling (\$8,470) have required adjustment due to grant funding this month.
 - Financial Services Salaries - From 1 July 2017, Councils will be required to collect and remit the State Government's Emergency Services Levy. In addition to the ongoing management of this levy, a significant amount of work will be required to implement the system into Council's financial system including a full reclassification of all ratepayers. This additional workload cannot be handled on top of the current workload of the existing rates team. Council will receive funds from the State Government to cover a portion of additional costs to assist implementation. One additional temporary staff member is being recruited for one year to assist in this implementation. This represents this financial year portion of these costs- \$39,000
 - Lake Cathie Coastal Sedimentary Process Conceptual Model - The grant component of this project has been completed so the additional grant funding can be removed - (\$47,470)
- Council has purchased 33 Commerce Street in Wauchope to enable the expansion of the Wauchope Waste Transfer Station - \$149,005
- Two additional projects have been created using funds from other projects and reserves - \$1,145,000
 - Funds have been transferred from the Waste Management Reserves and Port Macquarie Building Maintenance to The repair of pavers behind the Marine Rescue that have been damaged by Council's garbage trucks - \$25,000
 - The regional road block grant funding has traditionally been included in the overall road maintenance budget. To better manage this work a new project has been created and the funds transferred from other projects and reserves within transport and traffic - \$1,120,000

It should also be noted that:

- Any overspends greater than \$50,000 and 2% of the project budget are reviewed and approved by the Executive Group, being their function to oversee operational activities and approve operational actions.
- Any potential gains in interest income have not been taken into consideration into these calculations.

Options

Council may adopt the recommendation as proposed or amend as required.

Ensuring Good Governance

Planning & Policy Implications

There are no planning and policy implications.

Financial & Economic Implications

Attached to the report for information is each individual budget adjustment by Division and Section. The budget movements within this report reduce the budget shortfall to \$988,762.

Responsible Accounting Officer Statement

The approved budget shortfall for 2016-2017 after the September 2016 Council meeting was a shortfall of \$996,487. This report has reduced this position to a shortfall of \$988,762. The shortfall position is considered an un-satisfactory result for the year and as such budgets will need to be closely monitored during the remainder of the year with a view to reducing this shortfall.

Attachments

1 [View](#). September 2016 budget Review

Ensuring Good Governance

Item: 09.07

Subject: INVESTMENTS - SEPTEMBER 2016

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.4.2 Manage Council's financial assets, and provide accurate, timely and reliable financial information for management purposes and provide plain English community reporting.

RECOMMENDATION

That Council note the Investment Report for the month of September 2016.

Executive Summary

- Total funds invested as at 30 September 2016 equals \$226,596,920.
- Year-to-date investment income of \$1,866,003 is 42.81% of the total annual investment income budget of \$4,358,600.
- In line with Council's Investment Policy, the total portfolio has performed above benchmark levels.

Discussion

This report provides details of and certifies that all funds that Council has invested as at 30 September 2016, comply with Section 625 of the Local Government Act 1993. All investments have been made in accordance with the Act and Regulations, and Council's Investment Policy.

As at 30 September 2016, the investments held by Council totalled \$226,596,920 and were attributed to the following funds:

General Fund	107,943,975
Waste Fund	15,397,261
Water Fund	61,133,583
Sewer Fund	40,712,669
Sanctuary Springs Fund	33,990
Broadwater	1,375,443
	226,596,920

Whilst current levels remain high, these monies are predominantly restricted funds, s94 contributions and other avenues which are committed for future works. These funds may be spent in the shorter or longer term depending on whether they are allocated to specific projects or held to accumulate to allow for larger works. The totals will fluctuate dependent on the status of individual projects.

Ensuring Good Governance

Reserves

The investments held by Council largely relate to restricted funds known as reserves. These reserves can be either externally restricted, or internally restricted.

Externally restricted reserves are restricted in their use by various regulations. These are largely developer contributions, water and sewer and domestic waste. These reserves must be used for the purpose for which they were collected.

Internal reserves can act as an alternative to borrowing, allowing Council to fund planned large items of expenditure.

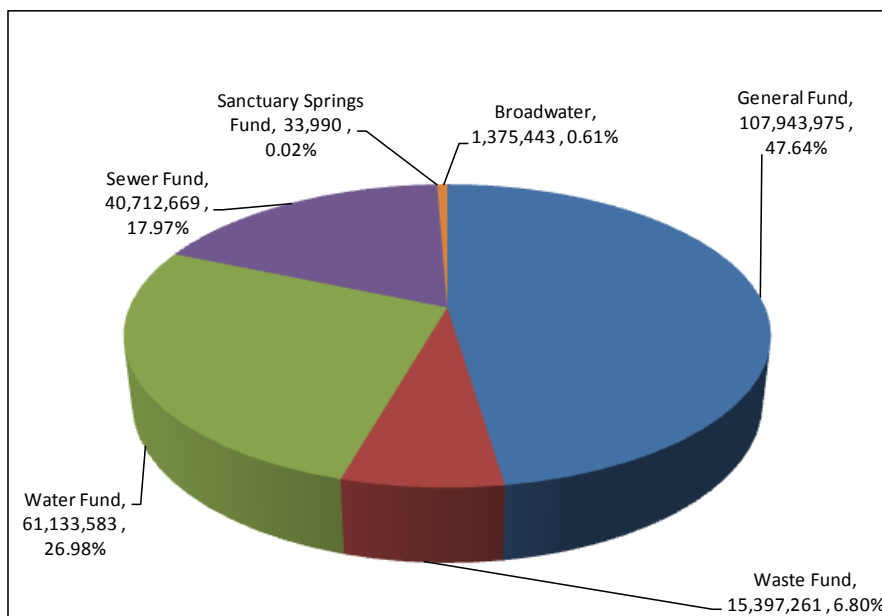
Due to resourcing constraints, Council does not finalise funding allocations until financial year end, and investments are not matched to particular reserves. Additionally, investments exclude general cash at bank. Consequently on a monthly basis, investments cannot be specifically attributable to particular reserves.

However, based on draft 30 June 2016 accounts, still subject to final audit sign off, approximately 70% of Council reserves are external reserves. These are subject to external restrictions and cannot be utilised by Council other than in accordance with specific legislation and regulations.

Of the remaining 30%, the majority (63%) has been specifically earmarked for significant works or requirements for items such as airport expansion, Town Centre, Employee Leave entitlements, funding for 2016/17 works program, IT upgrade, and Wauchope Pool.

Whilst not all funds are proposed for spend within 2016-2017 financial period, they remain committed for specific projects.

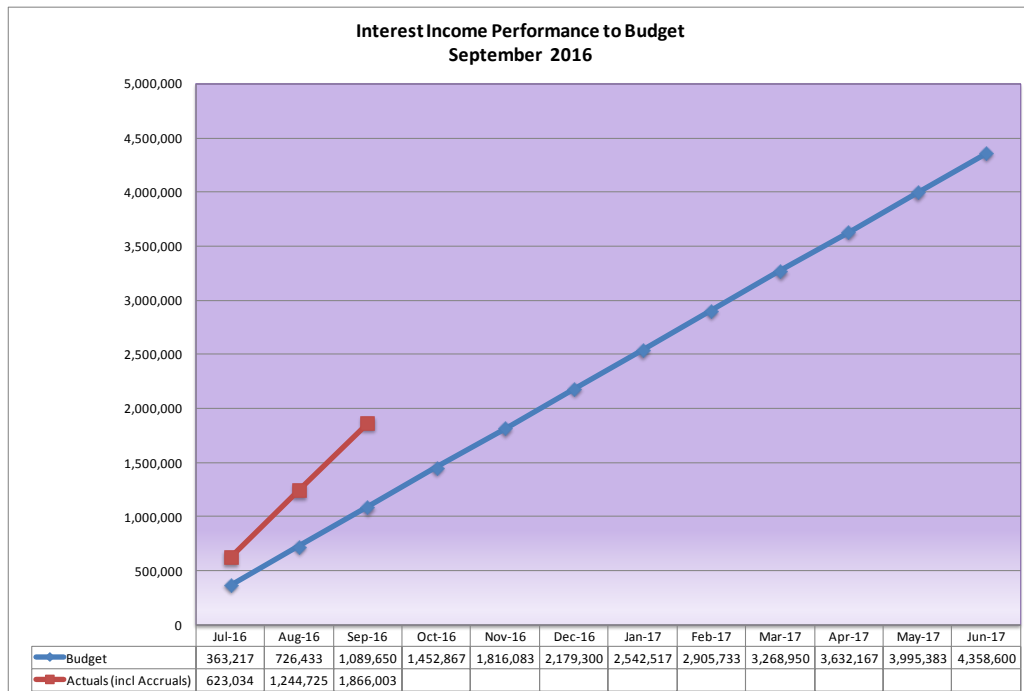
Investments by Fund - as at 30 September 2016



Ensuring Good Governance

Portfolio Performance

- Council's total investment portfolio performance for September 2016 was 1.63% above the benchmark (3.30% against 1.67%). Benchmark being the Bank Bill reference rate as at 28 September 2016 in the Australian Financial Review published 29 September 2016.
- The total year-to-date investment income of \$1,866,003 is 42.81% of the total annual budget of \$4,358,600.

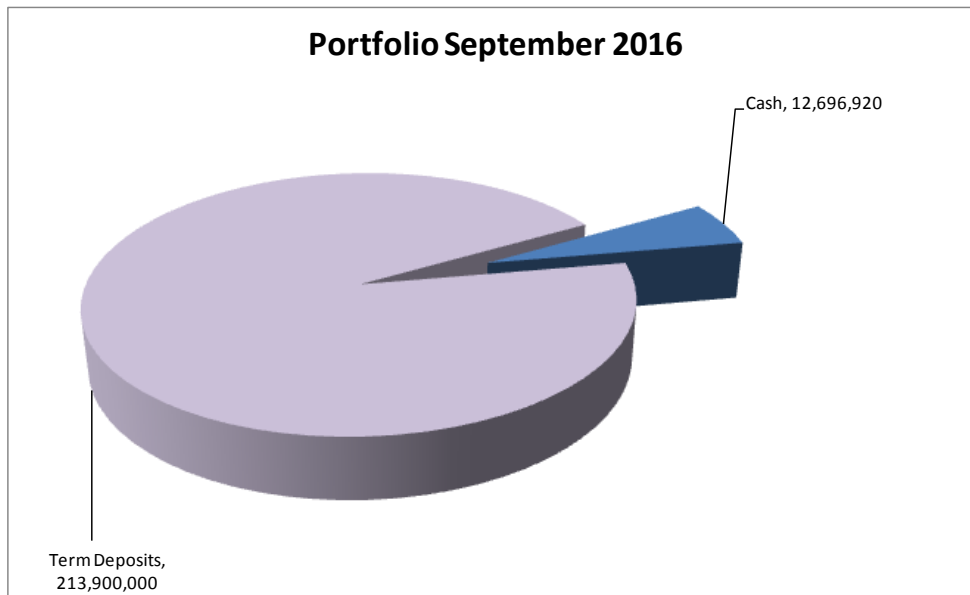


The year-to-date actual reflects total earning including both cash and accruals.

Investment Portfolio Mix

Council's current portfolio is represented by cash and term deposits. The total term deposits represent 94.4% of the total investment portfolio. As at 30 September 2016, the total investment portfolio was \$226,595,920 up from \$223,151,260 as at the end of August 2016. This consists of term deposits of \$213,900,000 and cash \$12,696,920.

Ensuring Good Governance



Term Deposits - Current month \$213,900,000 - Prior month \$195,900,000

Council's Investment Policy identifies the maximum amounts that can be invested in term deposits within the various maturity constraints and the amounts which can be held with various institutions based on their respective credit ratings.

Council's current term deposit portfolio mix as at 30 September 2016 is as follows:

Table 1 - Term to Maturity

This table shows the amounts invested within the following maturity terms in accordance with limits as established by Council's Policy:

Term to Maturity	Balance \$	% Held	Policy Min	Policy Max
0 - 12 months	\$117,900,000	55.12%	40.00%	100.00%
1 - 3 years	\$91,000,000	42.54%	0.00%	60.00%
3 - 5 years	\$5,000,000	2.34%	0.00%	30.00%
Grand Total	\$213,900,000	100.00%		

Table 2 - Overall Portfolio Credit Framework

This table shows the amounts held with various institutions based on their respective credit ratings against the maximum limits set for each credit rating category. Setting limits precludes over exposure in any category held in comparison to the maximum allowed and are shown in the table below:

Ensuring Good Governance

Rating Frame	Total	% Held	Maximum % Policy	Variance
A	67,000,000	31.32%	60.00%	28.68%
AA	111,900,000	52.31%	100.00%	47.69%
BBB	29,000,000	13.56%	15.00%	1.44%
ADI/Unrated	6,000,000	2.81%	10.00%	7.19%
Grand Total	213,900,000	100%		

These tables show the total amount held for Council's term deposits as at 30 September 2016.

Credit Unions are regarded as ADI's (Authorised Deposit Taking Institutions) and generally do not have ratings. Under the regulation of Australian Prudential Regulation Authority (APRA), all ADI's have to meet the same requirements in terms of capital adequacy (how much capital they are required to hold), ensuring they don't take on too much leverage and become insolvent. In addition, ADI's are an eligible investment under the Minister's Order.

Cash - Westpac Business Cash Reserve Account
Current month \$12,696,920 - Prior month \$27,251,260

This is not available unrestricted cash.

This is a maxi account which the Council uses as a cash management tool only. Funds are transferred in and out of this account daily prior to investment, given its higher rate of interest than the general payment account. Levels in this account vary dependent on the time of month and rate payer/creditor cycle.

Throughout the month of September, \$12 million in funds matured with \$30m in funds invested into term deposits throughout the month.

It should be noted that funds currently within the Westpac Business Cash Reserve Account are attracting an interest rate of 2.2% being the current cash rate plus 0.7% (based on the cash rate drop on 3 August 2016), which performs better than the benchmark (1.67% September).

The largest sector of the portfolio is the term deposit allocation of \$213,900,000 (last month \$195,900,000) or 94.4% of the total.

Ensuring Good Governance

Investment Portfolio by Maturity Date - as at 30 September 2016

Inv Name	Type	Rating	Purchase Date	Maturity Date	Yield	Face Value
National Australia Bank	TD	AA-	3-May-16	4-Oct-16	3.10%	1,000,000
National Australia Bank	TD	AA-	10-Mar-16	6-Oct-16	3.11%	4,000,000
Bank of Queensland	TD	A-	23-Feb-16	24-Oct-16	3.10%	3,000,000
Newcastle Permanent	TD	BBB+	23-Oct-14	24-Oct-16	3.75%	5,000,000
Rabobank	TD	Aa 2	11-Nov-11	11-Nov-16	6.30%	2,000,000
Westpac Banking Corporation	TD	AA-	11-Nov-11	11-Nov-16	6.22%	3,000,000
Bendigo Bank	TD	A-	13-Nov-15	13-Nov-16	2.85%	2,000,000
National Australia Bank	TD	AA-	26-Nov-14	28-Nov-16	3.65%	2,000,000
Bendigo Bank	TD	A-	14-Dec-15	14-Dec-16	3.05%	2,000,000
National Australia Bank	TD	AA-	17-Dec-14	19-Dec-16	3.65%	2,000,000
National Australia Bank	TD	AA-	17-Dec-14	19-Dec-16	3.65%	3,000,000
ING Bank (Australia) Limited	TD	A-	20-Dec-11	20-Dec-16	6.16%	3,000,000
National Australia Bank	TD	AA-	14-Jan-16	16-Jan-17	3.05%	5,000,000
National Australia Bank	TD	AA-	22-Mar-16	23-Jan-17	3.14%	4,000,000
ME Bank	TD	BBB+	12-Feb-16	13-Feb-17	3.05%	2,000,000
ME Bank	TD	BBB+	23-Feb-16	23-Feb-17	3.12%	2,000,000
National Australia Bank	TD	AA-	23-Feb-15	23-Feb-17	3.18%	4,000,000
ING Bank (Australia) Limited	TD	A-	8-Mar-16	8-Mar-17	3.05%	4,000,000
Bank of Queensland	TD	A-	9-Mar-15	9-Mar-17	3.15%	6,000,000
Westpac Banking Corporation	TD	AA-	12-Mar-14	12-Mar-17	4.38%	3,000,000
National Australia Bank	TD	AA-	14-Jan-16	13-Apr-17	3.04%	2,000,000
Bank of Queensland	TD	A-	17-Apr-15	17-Apr-17	3.10%	2,000,000
Westpac Banking Corporation	TD	AA-	27-Apr-16	27-Apr-17	3.23%	4,000,000
National Australia Bank	TD	AA-	12-May-15	12-May-17	3.08%	4,000,000
Newcastle Permanent	TD	BBB+	13-May-15	12-May-17	3.10%	4,000,000
Bendigo Bank	TD	A-	16-May-16	16-May-17	3.00%	1,000,000
National Australia Bank	TD	AA	7-Jul-16	1-Jun-17	2.97%	3,000,000
Bank of Queensland	TD	A-	18-Jun-15	18-Jun-17	3.05%	2,000,000
National Australia Bank	TD	AA-	18-Jun-15	19-Jun-17	2.99%	1,900,000
Holiday Coast Credit Union	TD	ADI/Unrated	7-Jul-16	7-Jul-17	3.00%	2,000,000
Westpac Banking Corporation	TD	AA	7-Jul-16	7-Jul-17	2.91%	3,000,000
Bendigo Bank	TD	A-	22-Jul-15	24-Jul-17	3.10%	4,000,000
Bendigo Bank	TD	A-	8-Mar-16	8-Aug-17	3.15%	3,000,000
Police Credit Union SA	TD	ADI/Unrated	12-Feb-16	14-Aug-17	3.10%	2,000,000
National Australia Bank	TD	AA-	15-Aug-16	14-Aug-17	2.81%	2,000,000
AMP Bank	TD	AA-	4-Sep-15	4-Sep-17	2.90%	5,000,000
Westpac Banking Corporation	TD	AA-	4-Sep-14	4-Sep-17	4.07%	2,000,000
St George	TD	AA-	8-Sep-16	8-Sep-17	3.00%	5,000,000
St George	TD	AA-	27-Sep-16	27-Sep-17	3.00%	4,000,000
Bendigo Bank	TD	A-	8-Oct-15	8-Oct-17	2.98%	5,000,000
ANZ Bank	TD	AA-	13-Nov-12	13-Nov-17	4.87%	2,000,000
Bank of Queensland	TD	A-	13-Nov-15	13-Nov-17	3.00%	2,000,000

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Inv Name	Type	Rating	Purchase Date	Maturity Date	Yield	Face Value
Westpac Banking Corporation	TD	AA-	23-May-16	23-Nov-17	2.95%	3,000,000
Westpac Banking Corporation	TD	AA-	8-Sep-16	8-Dec-17	3.00%	3,000,000
Newcastle Permanent	TD	BBB+	14-Dec-15	14-Dec-17	3.20%	2,000,000
Bendigo Bank	TD	A-	14-Jan-16	15-Jan-18	3.10%	2,000,000
Police Credit Union SA	TD	ADI/Unrated	12-Feb-16	12-Feb-18	3.15%	2,000,000
Bendigo Bank	TD	A-	8-Mar-16	8-Mar-18	3.20%	3,000,000
Defence Bank	TD	BBB+	22-Mar-16	22-Mar-18	3.25%	4,000,000
Westpac Banking Corporation	TD	AA-	27-Apr-16	27-Apr-18	3.29%	4,000,000
Bendigo Bank	TD	A-	16-May-16	16-May-18	3.05%	2,000,000
Newcastle Permanent	TD	BBB+	16-May-16	16-May-18	3.10%	2,000,000
Bank of Queensland	TD	A-	20-Jun-13	20-Jun-18	5.00%	4,000,000
Bendigo Bank	TD	A	7-Jul-16	6-Jul-18	3.05%	2,000,000
Westpac Banking Corporation	TD	AA-	15-Aug-16	15-Aug-18	2.96%	3,000,000
Westpac Banking Corporation	TD	AA-	4-Sep-14	4-Sep-18	4.22%	4,000,000
Bendigo Bank	TD	A-	7-Sep-15	7-Sep-18	3.00%	5,000,000
St George	TD	AA-	8-Sep-16	8-Sep-18	3.10%	5,000,000
St George	TD	AA-	27-Sep-16	27-Sep-18	3.10%	4,000,000
ME Bank	TD	BBB+	14-Dec-15	14-Dec-18	3.33%	2,000,000
Rabobank	TD	Aa2	20-Jan-15	20-Jan-19	3.90%	2,000,000
Newcastle Permanent	TD	BBB+	8-Mar-16	8-Mar-19	3.60%	2,000,000
Rabobank	TD	Aa2	23-May-16	23-May-19	3.15%	6,000,000
Bendigo Bank	TD	A	7-Jul-16	8-Jul-19	3.15%	2,000,000
Westpac Banking Corporation	TD	AA-	15-Aug-16	15-Aug-19	3.10%	3,000,000
Newcastle Permanent	TD	BBB+	15-Aug-16	15-Aug-19	3.00%	2,000,000
St George	TD	AA-	8-Sep-16	8-Sep-19	3.20%	5,000,000
St George	TD	AA-	27-Sep-16	27-Sep-19	3.20%	4,000,000
Newcastle Permanent	TD	BBB+	10-Mar-16	10-Mar-20	3.70%	2,000,000
Bank of Queensland	TD	A-	10-Mar-16	10-Mar-21	3.80%	3,000,000
Total TD's						213,900,000
Westpac Business Cash Reserve Account						CASH
					2.20%	12,696,920
Total Portfolio						\$226,596,920

*The investments highlighted in yellow in the table above are new investments for September 2016.

Options

This is an information report.

Community Engagement & Internal Consultation

Council uses the services of an independent financial advisor, on an as needs basis with investments. The investments placed this month were term deposits. At least three quotes were obtained from financial institutions in line with Council's Investment Policy. The services of an independent financial advisor were not required. Council obtains regular updates regarding market activities positions from various institutions.

Planning & Policy Implications

There are no planning and policy implications.

Ensuring Good Governance

Financial & Economic Implications

Benchmark and budget levels have been met on a year to date basis. On an annual basis, if benchmark levels are not reached, then this may result in budget cuts in other areas to fund the shortfall.

Council's total investment portfolio performance for 30 September 2016 is 1.63% above the benchmark (3.30% against 1.67%) and year to-date income is 42.81% of the total annual budget.

It should be noted that investment income is noted as a gross amount. Section 97(5) of the Local Government Act 1993 indicates that any security deposit held with Council must be repaid with interest accrued. These security deposits will only relate to bonds held for security to make good damage done to works.

The overall investment income will be adjusted at financial year end by the total interest refunded on repayment of bonds. As Council constantly receives and refunds bonds, it is difficult to accurately determine the quantum of these refunds. This financial year to date Council has refunded bonds with an associated interest component of \$13,998.99 which will be monitored and advised monthly.

Certification

I hereby certify that the investments listed within this report have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policy.

Robyn Wilson
Responsible Accounting Officer

Attachments

Nil

Ensuring Good Governance

Item: 09.08

Subject: GLASSHOUSE QUARTERLY REPORT & UPDATE ON STRATEGIC
PLAN RECOMMENDATIONS

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.5.3 Ensure ratepayer value for money through continuous improvement in quality, effectiveness and efficiency of delivery of Council services.

RECOMMENDATION

That Council note the information provided in the Glasshouse Quarterly Report.

Executive Summary

At the Ordinary Council Meeting held on 20 February 2013, Council resolved:

08.17 GLASSHOUSE FINANCES

RESOLVED: Hawkins/Roberts

That Council:

- 1. Note the information contained in the report.*
- 2. Adopt the budget amendments to the current financial year as detailed in the confidential attachment.*
- 3. Request a detailed quarterly Glasshouse financial report be tabled at relevant Council meetings commencing from the fourth quarter reporting period of the 2012/2013 financial year i.e. the first quarterly report to be tabled in July 2013. The report should be sufficiently detailed to provide a break down across the key reporting categories for the Glasshouse i.e. Commercial, Community, Cultural, Front of House, Back Of House and Glasshouse Management.*
- 4. That a report be prepared for the March 2013 Council Meeting outlining possible options for debt reductions for the Glasshouse.*

CARRIED: 8/0

FOR: Besseling, Cusato, Griffiths, Hawkins, Levido, Roberts, Sargeant and Turner

AGAINST: Nil

Further, at the Ordinary Council Meeting held on 16 July 2014, Council resolved:

09.04 GLASSHOUSE STRATEGIC PLAN

Ensuring Good Governance

MOTION

MOVED: Roberts/Turner

That Council:

- 1. Adopt the Glasshouse Strategic Plan 2014 - 2017 as detailed in this report.*
- 2. Request that the General Manager include within the Glasshouse Financial Quarterly Report, an update on progress made against the Glasshouse Strategic Plan, commencing in October 2014.*
- 3. Waive the fee for display of brochures in the Glasshouse to previous partnership program members (as at 30 June 2014) pending the outcome of the review of information services prescribed at Action 2.2 of the Glasshouse Strategic Plan.*

FORESHADOWED MOTION

MOVED: Sargeant

That Council defer consideration of the Glasshouse Strategic Plan subject to further

information being provided as previously outlined relating to levels of service and overall management and financial matters.

THE MOTION WAS PUT

RESOLVED: Roberts/Turner

That Council:

- 1. Adopt the Glasshouse Strategic Plan 2014 - 2017 as detailed in this report.*
- 2. Request that the General Manager include within the Glasshouse Financial Quarterly Report, an update on progress made against the Glasshouse Strategic Plan, commencing in October 2014.*
- 3. Waive the fee for display of brochures in the Glasshouse to previous partnership program members (as at 30 June 2014) pending the outcome of the review of information services prescribed at Action 2.2 of the Glasshouse Strategic Plan.*

CARRIED: 7/1

FOR: Besseling, Cusato, Griffiths, Hawkins, Intemann, Roberts and Turner

AGAINST: Sargeant

At the Ordinary Council Meeting held on 21 October 2015, Council also resolved:

09.12 GLASSHOUSE QUARTERLY REPORT AND UPDATE ON STRATEGIC PLAN RECOMMENDATIONS

RESOLVED: Roberts/Levido

That Council:

- 1. Note the information provided in the report.*
- 2. Request that in future reports the updated status of the Glasshouse loan balances be reported.*

CARRIED: 8/0

FOR: Besseling, Cusato, Hawkins, Intemann, Levido, Roberts, Sargeant and Turner

AGAINST: Nil

Accordingly, this report tables a quarterly report on the Glasshouse finances as at 30 September 2016 including the updated status of the Glasshouse loan balances, and provides an update on progress achieved against the Recommendations identified in the Glasshouse Strategic Plan 2014 - 2017.

Ensuring Good Governance

Discussion

Glasshouse Finances

The September review and attached report represent the financial performance of the Glasshouse Venue for the first quarter of the 2016-2017 financial year being the period 1 July 2016 to 30 September 2016.

The Current Quarter and Year to Date columns in the attached report are the same given that this is the first quarter of the financial year. The commentary in this report refers to the operating deficit (before interest and depreciation).

The attached quarterly Financial Statement also shows the operating deficit (after interest and depreciation). Over time, loan interest expense will decrease as loans are repaid. Depreciation is subject to revaluations. These expense items may distort the overall result when comparing with the previous financial year period hence why the commentary refers to the operating result before interest and depreciation.

The operating deficit for the quarter (before interest & depreciation) is \$515,097 against a quarterly budget of \$584,701, hence tracking within budget. Actual results for the same period in the prior year (1 July 2015 to 30 September 2015) was an operating deficit of \$594,354. Hence the Glasshouse operating position has improved by \$79,257 when compared to the same period 12 months ago.

It should be noted that being a venue, income patterns can be subject to market forces, availability (and timing) of product in the market-place and seasonality. Commercial venue hire is slightly up on the same period last year. Performing arts revenue is lower than the previous year however in line with that related costs associated with the performing arts program is also lower than the same period last year.

This operating deficit (before interest & depreciation) can also be represented as follows:

Glasshouse Operating Deficit by Activity - Year to Date 30 September 2016:

	Management	Back of House	Front of House	Community	Commercial	Cultural	Total
Operating Income	-	-	-	966	356,950	68,017	425,933
Operating Expenditure (Before Council Overheads)	46,231	199,777	152,958	19,266	253,857	191,785	863,874
Council Overheads	17,746	6,172	13,117	3,858	9,259	27,004	77,156
Net Operating Surplus (Deficit)	(63,977)	(205,949)	(166,075)	(22,158)	93,834	(150,772)	(515,097)

Management, Back of House and Front of House provide internal support functions for Community, Commercial and Cultural activities. Community and Cultural functions also hire space from the Commercial function to derive actual costs of delivering community and cultural functions within the Glasshouse overall function. When the

Ensuring Good Governance

costs of these internal support functions are distributed, the operating surplus (deficit) can be represented as follows:

Glasshouse Operating Deficit by Activity (after internal adjustments) - Year to Date 30 September 2016:

	Management	Back of House	Front of House	Community	Commercial	Cultural	Total
Net Operating Deficit (from the above table)	(63,977)	(205,949)	(166,075)	(22,158)	93,834	(150,772)	(515,097)
Internal Overhead Distribution	63,977	205,949	166,075	(185,320)	75,298	(325,979)	-
Net Operating Surplus (Deficit) (after internal adjustments and transfers)	-	-	-	(207,478)	169,132	(476,751)	(515,097)

Glasshouse Loan Balances

Loan borrowings assisted in the funding of the Glasshouse at the time of construction. Of the total cost, \$27,975,954 was sourced through loan borrowings that are repaid through Council general revenue; and \$10,873,801 was sourced through loan borrowings that are paid from the S94 restricted asset for community facilities. Councils often use borrowing as a way to fund additional infrastructure whilst maintaining intergenerational equity outcomes.

Of the borrowings that are repaid through general revenue, \$17,565,495 is the balance of the loans as at 30 September 2016. This demonstrates that over \$10 million has already been repaid, with loans now expected to be repaid by 2027 as a result of refinancing activity which took place in June 2016.

Glasshouse Strategic Plan Recommendations

The Glasshouse Strategic Plan 2014 - 2017 was adopted by Council at the Ordinary Council Meeting held on 16 July 2014 to provide a greater commercial focus in the operation of the venue across four key outcome areas: *ensuring good governance; developing successful partnerships; enhancing utilisation and visitation; and promoting viability.*

Significant progress has been achieved since July 2014 with regard to the implementation of the strategic direction outlined in the Plan. This progress is summarised in the attached *Update on Glasshouse Strategic Plan Recommendations October 2016* with some specific outcomes discussed below.

1.2 Review management and reporting systems to support effective decision-making

The following table includes the following Key Performance Indicator (KPI) data associated with Glasshouse utilisation and occupancy rates (noting that the results are reported to 30 September 2016):

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Performance Indicator	2015-16 Actual	2016-17 Target	2016-17 Actual
Key Outcome 3: Enhancing Utilisation and Visitation <i>Implement targeted marketing and sales strategies to enhance utilisation, increase event visitation and maximise commercial outcomes</i>			Jul-Sep
Visitation (Glasshouse)	234,526	250,000	73,827
Visitation (Gallery)	49,660	50,000	10,476
Visitation (website)	112,985	125,000	35,074
Utilisation (%) (theatre)	39%	> 40%	56%
Utilisation (%) (studio)	32%	> 35%	24%
Utilisation (%) (meeting rooms)	30%	> 40%	57%
Average attendance (%) (theatre)	71%	> 70%	67%
Average attendance (%) (studio)	64%	> 70%	75%
Number of tickets processed	61,940	65,000	20,687
Percentage of tickets sold online	25% / 30%*	> 30%	32%

* Note: since the introduction of the new ticketing system in December 2015, 30% of tickets have been sold online.

Generally the July - September KPI results are on target and are consistent with the results for the corresponding period in 2015-16.

2.1 *Identify and develop key partnerships to maximise cultural, community and commercial outcomes*

A new Membership Renewal Strategy was implemented on 1 December 2015, with the Glasshouse Season Launch rescheduled from its "traditional" November date to 28 January 2016. As at 30 September 2016 there were 1,243 Glasshouse Members - this represents an increase of 171 members (16%) over the number of members at the corresponding time last year. This level of membership far exceeds the patron participation results achieved by other similar NSW venues (based on Australian Performing Arts Centre Association data).

Council is continuing to support and develop a number of corporate partnerships / sponsorships consistent with the Glasshouse Marketing and Sales Plan, including the Glasshouse Founding Sponsors, Arts NSW and a number of regional / local media organisations.

Council is also continuing to provide support for a wide variety of community groups to access and use the Glasshouse facilities.

3.1 *Promote operational flexibility in the use of the Glasshouse footprint to optimise cultural, community and commercial outcomes*

This work is continuing on an ongoing basis, including investigations into options for the future delivery of Glasshouse food and beverage services.

Ensuring Good Governance

Other actions

Further detail is provided in the attached *Update on Glasshouse Strategic Plan Recommendations October 2016* noting that the majority of the recommendations and corresponding actions arising from the Strategic Plan have now been completed and/or are continuing to guide day-to-day operations as part of “business as usual” activities.

Options

Council has the option to either adopt the recommendations of this report, to amend, or not to adopt.

Community Engagement & Internal Consultation

The information provided in this report has been reviewed by Council staff, noting that there were no Glasshouse Sub-Committee meetings scheduled in September or October 2016 due to the Council elections.

Planning & Policy Implications

This report is consistent with the key outcomes, recommendations and governance and reporting arrangements identified in the adopted Glasshouse Strategic Plan 2014 - 2017.

The continuing implementation and monitoring of the Glasshouse Strategic Plan 2014 - 2017 is an action listed in Council’s 2016 - 2017 Operational Plan.

Financial & Economic Implications

The Glasshouse Strategic Plan 2014 - 2017 aims to continue the significant progress that has been made in reducing the net cost of the operation of the Glasshouse to the community (as reported to Council at the Ordinary Council meeting held in July 2016), while continuing to ensure the delivery of high quality cultural, community and commercial activities.

Attachments

1 [View](#). Update on Glasshouse Strategic Plan Recommendations September 2016

2 [View](#). Glasshouse Financial Statement - September 2016

Looking After Our People

What are we trying to achieve?

Our social infrastructure and community programs create a healthy, inclusive and vibrant community.

What will the result be?

- Community hubs which provide access to services and social connections.
- Services that support an ageing community to live in a way that they desire.
- Available and accessible preventative health and medical services.
- A safe, caring and connected community.
- A healthy and active community that is supported by recreational infrastructure
- A strong community that is able to identify and address social issues.
- Community participation in events, programs, festivals and activities.

How do we get there?

- 2.1 Create an environment and culture that allows the Port Macquarie-Hastings community to feel safe.
- 2.2 Provide young people with a range of leisure activities and opportunities for personal development.
- 2.3 Provide medical and social services for all members of the community.
- 2.4 Develop partnerships within the community to build on existing strengths and improve areas of social disadvantage.
- 2.5 Create events and activities that promote interaction and education.
- 2.6 Provide social and community infrastructure and services.
- 2.7 Empower the community to be active and involved in community life.
- 2.8 Promote cultural and artistic expression.
- 2.9 Promote a healthy lifestyle through education, support networks and facilities.

Looking After Our People

Item: 10.01

Subject: DISABILITY DISCRIMINATION ACT (1992) ACTION PLAN 2009-2018 ANNUAL REPORT

Presented by: Community and Economic Growth, Tricia Bulic

Alignment with Delivery Program

2.6.2 Create access to community facilities that allow a range of social, health and wellbeing activities.

RECOMMENDATION

That Council:

- 1. Note the Disability Discrimination Act (1992) Action Plan 2009-2018 Annual Report.**
- 2. Note that to comply with the NSW Disability Inclusion Act (2014) each council in NSW must have a new Disability Inclusion Action Plan (DIAP) by June 2017 which will supersede the current Disability Discrimination Act Action Plan.**

Executive Summary

In the Port Macquarie-Hastings area, 4826 of our residents identify as living with a permanent disability. This equates to 6.6% of our residents, which is significantly higher compared to the national average of 4.6%. There are 7,710 carers who give unpaid care assistance and support their loved ones or friends (this is 12.9% of our residents). Our community also has the 3rd highest prevalence of dementia in NSW.

The Disability Discrimination Act (DDA) Action Plan is reviewed on an annual basis with a report submitted to Council. Teamed with the Disability Policy, council continues to pursue active management of the fundamental right of all citizens in the Port Macquarie-Hastings to have an opportunity to participate socially, culturally, economically and politically in the life of our community.

A new compulsory requirement of the NSW Government is for each council to produce a Disability Inclusion Action Plan (DIAP) 2017 - 2021. This will supersede the current Disability Discrimination Act Action Plan.

LGNSW will assist councils to meet their DIAP obligations. Over the next eight months council will create a framework, undertake engagement and draft a DIAP for endorsement to comply with the new legislation.

The aims of this project are:

- To ensure that people with disability are included in all aspects of council planning and are actively involved and have a voice in planning processes;
- To support NSW councils to develop effective disability inclusion planning which aligns with the NSW Disability Inclusion Plan; and

Looking After Our People

- To build collaboration within and across councils on best practice in access and inclusion.

Council has recently been recognised by LGNSW as a Regional Leader and LGNSW will allocate \$5k to PMHC for our project management assistance (approximately 18 days in the next nine months).

Discussion

PMHC has a strong commitment to improving and upgrading its facilities and services and has made significant improvements to disability access, which are noted in this report.

Key achievements for 2015-16 include:

- Co-ordination of six Access Committee Meetings;
- Access Committee conducted 14 Access Friendly business visits;
- Advocating for special needs groups such as Chairperson of the Port Macquarie Dementia Friendly Community;
- Acquired \$140k grant to design and build Lake Cathie Wheelchair Friendly Fishing Platform;
- Acquired \$20k grant to build kerb ramps in LGA;
- Celebration of International Day of People with Disability - \$70k grant for three local programs: Puppet in a wheelchair that is now touring NSW schools, Author with disability created children's book launched at Port Macquarie Library, community sculpture Whale Tail in partnership with Accessible Arts NSW;
- Construction of 'missing links' footpaths;
- Regular Alzheimer's Art appreciation and guiding at Glasshouse Regional Gallery;
- 'Still Alice' giant book club at Library with Cr Lisa Intemann as panellist;
- Planning commenced for new Telegraph Point wheelchair friendly public toilet;
- Large-print library books and audio books are allocated 30% of the Library collections budget;
- Ongoing monitoring of accessible car parks by the Rangers; and
- Acquired \$44,200 grant to deliver disability friendly programs at our Seniors Week Creative Ageing Festival - Dancing with Dementia, giant Book Club, training Glasshouse staff by Adriane Boag Access Coordinator from National Gallery of Australia (Canberra).

Options

That Council ask for further information.

Community Engagement & Internal Consultation

Input has been obtained from the relevant service delivery Group Managers.

Looking After Our People

Planning & Policy Implications

This activity is consistent with:

- The PMHC Disability Discrimination Act (1992) Action Plan 2009-2018;
- The “7 Big Ideas” PMHC Disability Strategy;
- “Towards 2030” Community Strategic Plan;
- 2013-2017 Delivery Program focus area of “Looking after our People”; and
- 2015/16 Operational Plan.

Financial & Economic Implications

We are now eight years into the implementation of the ten year DDA Action Plan and much has been achieved and council staff are working together to help remove barriers to accessing council facilities, events, information, engagement and services.

The Action Plan is primarily funded through the existing operational and capital budgets with grants for key projects supplementing these funds. The current Action Plan is aspirational and needs an injection of funding from State and Federal Government to be accomplished. The \$500,000 commitment for new footpaths in 2015/16 made a huge difference in connecting people to their community.

Moving forward, producing the new Disability Inclusion Action Plan will require approximately \$3k for engagement with people with disability, carers and community, creating ‘Easy English’ documents and printing. This will be funded by the LGNSW \$5k contribution.

Attachments

1 [View](#). Annual Review DDA Action Plan

Helping Our Community Prosper

What are we trying to achieve?

The Port Macquarie-Hastings region is able to thrive through access to a range of educational, employment and business opportunities.

What will the result be?

- Greater availability of educational opportunities.
- Key business sectors are able to benefit from our natural and existing attributes.
- Business and industry, training and education facilities sustain our population growth.
- Increased employment opportunities.
- An environmentally harmonious and prosperous tourism industry.
- Widely available communications technology.

How do we get there?

- 3.1 Create opportunities for lifelong learning and skill enhancement with the availability of a broad range of education and training facilities.
- 3.2 Promote and support an increase in business capacity in order to generate ongoing economic growth.
- 3.3 Expand tourism business opportunities and benefits through collaborative planning and promotion.
- 3.4 Maximise innovation and economic competitiveness by providing high quality communication technology throughout the Port Macquarie-Hastings region.
- 3.5 Target and encourage business enterprise by providing favourable business conditions including infrastructure and transport options.

Helping Our Community Prosper

Item: 11.01

Subject: SALE OF COUNCIL LAND - PART 129 NANCY BIRD WALTON DRIVE, KEW (LOT 2 DP1171190)

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

3.2.4 Appropriately develop, manage and maintain Council's property including property sales, acquisitions, road closures, land development and management of community and commercial leases.

RECOMMENDATION

That Council:

1. **Accept the offer from Homedale-Kew Pty Ltd of \$10,500 ex GST subject to Contract, for the purchase of a 1,683 sq.m. part of Council's land at 129 Nancy Bird Walton Drive Kew as described in this report.**
2. **Delegate authority to the General Manager to sign and execute the necessary documents associated with the sale of this land.**
3. **Place the proceeds from the sale of this land into Council's Property Reserve Fund for the purposes of future property investment.**

Executive Summary

This report is presented to Council for consideration of an offer from Homedale-Kew Pty Ltd for the purchase of a portion of the vacant parcel of Council-owned land in Kew, more particularly described as 129 Nancy Bird Walton Drive, Lot 2 DP 1171190.

The property is classified as 'Operational Land' in Council's Land Register and as such there is no impediment to the property being sold.

A market valuation has confirmed that the offer for purchase is within the market value range for the property.

Discussion

The area of Council land proposed for sale is 1,683 sq.m. (shown in red on Attachment 1) and adjoins the development application approved residential subdivision known as The Links. Council's total holding is a large, vacant block of 3.135ha fronting Nancy Bird Walton Drive (outlined in blue on Attachment 1), adjacent to the separate lots where the Big Axe and iKew are located.

The area proposed for sale is zoned RU1 - Primary Production with services connected. Council's costs in maintaining the property include grass slashing and rubbish removal, with no income being generated from this area of the property.

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The offer for purchase from Homedale-Kew Pty Ltd is at the current market value of \$10,500 ex GST as valued by Council's consultant property valuers, MVS Mid Coast Pty Ltd.

If successful in purchasing the property, the purchaser intends to utilise the entirety of the acquired land to install an Asset Protection Zone as required by Development Consent (DA 2007/631). The purchaser has agreed that the Contract for sale be subject to the purchaser lodging a development application for the boundary adjustment within 3 weeks of the date of the Council resolution to proceed to sale. If development consent is granted, settlement of the Contract must take place 28 days after consent. If development consent is not obtained in the 3 months through no fault of the Purchaser, then the Purchaser may request an extension of a further 3 months to obtain consent. If consent is still not obtained after that time then either party may rescind the contract.

The purchaser has agreed to pay Council's legal costs and the costs of survey, and Land Titles fees. A deposit of 10% of the purchase price will be required upon execution of the Contract.

Options

Council has the option to:

1. Accept the offer from Homedale-Kew Pty Ltd of \$10,500 ex GST subject to Contract, for the purchase of a 1,683 sq.m. part of Council's land at 129 Nancy Bird Walton Drive Kew as described in this report; or
2. Not accept the offer and retain the property in Council ownership.

Community Engagement & Internal Consultation

Council's Development Assessment staff were consulted on the proposed sale and any associated planning considerations. They have advised that a development application for a boundary adjustment will be required for the purchaser to acquire the size of the area proposed. The prospective purchaser has agreed to submit a development application for the boundary adjustment.

Planning & Policy Implications

Hopkins Consultants, acting for the prospective purchaser, have confirmed that the land will be used for an Asset Protection Zone as part of the development consent requirement for The Links residential subdivision and in accordance with PMHC LEP 2011.

Financial & Economic Implications

Lot 2 is essentially 'divided' into 2 portions due to the existing electricity transmission lines and the associated 40.235 metre wide easement, running from North to South across the Lot. Access to the rear or Western portion of the Lot is very limited due to the transmission lines. This reduces the likelihood of any future development on this portion of the Lot.

The proposed sale of the 1,683sq.m. portion of Lot 2 is an area located on the rear, Western boundary of the Lot (shown in red on Attachment 1).

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The sale does not affect any potential future development on the remainder of the Eastern portion of the Lot on Nancy Bird Walton Drive, which is currently used as a public car park and caravan pump out station. The sale does not affect the existing use of the adjacent lots where the iKew centre, the cenotaph and the Big Axe are located.

A market valuation has confirmed that the offer for purchase is within the market value range for the property. Sale of this land will reduce Council's ongoing maintenance liability associated with this portion of the site.

Attachments

- 1 [View](#). Plan of Council land Lot 2 DP 1171190, 129 Nancy Bird Walton Drive Kew showing area proposed for sale

Helping Our Community Prosper

Item: 11.02

Subject: 2015-2016 COMMUNITY GRANTS PROJECTS FOR ENDORSEMENT

Presented by: Community and Economic Growth, Tricia Bulic

Alignment with Delivery Program

2.5.1 Provide sponsorship and expertise to community groups that coordinate social and community events.

RECOMMENDATION

That Council:

1. Pursuant to provisions of Section 356 of the Local Government Act 1993, grant financial assistance from the Community Grants 2016-2017 Round 1 to:

Organisation Name	Project	Funding
General:		
St. Thomas Anglican Church	Carpet in Bell Tower	\$3,800
Port Macquarie Hastings Municipal Band	Air-conditioning	\$3,883
Mid-North Coast Maritime Museum	Cottage Refurbishment	\$885
Comboyne Tennis Club	New Coaching Equipment	\$920
Laurieton Men's Shed	Log Splitter	\$2,050
Port Macquarie Art & Craft Centre	Chemical Storage	\$4,758
Wauchope Uniting Church	Youth Activities	\$900
	Sub Total	\$17,196
Non Council Owned Halls:		
Telegraph Point Community Association		\$10,000
	Sub Total	\$10,000
Place Making:		
Herons Creek Trail Committee	Interpretation signage	\$10,000
Bago Magic Performance Group	Public performances	\$4,000
	Sub Total	\$14,000
Environmental:		
Port Macquarie Landcare	Protective Gear, Chemicals	\$10,000
Friends of Kooloonbung Creek	Protective Gear	\$5,000

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	Sub Total	\$15,000
Christmas & New Years Eve:		
Long Flat Public School P&C Association	Celebration Event	\$400
Beechwood Public School P&C Association	Celebration Event	\$2,473
Lake Cathie-Bonny Hills Lions Club	Celebration Event	\$2,375
Lorne Community Hall	Celebration Event	\$1,750
Port City Church	Celebration Event	\$5,000
Wauchope Chamber of Commerce	Celebration Event	\$4,500
	Sub Total	\$16,498
	<u>Total Allocated</u>	<u>\$72,694</u>

Executive Summary

The community grant process was once again very competitive in this round of the 16/17 Community Grant Program. Attendance at the four Community Grant Information sessions held in July, 2016 was low due to the necessity to attend a session being waived if the applicant had previously attended a session in the past two years.

Twenty eight applications were successfully submitted across all categories of the grant round. Of these the above eighteen were endorsed by the Assessment Panel as successfully meeting the Community Grants Criteria.

Discussion

A total of \$72,694 is available in 2016-2017 Round 1 for the Community Grants program as follows:

- General Grants for a range of innovative projects which align with the *Port Macquarie-Hastings Towards 2030 Community Strategic Plan* (\$17,196);
- Non Council Owned Hall Grants for maintenance and capital improvements (\$10,000)
- Place Making Program Grants for projects that create authentic and vibrant public places that are valued by their communities and admired by visitors (\$14,000)
- Environmental Grants which seeks to assist volunteer environmental groups with environmental restoration works on public bushland (\$15,000)
- Christmas and New Years Eve Grant Funding is allocated to assist groups to run Christmas and New Year's Eve events across the Port Macquarie-Hastings Local Government Area (\$16,498).

The Community Grant Guidelines 2016-2017, available on Council's website, set out the objectives, eligibility and assessment criteria, and other information for the grant

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round. On-line applications were submitted on *SmartyGrants*, a best practice on-line grants management system.

Information sessions were held in Port Macquarie (x2), Laurieton and Wauchope in July, 2016.

Applications opened on 25 July 2016 and closed on 26 August 2016. A total of twenty eight applications were received of which fourteen were in the general category, one in the Non Council Owned Hall category, four in the Place Making category, two in the Environmental category and six in the Christmas and New Years Eve category.

Assessment of applications was undertaken in two stages. Stage 1 was a check against eligibility criteria, restrictions and supplementary information and Stage 2 was an assessment of projects against the criteria as published in the *Community Grant Guidelines*.

The Place Facilitator-Grants Officer completed a preliminary assessment for Stage 1 and Stage 2 of the General; Place Making, Non Council Owned Halls and Christmas and New Years Eve grant applications.

Council's Natural Resource Officer and Ecologist completed a preliminary assessment for Stage 1 and Stage 2 of the Environmental grant applications.

On 20 September 2016 following Stage 1 and Stage 2 of the preliminary assessments, applications were considered by the Assessment Panel, with the endorsed applications forwarded to Council for approval.

Next Steps

Letters will be forwarded to the successful and unsuccessful applicants. Successful applicants will also be contacted by telephone. Unsuccessful applicants will be given the opportunity to request feedback on their application.

At a date yet determined the successful applicants will attend a public event whereby they will be presented with their cheques by the Mayor. Councillors will be invited to attend this event to be held in the Function Room.

Community Engagement & Internal Consultation

No external community engagement occurred as part of the assessment process.

Internal consultation included:

Assessment Panel Members:

General Manager
Director Development and Environment
Director Community and Economic Growth
Director Infrastructure & Asset Management
Director Corporate and Organisational Services; and
Group Manager, Community Place

The following were consulted as a part of the initial assessment process:

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Councils Place Facilitator-Grants and Environmental Services Officers.

Planning & Policy Implications

The grant process is consistent with *Council's Funding and Support provided to the Community Policy (July 2013)*.

Financial & Economic Implications

Council has an annual allocated budget for community grants of \$158,857 (\$142,157 for general grants and \$16,700 for Christmas/New Year's grants) within the community place budget and \$20,000 for environmental grants within the Environmental budget.

A summary of funding outcomes for 2016 round one is provided in Table 1.

Table 1:

Grant Category	Funds Allocated
General Community	\$17,196
Place Making	\$14,000
Non Council Owned Halls	\$10,000
Environmental	\$15,000
Christmas and New Years Eve	\$16,498
Total	\$72,694

Attachments

Nil

Looking After Our Environment

What are we trying to achieve?

We understand and manage the impact that the community has on the natural environment. We protect the environment now and in the future.

What will the result be?

- Accessible and protected waterways, foreshores, beaches and bushlands.
- Renewable energy options.
- Clean waterways.
- An environment that is protected and conserved for future generations.
- Development outcomes that are ecologically sustainable and complement our natural environment.
- Residents that are environmentally aware.
- A community that is prepared for natural events and climate change.

How do we get there?

- 4.1 Protect and restore natural areas.
- 4.2 Ensure service infrastructure maximises efficiency and limits environmental impact.
- 4.3 Implement total water cycle management practices.
- 4.4 Continue to improve waste collection and recycling practices.
- 4.5 Provide community access and opportunities to enjoy our natural environment.
- 4.6 Create a culture that supports and invests in renewable energy.
- 4.7 Increase awareness of and plan for the preservation of local flora and fauna.
- 4.8 Plan and take action to minimise impact of natural events and climate change.
- 4.9 Manage development outcomes to minimise the impact on the natural environment.

Looking After Our Environment

Item: 12.01

Subject: DA2016 - 600.1 - DWELLING AND SHED INCLUDING A CLAUSE 4.6 VARIATION TO CLAUSE 4.2A (MINIMUM LOT SIZE FOR RURAL DWELLING) OF PORT MACQUARIE HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 AT LOT 338 DP 754434, 107 MUSCIO ROAD, SANCROX

Report Author: Matt Rogers

Applicant: Arcoessence Pty Ltd
Owner: D J & N M McIlroy
Estimated Cost: \$438, 950
Parcel no: 18311

Alignment with Delivery Program

4.9.2 Undertake transparent and efficient development assessment in accordance with relevant legislation.

RECOMMENDATION

That DA 2016 - 600.1 for a dwelling and shed with a Clause 4.6 variation to Clause 4.2A (minimum lot size for rural dwelling) of the Port Macquarie-Hastings Local Environmental Plan 2011 at Lot 338, DP 754434, No. 107 Muscio Road, Sancrox, be determined by granting consent subject to the recommended conditions.

Executive Summary

This report considers a development application for a dwelling and shed with a Clause 4.6 variation to Clause 4.2A of the Port Macquarie Hastings Local Environmental Plan 2011 at the subject site, and provides an assessment of the application in accordance with the requirements of the Environmental Planning and Assessment Act 1979.

No submissions were received.

The application was reported to Council's Development Assessment Panel (DAP) on 28 September 2016 where the following was resolved:

That the Development Assessment Panel recommend to Council that DA2016 - 600.1 for a dwelling and shed with a Clause 4.6 variation to Clause 4.2A (minimum lot size for rural dwelling) of the Port Macquarie-Hastings Local Environmental Plan

Looking After Our Environment

2011 at Lot 338, DP 754434, No. 107 Muscio Road, Sancro, be determined by granting consent subject to the recommended conditions.

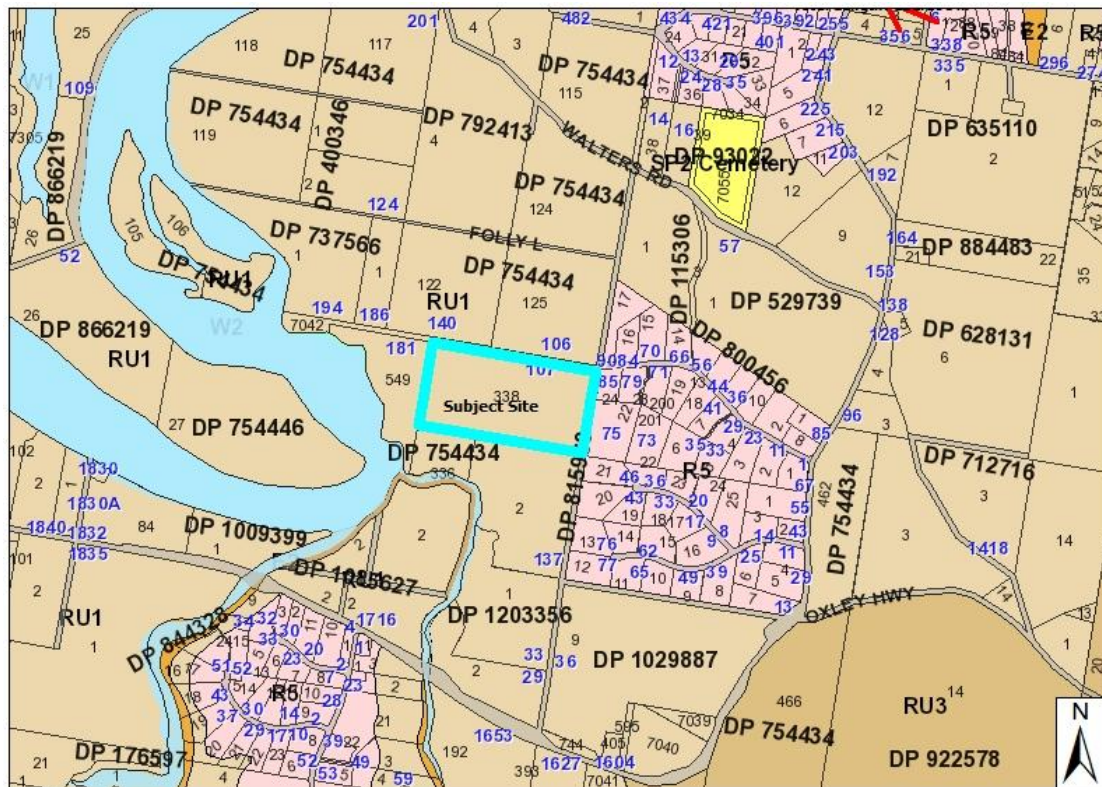
Council is required to make a determination on the development application due to the extent of the variation to the minimum lot size standard for a rural dwelling being greater than 10% in this case.

1. BACKGROUND

Existing sites features and Surrounding development

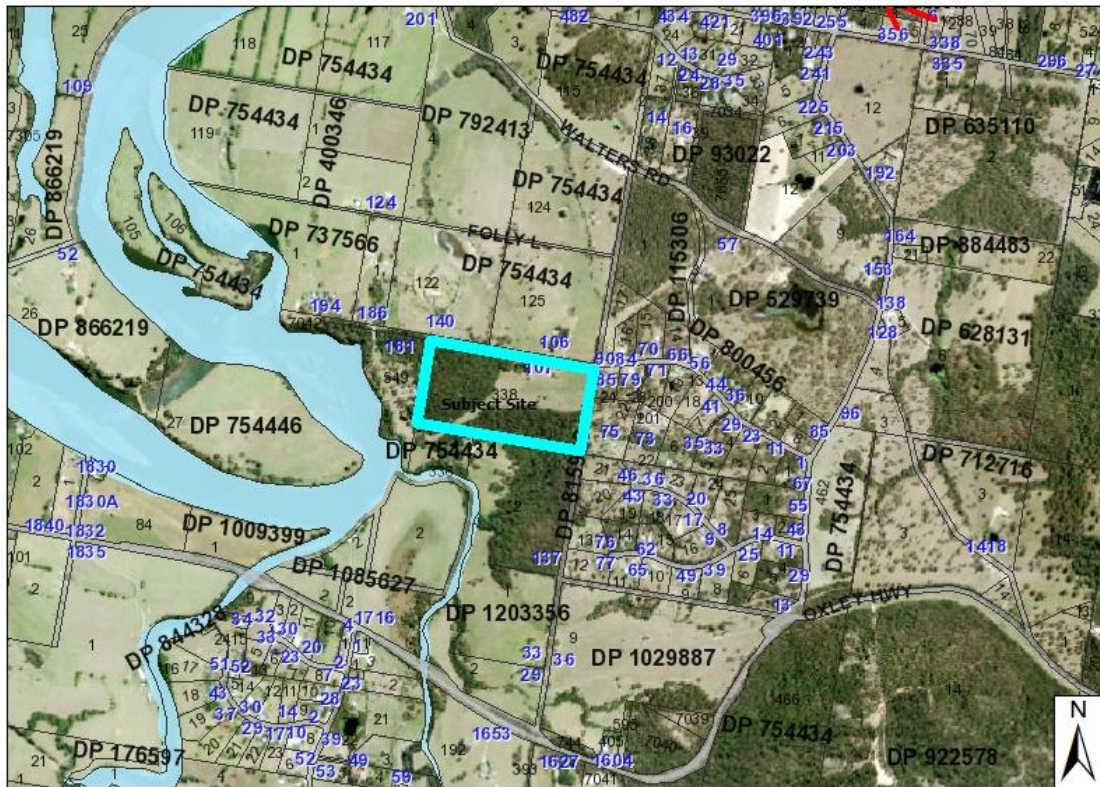
The site has an area of 19.43ha.

The site is zoned RU1 Primary Production in accordance with the Port Macquarie-Hastings Local Environmental Plan 2011, as shown in the following zoning plan:



The existing subdivision pattern and location of existing development within the locality is shown in the following aerial photograph:

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2. DESCRIPTION OF DEVELOPMENT

Key aspects of the proposal include the following:

- Erection of a single dwelling and ancillary shed.
- Clause 4.6 variation to Clause 4.2A of the Port Macquarie Hastings Local Environmental Plan 2011.

Refer to attachments at the end of this report.

Approvals History

- 9/9/2002 - Council staff confirmed in writing that the property had a dwelling entitlement.
- 30/9/2005 - The Hastings Local Environmental Plan 2001 (LEP 2001) was amended to remove Clause 18(4), which provided dwelling entitlement for some properties, including the subject property.
- 19/6/2006 - DA2005/636 approved a rural tourist facility and dwelling/managers residence on the property. The application was never acted on and has since lapsed.
- 10/4/2008 - While dwelling entitlements were lost from some properties under the above LEP 2001 amendment, Council continued to acknowledge previous advice/confirmation of dwelling entitlements but that a development application and SEPP 1 objection (now known as Clause 4.6 variation) would still be required for any future dwelling. The subject lot was one such property. Such advice was provided to a previous owner of the property.

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- 4/6/2008 - Dwelling entitlement DA2008/230 was approved by Council. Concurrence to entitlement and SEPP 1 objection was also provided by the Department of Planning on 20/5/2008.
- 17/11/2009 - DA2009/222 approved a dwelling on the property. The consent was not acted on and subsequently lapsed.

Application Chronology

- 29/7/2016 - DA2016 - 600.1 lodged with Council for a dwelling.
- 2/8/2016 - Council staff requested BASIX certificate.
- 9/8/2016 - Council staff requested additional information on Clause 4.6, bushfire and room layout.
- 12/8/2016 - Copy of additional information request provided to proposed owner. Link also provided to information on Clause 4.6 process and again on 17/8/2016.
- 16/8/2016 - Applicant confirmed room layout.
- 5/9/2016 - Clause 4.6 variation provided.
- 13/9/2016 - Bushfire report provided.
- 15/9/2016 - BASIX certificate provided.
- 26/9/2016 - Owners consent resolved.

3. STATUTORY ASSESSMENT

Section 79C(1) Matters for Consideration

In determining the application, Council is required to take into consideration the following matters as are relevant to the development that apply to the land to which the development application relates:

- (a) **The provisions (where applicable) of:**
(i) **any Environmental Planning Instrument:**

State Environmental Planning Policy 44 - Koala Habitat Protection

In accordance with clauses 6 and 7, the subject land has an area of more than one (1) hectare in size and therefore the provisions of the SEPP must be considered.

In this case, the application has demonstrated that no trees will be removed or modified to the extent that koala habitat will be impacted. The location of the proposed dwelling is also consistent with past approvals. Therefore, no further investigations are required.

State Environmental Planning Policy 55 – Remediation of Land

In accordance with clause 7, following an inspection of the site and a search of Council records, the subject land is not identified as being potentially contaminated and is suitable for the intended use. The dwelling is also to be located in the vicinity of previous approvals.

State Environmental Planning Policy 62 - Sustainable Aquaculture

Given the nature of the proposed development and proposed stormwater controls, the proposal will be unlikely to have any adverse impact on existing aquaculture industries.

State Environmental Planning Policy No. 71 – Coastal Protection and Clause 5.5 of Port Macquarie-Hastings Local Environmental Plan 2011

Looking After Our Environment

The site is located within a coastal zone as defined in accordance with clause 4 of SEPP 71.

In accordance with clause 5, this SEPP prevails over the Port Macquarie-Hastings LEP 2011 in the event of any inconsistency.

Having regard to clauses 8 and 12 to 16 of SEPP 71 and clause 5.5 of Hastings LEP 2011 inclusive the proposed development will not result in any of the following:

- a) any restricted access (or opportunities for access) to the coastal foreshore
- b) any identifiable adverse amenity impacts along the coastal foreshore and on the scenic qualities of the coast;
- c) any identifiable adverse impacts on any known flora and fauna (or their natural environment);
- d) subject to any identifiable adverse coastal processes or hazards;
- e) any identifiable conflict between water and land based users of the area;
- f) any identifiable adverse impacts on any items of archaeological/heritage;
- g) reduce the quality of the natural water bodies in the locality.

The site of the dwelling is cleared and suitable for a dwelling.

State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004

A BASIX certificate 760807S has been submitted demonstrating that the proposal will comply with the requirements of the SEPP. It is recommended that a condition be imposed to ensure that the commitments are incorporated into the development and certified at Occupation Certificate stage.

State Environmental Planning Policy (Infrastructure) 2007

The development does not trigger any of the clauses or thresholds in the SEPP.

State Environmental Planning Policy (Rural Lands) 2008

SEPP requirement	Comment	Complies
Objectives		
2(a) to facilitate the orderly and economic use and development of rural lands for rural and related purposes,	The property has previously been approved for a dwelling but none of the consents acted on. This development again looks to establish a dwelling on the property. It is considered that a dwelling is acceptable on the basis that the land had a dwelling entitlement under a previous environmental planning instrument and the land is located in an area developed for rural residential use. The proposal is also unlikely to compromise any agricultural use or other rural zoned land in the locality. The above ensures that any conflict with the rural zoned land is likely to be minimal and not affect any surrounding rural pursuits.	Yes

Looking After Our Environment

2(b) to identify the Rural Planning Principles and the Rural Subdivision Principles so as to assist in the proper management, development and protection of rural lands for the purpose of promoting the social, economic and environmental welfare of the State,	Refer to above comments.	Yes
2(c) to implement measures designed to reduce land use conflicts,	It is considered that there would be limited conflict between the development and the surrounding small rural uses/rural residential development. Suitable separation also provides further protection.	Yes
2(d) to identify State significant agricultural land for the purpose of ensuring the ongoing viability of agriculture on that land, having regard to social, economic and environmental considerations,	The area to be developed would not impact on State significant agricultural land.	Yes
2(e) to amend provisions of other environmental planning instruments relating to concessional lots in rural subdivisions.		N/A
Rural Planning Principles		
7(a) the promotion and protection of opportunities for current and potential productive and sustainable economic activities in rural areas,	The development will not impact on the current or potential productive and economic activities in the area as per comments on Clause 2(a) above.	Yes
7(b) recognition of the importance of rural lands and agriculture and the changing nature of agriculture and of trends, demands and issues in agriculture in the area, region or State,	Refer to all comments above.	Noted
7(c) recognition of the significance of rural land uses to the State and rural communities, including the social and economic benefits of rural land use and development,	Refer to all comments above.	Noted
7(d) in planning for rural lands, to balance the social, economic and environmental interests of the community,	The site is already cleared and had approval for a dwelling entitlement in the past. This new application will not create any new impacts.	Yes
7(e) the identification and protection of natural resources, having regard to maintaining	Refer to comment above. The proposed development will not impact on flora and fauna,	Yes

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biodiversity, the protection of native vegetation, the importance of water resources and avoiding constrained land,	watercourses or any known natural resources.	
7(f) the provision of opportunities for rural lifestyle, settlement and housing that contribute to the social and economic welfare of rural communities,	The development will provide a rural lifestyle opportunity without impacting on the social or economic welfare of rural communities.	Yes
7(g) the consideration of impacts on services and infrastructure and appropriate location when providing for rural housing,	The site is capable of being serviced without burdening the local community.	Yes
7(h) ensuring consistency with any applicable regional strategy of the Department of Planning or any applicable local strategy endorsed by the Director-General.	The development is not inconsistent with any strategy. Site has previously been approved for a dwelling and such an outcome remains the same.	Yes
Rural Subdivision Principles		
8(a) the minimisation of rural land fragmentation,	The proposal does not include subdivision.	N/A
8(b) the minimisation of rural land use conflicts, particularly between residential land uses and other rural land uses,	The proposal does not include subdivision.	N/A
8(c) the consideration of the nature of existing agricultural holdings and the existing and planned future supply of rural residential land when considering lot sizes for rural lands,	The proposal does not include subdivision.	N/A
8(d) the consideration of the natural and physical constraints and opportunities of land,	The proposal does not include subdivision.	N/A
8(e) ensuring that planning for dwelling opportunities takes account of those constraints.	The proposal does not include subdivision.	N/A
Rural Subdivision for Agricultural Purposes		
9(1) The objective of this clause is to provide flexibility in the application of standards for subdivision in rural zones to allow land owners a greater chance to achieve the objectives for development in the relevant zone.	Not relevant to this application.	N/A
9(2) Land in a rural zone may, with consent, be subdivided for the purpose of primary production to create a lot of a size that is less than the minimum size otherwise		

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permitted for that land.		
9(3) However, such a lot cannot be created if an existing dwelling would, as the result of the subdivision, be situated on the lot.		
9(4) A dwelling cannot be erected on such a lot.		
9(5) State Environmental Planning Policy No 1—Development Standards does not apply to a development standard under this clause.		
Matters to be considered in determining development applications for rural subdivisions or rural dwellings		
10(1) This clause applies to land in a rural zone, a rural residential zone or an environment protection zone.	Refer to comments on 2(a).	Yes
10(2) A consent authority must take into account the matters specified in subclause (3) when considering whether to grant consent to development on land to which this clause applies for any of the following purposes: (a) subdivision of land proposed to be used for the purposes of a dwelling, (b) erection of a dwelling.		
10(3) The following matters are to be taken into account: (a) the existing uses and approved uses of land in the vicinity of the development, (b) whether or not the development is likely to have a significant impact on land uses that, in the opinion of the consent authority, are likely to be preferred and the predominant land uses in the vicinity of the development, (c) whether or not the development is likely to be incompatible with a use		

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<p>referred to in paragraph (a) or (b),</p> <p>(d) if the land is not situated within a rural residential zone, whether or not the development is likely to be incompatible with a use on land within an adjoining rural residential zone,</p> <p>(e) any measures proposed by the applicant to avoid or minimise any incompatibility referred to in paragraph (c) or (d).</p>		
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Port Macquarie-Hastings Local Environmental Plan 2011

The proposal is consistent with the LEP having regard to the following:

- Clause 2.2, the subject site is zoned RU1 Primary Production. In accordance with clause 2.3(1) and the RU1 zone landuse table, the proposed development for a single dwelling house and ancillary shed is a permissible landuse with consent.

The objectives of the RU1 zone are as follows:

- To encourage sustainable primary industry production by maintaining and enhancing the natural resource base.
- To encourage diversity in primary industry enterprises and systems appropriate for the area.
- To minimise the fragmentation and alienation of resource lands.
- To minimise conflict between land uses within this zone and land uses within adjoining zones.

In accordance with clause 2.3(2), the proposal is consistent with the zone objectives, particularly as the proposal is a permissible landuse, will not impact or create conflict with surrounding rural uses, does not fragment rural land and is consistent with the established rural/rural residential locality.

- Clause 4.2A, the dwelling is proposed a lot that does not meet the 40ha minimum lot size standard (property is 19.43ha), is not an existing holding or an approved lot (such that a dwelling entitlement formally exists). As was the case for DA 2008/230, when a SEPP 1 objection was lodged, a Clause 4.6 variation is included with this application to vary the minimum lot size standard for a dwelling as discussed below.

Pursuant to Clause 4.6(3), consent must not be granted for a proposal that contravenes a development standard unless the consent authority has considered a written request from the applicant that justifies the variation by showing that the subject standard is unreasonable or unnecessary and that there are sufficient environmental planning grounds to justify the contravening of the standard.

The applicant submitted a Clause 4.6 variation to the standard based on the following:

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- The block size is unusual given its zoning and its location in a rural residential locality. Two historic development consents on the property have previously been approved, namely, DA2008/230 for the reinstatement of a dwelling entitlement and DA2009/222 for a dwelling, garage, swimming pool and gazebo.
- A dwelling entitlement existed under previous planning controls and concurrence to vary the lot size standard was previously granted by NSW Department of Planning under DA2008/230.
- There are no plans in the DA to unduly impact on the environment such as clearing vegetation, impacting natural waterways, clearing habitat or introducing any threat to species.

Having considered the application and Clause 4.6 objection, the proposal will have limited impact on the environment by virtue of the location of the proposed dwelling and the absence of significant ecological assets on the land. The size of the lot is consistent with others in the area that also contain dwellings, there is limited opportunity for the site to be amalgamated with other adjoining properties and there is limited rural prospects in the area. The proposal will not change the rural residential character of the area.

The development is also consistent with the objectives of the zone as discussed previously in this report and is unlikely to create any implications on state related issues or the public.

Based on the above, it is recommended that the development application and Clause 4.6 variation be supported.

As per Planning Circulars PS 08-003 & 08-014, Council is normally required to obtain concurrence to the variation from the Department of Planning Environment (DoPE), formerly Department of Planning. However, DoPE have advised that where concurrence was obtained on a previous application for the same matter (dwelling on an undersized lot) further concurrence is not required. In this case, the Department of Planning provided concurrence for a dwelling on the subject undersized lot under DA2008/230. Therefore, further concurrence from DoPE is not required and the proposal can be determined by Council as per the planning circulars.

- Clause 5.9, no listed trees in Development Control Plan 2013 are proposed to be removed.
- Clause 5.10, the site does not contain or adjoin any known heritage items or sites of significance. The site of the dwelling and shed is within a previously disturbed area.
- Clause 7.13, satisfactory arrangements are in place for provision of essential public utility infrastructure. The site contains sufficient area for an onsite waste management system.

(ii) Any draft instruments that apply to the site or are on exhibition:

None relevant.

(iii) any Development Control Plan in force:

Port Macquarie-Hastings Development Control Plan 2013

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DCP 2013: Dwellings, Dual occupancies, Dwelling houses, Multi dwelling houses & Ancillary development

	Requirements	Proposed	Complies
3.2.2.1	Ancillary development: <ul style="list-style-type: none"> • 4.8m max. height • Single storey • 60m² max. area • 100m² for lots >900m² • 24 degree max. roof pitch • Not located in front setback 	The ancillary shed is, single storey, 4.2m in height, 64.24m ² in area (on a lot >900m ²) and located behind the dwelling.	Yes
3.2.2.2	Articulation zone: <ul style="list-style-type: none"> • Min. 3m front setback • An entry feature or portico • A balcony, deck, patio, pergola, terrace or verandah • A window box treatment • A bay window or similar feature • An awning or other feature over a window • A sun shading feature 	Articulation zone provisions not utilised.	N/A
	Front setback in rural areas is to be 10m.	The proposal is 92m from Muscio Road.	Yes
3.2.2.3	Garage 5.5m min. and 1m behind front façade. Garage door recessed behind building line or eaves/overhangs provided	Garage is over 5.5m and 1m behind the front façade.	Yes
	6m max. width of garage door/s and 50% max. width of building	The garage doors do not exceed 6m individually but as a whole they exceed 50% of the width of the building. Being a rural property and having the garages located behind the frontage, the proposal does not impact on the objectives of the DCP. In particular, the garages will not dominate the streetscape.	No but acceptable
	Driveway crossover 1/3 max. of site frontage and max. 5.0m width	Crossover does not exceed 1/3 of the frontage or 5m.	Yes
3.2.2.4	4m min. rear setback. Variation subject to site	Development is setback over 4m from rear boundary.	Yes

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DCP 2013: Dwellings, Dual occupancies, Dwelling houses, Multi dwelling houses & Ancillary development

	Requirements	Proposed	Complies
	analysis and provision of private open space		
3.2.2.5	Side setbacks: <ul style="list-style-type: none"> • Ground floor = min. 0.9m • First floors & above = min. 3m setback or where it can be demonstrated that overshadowing not adverse = 0.9m min. • Building wall set in and out every 12m by 0.5m 	Side setbacks exceed 900mm. Building walls facing public areas are suitably articulated.	Yes
3.2.2.6	35m ² min. private open space area including a useable 4x4m min. area which has 5% max. grade	Being a 19ha rural property, the site contains sufficient open space.	Yes
3.2.2.7	Front fences: <ul style="list-style-type: none"> • If solid 1.2m max height and front setback 1.0m with landscaping • 3x3m min. splay for corner sites • Fences >1.2m to be 1.8m max. height for 50% or 6.0m max. length of street frontage with 25% openings • 0.9x0.9m splays adjoining driveway entrances • Front fences and walls to have complimentary materials to context 	Other than a standard rural entrance feature gate, no fencing proposed.	N/A
3.2.2.10	Privacy: <ul style="list-style-type: none"> • Direct views between living areas of adjacent dwellings screened when within 9m radius of any part of window of adjacent dwelling and within 12m of private open space areas of adjacent dwellings. ie. 1.8m fence or privacy screening which has 25% max. openings and is permanently fixed • Privacy screen required if 	The dwelling is setback over 90m from the nearest boundary. Therefore, no impact on privacy will occur.	Yes

Looking After Our Environment

DCP 2013: Dwellings, Dual occupancies, Dwelling houses, Multi dwelling houses & Ancillary development

	Requirements	Proposed	Complies
	floor level > 1m height, window side/rear setback (other than bedroom) is less than 3m and sill height less than 1.5m • Privacy screens provided to balconies/verandahs etc which have <3m side/rear setback and floor level height >1m		

DCP 2013: General Provisions

	Requirements	Proposed	Complies
2.7.2.2	Design addresses generic principles of Crime Prevention Through Environmental Design guideline	Adequate casual surveillance available from the dwelling. No adverse concealment or entrapment areas created. CCTV and lighting can be retrofitted by the owner for added security if deemed necessary in the future.	Yes
2.3.3.1	Cut and fill 1.0m max. 1m outside the perimeter of the external building walls	No major cut or fill proposed or required.	Yes
2.4.3	Bushfire risk, Acid sulphate soils, Flooding, Contamination, Airspace protection, Noise and Stormwater	Refer to main body of report.	Noted
2.5.3.2	New accesses not permitted from arterial or distributor roads	Development does not front an arterial or distributor road.	N/A
	Driveway crossing/s minimal in number and width including maximising street parking	Only one crossover proposed.	Yes
2.5.3.3	Parking in accordance with Table 2.5.1. 1 space per single dwelling (behind building line)	Being a 19ha rural property, the site contains sufficient area for parking.	Yes
2.5.3.11	Section 94 contributions	Being a Parish Portion, contributions will apply.	Yes
2.5.3.14	Sealed driveway surfaces unless justified	Gravel driveway proposed, which is	Yes

Looking After Our Environment

DCP 2013: Dwellings, Dual occupancies, Dwelling houses, Multi dwelling houses & Ancillary development

	Requirements	Proposed	Complies
		acceptable and consistent with the rural area.	
2.5.3.15 and 2.5.3.16	Driveway grades first 6m or 'parking area' shall be 5% grade with transitions of 2m length	Driveway grades acceptable.	Yes
2.5.3.17	Parking areas to be designed to avoid concentrations of water runoff on the surface.	Parking areas will not create any adverse runoff.	Yes
	Vehicle washing facilities – grassed area etc available.	Being a 19ha rural property, the site contains sufficient grassed area for washing cars.	Yes

(iiia) any planning agreement that has been entered into under Section 93f or any draft planning agreement that a developer has offered to enter into under Section 93f:

None relevant.

iv) any matters prescribed by the Regulations:

New South Wales Coastal Policy:

The proposed development is consistent with the objectives and strategic actions of this policy.

Demolition of buildings AS 2601:

The existing sheds onsite are proposed to be removed/demolished. Conditions of consent can cover the removal of such structures.

v) any coastal zone management plan (within the meaning of the [Coastal Protection Act 1979](#)), that apply to the land to which the development application relates:

None relevant.

(b) The likely impacts of that development, including environmental impacts on both the natural and built environments, social and economic impacts in the locality:

Context and setting

- The proposal will be unlikely to have any adverse impacts to existing adjoining properties.

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- The proposal is considered to be consistent with other rural development in the locality and adequately addresses planning controls for the area.
- There is no adverse impact on existing view sharing.
- There is no adverse privacy impacts.

Access, transport and traffic

The proposal will be unlikely to have any adverse impacts in terms access, transport and traffic. The existing road network will satisfactorily cater for any increase in traffic generation as a result of the development.

Water Supply

Water to be provided by onsite rainwater tanks.

Sewer

Sewer to be disposed of via an onsite system. The property contains sufficient area and conditions can be imposed to insure compliance.

Stormwater

Being a 19ha rural property, the site contains sufficient area to deal with stormwater runoff.

Other Utilities

Telecommunication and electricity services can be made available at the applicant's expense.

Heritage

Refer to comments on heritage in the LEP 2011 section of this report.

Other land resources

No adverse impacts anticipated. The site is within an established rural/rural residential context and will not sterilise any significant mineral or agricultural resource.

Water cycle

The proposed development will be unlikely to have any adverse impacts on water resources and the water cycle.

Soils

The proposed development will be unlikely to have any adverse impacts on soils in terms of quality, erosion, stability and/or productivity subject to a standard condition requiring erosion and sediment controls to be in place prior to and during construction.

Air and microclimate

The operations of the proposed development will be unlikely to result in any adverse impacts on the existing air quality or result in any pollution.

Flora and fauna

Construction of the proposed development will not require removal/clearing of any significant vegetation and therefore will be unlikely to have any significant adverse impacts on biodiversity or threatened species of flora and fauna. Section 5A of the Act is considered to be satisfied.

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Waste

Satisfactory arrangements can be put in place for proposed storage and collection of waste and recyclables. No adverse impacts anticipated.

Energy

The proposal includes measures to address energy efficiency and will be required to comply with the requirements of BASIX.

Noise and vibration

No adverse impacts anticipated. Condition recommended restricting construction to standard construction hours.

Bushfire

The site is identified as being bushfire prone. The applicant has submitted a bushfire report prepared by a certified consultant. The assessment concluded that the bushfire risk is acceptable subject to BAL 12.5 construction levels being implemented and associated Asset Protection Zones being maintained. Council staff have reviewed the assessment and consider it to be acceptable, subject to conditions reinforcing the requirements.

Safety, security and crime prevention

The proposed development will be unlikely to create any concealment/entrapment areas or crime spots that would result in any identifiable loss of safety or reduction of security in the immediate area. The additional dwelling will provide further causal surveillance of the area.

Social impacts in the locality

Given the nature of the proposed development and its location the proposal is unlikely to result in any adverse social impacts.

Economic impact in the locality

No adverse impacts. Likely positive impacts can be attributed to the construction of the development and associated flow on effects (i.e. maintained employment and expenditure in the area).

Site design and internal design

The proposed development design satisfactorily responds to the site attributes and will fit into the locality. No adverse impacts likely.

Construction

No potential adverse impacts identified to neighbouring properties with the construction of the proposal.

Cumulative Impacts

The proposed development is not expected to have any adverse cumulative impacts on the natural or built environment or the social and economic attributes of the locality.

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(c) The suitability of the site for the development:

The proposal will fit into the locality and the site attributes are conducive to the proposed development.

Site constraints of have been adequately addressed and appropriate conditions of consent recommended.

(d) Any submissions made in accordance with this Act or the Regulations:

In accordance with DCP 2013, the Group Manager of Development & Assessment determined that notification was not required due the previous recognition of a dwelling entitlement. The DCP also nominates dwellings in rural zones as not requiring notification and it was noted that no submissions were received on the previous dwelling applications for the site.

(e) The Public Interest:

The proposed development satisfies relevant planning controls and is unlikely to impact on the wider public interest.

4. DEVELOPMENT CONTRIBUTIONS APPLICABLE

Development contributions will be required under Section 94 of the Environmental Planning and Assessment Act 1979 towards roads, open space, community cultural services, emergency services and administration buildings.

5. CONCLUSION

The application has been assessed in accordance with Section 79C of the Environmental Planning and Assessment Act 1979.

Where relevant, conditions have been recommended to manage the impacts attributed to these issues.

The site is suitable for the proposed development, is not contrary to the public's interest and will not have a significant adverse social, environmental or economic impact. It is recommended that the application be approved, subject to the recommended conditions of consent provided in the attachment section of this report.

Attachments

1 [View](#). DA2016 - 600.1 Plans

2 [View](#). DA2016 - 600.1 Recommended Conditions

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Item: 12.02

Subject: DEVELOPMENT CONTRIBUTIONS ASSESSMENT POLICY

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

4.9.1 Strategically and financially plan for the infrastructure that will cater for population growth.

RECOMMENDATION

That Council adopt the amendments to the Development Contributions Assessment Policy as detailed in the 19 October 2016 Development Contributions Assessment Policy report.

Executive Summary

At the meeting of 20 July 2016 Council resolved to place a draft amended Development Contributions Assessment Policy (DCAP) on public exhibition. The amendments relate to assessment and payment of development contributions for business and student accommodation developments.

This report provides a summary of the outcome of exhibition of the draft amended DCAP. It is recommended that the amended DCAP be adopted and that those people who made a submission be advised of the outcome.

Discussion

At the meeting of 20 July 2016 (Item 12.01) Council resolved as follows:

RESOLVED: *Hawkins/Sargeant*

That Council:

1. Place the draft amended Development Contributions Assessment Policy on public exhibition between 22 July 2016 and 26 August 2016.
2. Consider a further report in October 2016 on the amended policy following completion of the public exhibition period.
3. Extend the current trial provisions referred to in the report until the further report is presented to the October 2016 Council Meeting.

CARRIED: 8/0

FOR: *Besseling, Cusato, Griffiths, Hawkins, Intemann, Roberts, Sargeant and Turner*

AGAINST: Nil

The draft amendments and outcomes of the exhibition are discussed below.

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Trial Provisions relating to Payment of Development Contributions for Non-residential Development

At the meeting of 20 May 2015 (Item 13.07) Council resolved to trial the payment of development contributions by instalment (without security) over 24 months, for certain non-residential developments in business, mixed use and industrial zones for amounts up to \$50,000.

The trial provisions relating to payment of development contributions by instalment has been taken up by five businesses as at 31 August 2016. Applicants that have utilised payment by instalment provisions have tended to be new businesses and in all cases employed less than 20 staff. There have been no payment defaults to date. A brief email survey of existing direct debit customers was undertaken during the exhibition period. One reply was received and was supportive of payment by instalment and confirmed that payment by instalment had assisted the business with start up expenses.

The following issues relating to the trial provisions have been noted by Council staff:

- **Extent of application of provisions** - The trial provisions are currently limited to businesses operating in business, mixed use and industrial zones. Council staff have identified the potential to extend the provisions to all land use zones in order to provide home businesses and other non residential uses in residential zones the opportunity to pay via instalment. Extended provisions were included in a draft amended DCAP that was placed on public exhibition for broader community feedback. The proposed changes are shown in the attached draft amended DCAP.
- **Contributions Cap** - The trial provisions cap the component of s94 contributions at \$5,000 of the overall maximum amount of \$50,000 that may be paid by instalment over 24 months. Following enquiries regarding deferral of payment for car parking contributions in business areas, Council staff recommend that the \$5,000 capped s94 component exclude car parking contributions for up to one car parking space. This would allow up to \$21,950 in car parking contributions, based on current rates for Port Macquarie CBD, to form part of the maximum deferred amount of \$50,000. This proposal is considered acceptable and would provide some further flexibility in relation to payment of car parking contributions in connection with business developments in commercial precincts. This has been included in the draft amended DCAP attached to the report.
- **Exemption of payment of water and sewerage** - The trial provisions provided for exemption of payment of water and sewerage headworks charges not exceeding \$2,000 for businesses operating in business, mixed use and industrial zones. Several small businesses have qualified for the exemption. In total, \$15,401 of water and sewerage headworks charges had been waived at July 2016. It is recommended that the exemption provisions be extended to non-residential development in all land use zones, including home businesses in residential zones as proposed for the payment of contributions by instalment referred to above. It is proposed that the \$2,000 exemption amount be retained and indexed annually at 1 July in line with increases in the Consumer Price Index (Sydney All Groups). The provisions

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relating to exemption of payment have been included in the draft and it is recommended that these provisions be adopted.

The trial provisions have aligned with Council's commitment to supporting small business, via the waiver of development related fees. This supports improved cash flow during times of business establishment or expansion.

There were no submissions received relating to these aspects of the draft amended DCAP.

Trial Provisions relating to Student Accommodation

At the Ordinary Council Meeting held on 19 November 2014 (Item 13.06), Council considered a report outlining options for the reduction in development contributions in order to encourage the construction of student accommodation and resolved to amend the DCAP on an 18 month trial basis to provide for a new category of Student Accommodation.

Development contributions are assessed based on an Equivalent Tenement (ET) where 1 ET is the same as a residential block with a single house. Under the trial provisions, development contributions for student accommodation are assessed based on 0.175 Equivalent Tenement per bed/bedroom for water supply, sewerage services and s94 contributions (open space, roads, community facilities). The trial provided for a 50% reduction of contributions compared with the former provisions of the DCAP.

At the Ordinary Council Meeting held on 20 April 2016, Council resolved as follows:

RESOLVED: Turner/Hawkins

That Council review the level of student accommodation development contributions and provide a report back to the May 2016 Council Meeting.

	<i>CARRIED:</i>	<i>9/0</i>
<i>FOR:</i>	<i>Besseling, Cusato, Griffiths, Hawkins, Intemann, Levido, Roberts, Sargeant</i>	
	<i>and Turner</i>	
	<i>AGAINST:</i>	<i>Nil</i>

A report was presented to the meeting of 18 May 2016 (Item 13.08) and Council resolved to add to the trial provisions for student accommodation by allowing payment of contributions to be deferred for up to 5 years with security by way of a charge on land or bank guarantee. Council resolved as follows:

RESOLVED: Hawkins/Griffiths

That Council:

1. *Include the following provisions in the trial arrangements for Student Accommodation development contributions:*
 - a) *Payment of contributions can be deferred for a maximum period of 5 years from the issue of a Construction Certificate or until the sale of the land, whichever is the sooner.*
 - b) *Payment of contributions being secured by way of a deed of deferral and*

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- a registered charge on the land or a bank guarantee.*
- c) *The amount of the charge or bank guarantee is to be calculated based on the amount of the outstanding contributions together with an interest component.*
2. *Note that this report has been tabled as the result of a formal resolution of Council from the 20 April 2016 Council meeting and not in response to a Question on Notice as listed in the agenda.*

CARRIED: 4/3

FOR: Besseling, Hawkins, Intemann and Levido

AGAINST: Griffiths, Roberts and Sargeant

One student accommodation development has been approved under the trial provisions. The trial provisions were included in the draft amended DCAP that was placed on public exhibition. There were no submissions received relating to student accommodation aspects of the draft policy. It is recommended that provisions be adopted.

Development Contributions for Storage Premises

There are a number of storage premises across the LGA, generally located in industrial or business areas. These sites are often made up of a series of small units, bays or car ports used for storage of goods including household furniture, motor vehicles and equipment.

Water and sewerage headworks contributions for new self storage premises are currently assessed based on Industrial Low Service Loading at 0.00125 ET/ m2 for water and 0.00025 ET/m2 for sewer under the DCAP. This is the same rate used to assess developments for warehousing, bulky goods retailing and hardware supplies.

Council has received recent enquiries relating to storage units for caravans, boats and other motor vehicles with concern being expressed at the high rate of water and sewer development contributions. In response to the emergence of these very large storage premises a draft amendment to the DCAP is proposed that provides a specific new category for Storage Premises and provides for assessment of water and sewerage headworks charges as follows:

- Storage Premises up to 800m2 floor area, including approved outdoor storage areas, continue to be assessed based on Industrial Low Service Loading rates to a maximum of 1ET for water and 0.2 ET for sewer.
- Storage Premises greater than 800m2 and up to 3,000m2 floor area, including approved areas, to be capped at 1 ET water and 0.2 ET sewer.
- Storage Premises greater than of 3,000m2 floor area, including designated outdoor areas will require water and sewerage contributions to be assessed on a case by case basis.

The proposed cap has been included on the basis that, irrespective of the amount of water usage, Council must provide a base level of infrastructure, including fire fighting hydrants, to serve each development site.

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Other approved uses at the site, e.g. a manager's residence, wash bay, mechanical repair etc, would continue to be assessed separately.

The revised provisions relating to the assessment of water and sewerage headworks contributions for storage premises were incorporated in the draft amended DCAP and placed on public exhibition. One submission was received in relation to this matter and the issues raised are referred to under consultation below. It is recommended that the changes be adopted.

Contributions for caravan parks

Five submissions were received in relation to development contributions for caravan parks within the public exhibition period of the draft amended DCAP. See submission table below.

There is no specific category for a Bunkhouse in Council's DCAP and accordingly the most appropriate category was considered to be 'Boarding House, Guest House, Hostel, B&Bs etc' with a credit applying for the existing caravan park site.

The table below lists the percentage-based equivalent tenement rates for the existing site and the rate used to charge the newly approved bunkhouses.

Description	Unit	Section 94 (in Equivalent Tenements)
Caravan Park and Camping Sites - Not Self Contained Site (permanent or transient)	1 Site	0.25 ET per site
Boarding House, Guest House, Hostel, B&Bs etc - per 1 Occupancy Bedroom Not Self Contained (shared facilities for cooking, laundry & bathrooms)	1 bedrooms	0.25ET/per bedroom
Boarding House, Guest House, Hostel, B&Bs etc - Not Self Contained Per Bed (for dormitories/bunkrooms, shared cooking, laundry and bathroom)	1 bed	0.125ET/per Bed

Recent examples of the application of developer contributions to cabins/bunkhouses at caravan parks include the following:

1. A 6 room bunkhouse (2 beds in each room). Water supply and s94 contributions were applicable.
2. 4 x 3 bedroom bunkhouses (2 beds in each room). Only s94 contributions were applicable as reticulated water supply is not available.

In each case contributions were assessed based under the existing DCAP category 'Boarding House, Guest House, Hostel, B&Bs etc - not self contained'. A rate of 0.125 Equivalent Tenement (ET) applies on a per bed basis.

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On both occasions 0.25 ET credit in contributions was applied to each bunkhouse in recognition of the previous campsite use. In other words, contributions were only charged for the demand over and above the camping site that the bunkhouses replaced.

Under the Local Government (Manufactured Home Estates, Caravan Parks, Camping Ground and Movable Dwellings) Regulation 2005 (Regulation), Clause 12, no more than 12 persons may be allowed to stay overnight at a dwelling site or camp site at any one time. The submissions argue that the maximum number of persons per site has not increased from the approved caravan park sites and therefore demand on public services/facilities has not increased. This is considered to be an inappropriate comparison as the 12 persons per site is a maximum occupancy rate and not the average occupancy on which the contribution rate has been assessed. If a camp site was charged contributions on the maximum number under the Regulation, contributions for caravan parks would be considerably higher.

Council's contributions plans are based on one ET being an equivalent to a dwelling of 2.44 persons. Under the DCAP, the allowance of 0.25 ET per camping site equates to a maximum average site occupancy of 30% for one year for two people. If site occupancy of 12 persons is used, the maximum occupancy rate for one year would be 5% before the occupancy would exceed the predicted demand for services provided in Council's Contributions Plans.

The most recent data (2010) that could be located for caravan park occupancy rates shows 50% occupancy for caravan parks in the Port Macquarie-Hastings LGA. There is no detailed breakdown for the data.

The design of the bunkhouses, for both sites, allows opportunity for each bunkroom to be individually leased as each bunkroom has external access only. This provides the potential for additional occupancies on a previously solitary camp site. Also, given the expense of construction of the bunk houses it is likely that the owner would expect a higher average occupancy than for the existing caravan park site.

MidCoast Council, MidCoast Water and Coffs Harbour Council were contacted to determine their respective approach to this matter. Mid Coast Council currently does not charge S94 contributions for development similar to "Guest House not self contained" within caravan parks. However, the Council is proposing to introduce new section 94 & 94A contributions plans which will allow development contributions for tourist accommodation increasing the existing gross floor area on the site. MidCoast Water, the water authority of MidCoast Council area, charges 0.4 ET per room or 0.2 ET per bed for similar short-term accommodation for S64 Sewer and Water Headworks. Water headworks charges by PMHC for 6 x 2 bed bunkrooms would be 1.5 ET and Midcoast Water would charge 2.4 ET.

Coffs Harbour City Council s94 and s64 contributions plans charge development contributions similar to PMHC. For accommodation similar to "Guest House not self contained" Coffs Harbour City Council charges 0.35 ET per room for S94 and water headworks. For the example above for 6 x 2 bed bunkrooms, this would be 4.2 ET for S94 and Water Headworks.

On the basis that a bunkhouse will likely have a higher average occupancy rate and therefore a higher demand, no changes to the DCAP are proposed.

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It is recognised that there needs to be a balance between financial impacts and economic benefits of encouraging business to establish, expand and prosper. On this basis Council could consider making a special allowance for bunk houses in caravan parks that recognises the transient nature of the accommodation and potentially lower occupancy rates. Such an option could be a 50% reduction in current rates. This would reduce the ET rate for bunkrooms from 0.25ET to 0.125ET per bedroom or from 0.125ET to 0.0625ET per bed. In making any changes Council needs to be mindful of the precedent and potential distortion of contribution rates under the DCAP.

Options

Council has a number of options in relation to the matters in this report including:

1. To adopt the changes as shown in the attached draft DCAP as recommended.
2. Make an adjustment to the contribution rates for bunkhouses in caravan parks as noted in the discussion section above.
3. Make further changes to any or all aspects of the policy, trial those provisions and/or undertake further exhibition of those changes.
4. Not make any changes to the policy.

Community Engagement & Internal Consultation

The proposed amendments to the DCAP were placed on public exhibition from 22 July 2016 to 26 August 2016 with public submissions invited during that time.

Exhibition included an advertisement in the Port Express, a letter to those people who had previously made a submission or representation regarding the trial provisions, details on PMHC Listening and exhibition via the Building Industry e-newsletter.

Six submissions were received and the matters raised are outlined below. One submission raised matters about storage premises and five submissions raised matters about caravan parks. A copy of the submissions are attached.

Submission		Issue
1.	Bill Linney Diversified Developments 1/10 Blackbutt Road, Port Macquarie	-Storage facilities lend themselves to ecologically sustainable engineering and could be designed to be fully independent of Council water and sewer. -There should be provision for storage developments to be treated equally with residential development with respect to Ecologically Sustainable Development provisions for residential development in the DCAP. -Storage facilities should be individually assessed on their relative demand on Council's headworks. -The proposed amendment to Schedule 2 of the DCAP is not logical or equitable and contradicts the basis of the need for development contributions.
	Response/ Comment:	Contributions for storage premises up to 800m2 in area will continue to be assessed based on floor area up to 1ET for water and 0.2 ET for sewer. Water and sewer contributions for larger

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		<p>storage premises between 800m² to 3,000m² would be capped at 1 ET water and 0.2 ET sewer. It is proposed that large facilities over 3,000m² be assessed on a case by case basis. This would require evidence from the developer to demonstrate demand.</p> <p>The revised provisions for storage premises are intended to recognise that there are cases where particularly large facilities used for the storage of items like vehicles, boats & caravans will occupy large areas but place relatively low demand on water and sewerage headworks.</p> <p>Similar to the Ecologically Sustainable Development provisions for residential development contained in the DCAP, an applicant could propose a contribution reduction in connection with a storage premises development. This would need to be supported by evidence of reduced demand on Council services and would be subject to the developer entering into an agreement with Council to provide for a period of monitoring.</p> <p>The proposed amendment is considered reasonable because it provides for assessment of small to medium storage premises based on a set formula and also provides for assessment of large facilities (over 3,000m²) on a case by case basis.</p>
2.	<p>Noel Goodyer</p> <p>Brigadoon Holiday Park</p> <p>Eames Ave, North Haven</p>	<ul style="list-style-type: none"> - The form of accommodation which is provided on an approved caravan park/camping ground site is irrelevant in terms of determining the level of demand for services. - The DCAP in its current form is unclear. Contributions which are applicable under the policy for caravan parks/camping grounds should be applied regardless of the form of short term accommodation which is available and not under a heading for another type of short term accommodation type that Council Officer's consider a best fit to the proposed use. - Council has not demonstrated a clear nexus between the installation of a bunkhouse/cabin on a short term caravan park/camping ground site and an increase in the demand for services. - Occupancy rates in caravan parks/camping grounds are a product of a number of geographic, socioeconomic and demand factors. Offering a broader range of accommodation within a caravan park/camping ground does not in itself guarantee increased occupancy rates and as such Councils generic application of this type of approach is inequitable and discriminative when viewed from the perspective of the local caravan park/camping ground industry. - The quantum of the contributions as proposed in the policy are entirely unrealistic in the context of return on investment and accordingly the imposition of the contributions as proposed has and will continue to stifle investment in caravan park/camping ground

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		infrastructure.
	Response/ Comment:	<p>The form of accommodation approved on an approved caravan park/camping ground is important. In terms of contributions the principle use of the site is determined at DA stage and is considered in line with Council's Development Contributions Assessment Policy.</p> <p>The category under which the bunk houses were assessed in the DCAP is considered appropriate particularly considering that the term 'bunk room' is referenced in the category. Notwithstanding this assessment the DCAP is proposed to be amended with a specific section for caravan parks to note requirements for bunk rooms.</p> <p>A single occupancy cabin (not self contained) installed on an existing caravan park/camping site does not trigger additional developer charges if the cabin remains used for short-term accommodation. It is only when an cabin with two or more separate occupancies or a permanent self contained cabin, is proposed on a single camping site that additional developer charges become payable.</p> <p>Council is aware of the different factors associated with occupancy rates and these factors affecting different geographic locations within the LGA. Contributions only apply to new approvals that propose an increase in the demand on local infrastructure. The maximum permissible occupancy of a camp site has been discussed above and does not relate to how S94 contributions ET amount have been calculated. See discussion in main body of this report.</p>
3.	Anissa Manton Stoney Park - Watersport & Recreation Holiday Park	<ul style="list-style-type: none"> - Contribution fees in excess of \$30,000.00 are not justified. - No increased demand as the occupancy of the bunkhouses/cabins doesn't exceed the original approval of 12 persons per site. - Contribution charges inhibit park growth and work against the local caravan park industry that brings tourism into the economy.
	Response/ Comment:	<p>The contribution charge has been derived from change of use development application to convert a single transient caravan/camping site into a site containing 6 x 2 beds per room bunkhouse with the opportunity for each room to be individually leased. See discussion in the main body of this report.</p> <p>Contribution charges for caravan/camping sites are based on ET rates derived from average occupancy rates and not the maximum occupancy rates under the regulation. See discussion in main body of this report.</p> <p>Developer Contributions are assessed and charged on a consistent basis across the LGA. Contributions are collected to fund and supply future local infrastructure. Short term accommodation charges are comparable to similar surrounding LGAs. See discussion in main body of this report.</p>

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4.	<p>Deborah Oliver Riverlodge Tourist Village 340 Blackman's Point Road</p>	<ul style="list-style-type: none"> - Riverlodge Park provides long term stay for the disadvantaged and struggles to provide them with suitable accommodation at an affordable cost. - Believes that the additional financial impost by Council adversely impacts on ability to provide an important social service.
	Response/Comment:	<p>A single occupancy cabin installed on an existing caravan park/camping site would not trigger additional developer charges. It is only when an cabin approved for two or more separate occupancies on a single camping site is proposed, or a permanent self contained cabin is installed, that additional developer charges become payable.</p>
5.	<p>Phil and Chris Willmott 461 Blackmans Point Rd, Blackmans Point</p>	<ul style="list-style-type: none"> -Refers to news article dated 19/12/2012 regarding Council waiving development contributions for showground camping sites. Unfair that a Showground Society can have their contributions waived, while Riverlodge Leisure P/L and other businesses pay full rate. - Conditions of consent restricted the number of person to a room as 4, therefore each site maximum capacity is 12 which is allowed per site by council already. Therefore there has been no site increase on previous approvals. - Refers to other issues regarding compliance at the facility that do not relate to the DCAP.
	Response/Comment:	<p>The waiving of development contributions for showground camping sites was as a result of Council resolution on the 14 November 2012 (Item 12.06):</p> <p><i>That Council waive the payment of development contributions for any short-term camping grounds approved at not-for-profit showgrounds for up to four (4) Equivalent Tenements (16 camping sites) and that development contributions over this number be applied in accordance with Council's Development Contributions Assessment Policy.</i></p> <p style="text-align: right;">CARRIED: 9/0</p> <p style="text-align: right;">FOR: Besseling, Cusato, Griffiths, Hawkins, Intemann, Levido, Sargeant, Turner and Roberts</p> <p style="text-align: right;">AGAINST: Nil</p> <p>The submission argues that conditions set by Council have restricted the number of persons to 4 per room and that there is no site increase from previous approvals. The restriction is consistent with the contributions rates applied to the development. See discussion in the main body of this report.</p>

Looking After Our Environment

		Other issues regarding compliance at the facility that do not relate to the DCAP have been redacted for the attached submission and will be followed up separately.
6.	David Pensini Building Certification and Environmental Services	<ul style="list-style-type: none"> - Any changes to the form of accommodation within a caravan park/camping ground does not alter the principal use/description of the development as a caravan park/camping ground. Accordingly the contributions which are applicable under the policy to caravan parks/camping grounds should be applied regardless of the form of the accommodation which is available, (vacant caravan/camping site or a bunkhouse/cabin). - Bunkhouses and cabins are not specifically referenced in Council's current or proposed policy and as such the policy has been interpreted as applying to this form of development. Bunkhouses and cabins have therefore been assessed by council staff as being in the same usage classification/development description as Boarding Houses, Guest Houses, Hostels and B&B's. This approach is considered to be inappropriate in the circumstances. - The installation of a bunkhouse/cabin on an approved site within a caravan park/camping ground does not change the principal use of the facility— it is a caravan park/camping ground and as such the principal use of the site should be used to determine the nature and quantum of contributions which are applicable. - Difficult to understand the nexus between an increased demand for the use/demand of services/facilities and a change in the form of accommodation where there is no increase in the already accepted number and nature of occupancy for an existing approved caravan park/camping ground site. In this regard where the occupancy of a bunkhouse/cabin does not exceed twelve (12) there is no increase in the number or nature of occupancy of a caravan park/camping ground site and accordingly there can be no increase in the use of or demand for services and facilities. - Financial impacts on the caravan industry.
	Response/Comment:	For proposed uses that are not specifically identified with the DCAP, Council officers must interpret the policy to find a suitable description. A bunkhouse can reasonably be considered as similar to Boarding Houses, Guest House, Hostel, B&Bs etc. The category under which the bunk houses were assessed in the DCAP is considered appropriate particularly considering that the term 'bunk room' is referenced in the category. Notwithstanding this assessment the DCAP is proposed to be amended with a specific

Looking After Our Environment

	<p>section for caravan parks to note requirements for bunk rooms.</p> <p>As discussed above, a single not self contained permanent cabin on a previously approved transient camping/caravan would not attract additional developer contributions. In the example referred to in the submission a camping/caravan site was relocated from an unapproved site to an approved camping/caravan site. Utilising the approved site allowed a partial contributions credit for the approval of a Bunkhouse with 6 bunkrooms. The approval allowed rooms to be individually leased. Therefore, the principle use of the relocated camping site has changed from a solitary site to a bunkhouse with 6 bunkrooms.</p> <p>See discussion in the main body of this report regarding the maximum occupancy rate of a camping/caravan site.</p> <p>The additional financial impost of Developer Contributions on this small business is noted. However, Council needs to apply an appropriate level of contributions to fund increases in demand for services.</p>
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The Group Manager Economic Development, Group Manager Development Assessment and Group Manager Water and Sewerage Services have been consulted in relation to the draft amended DCAP that was placed on public exhibition.

Planning & Policy Implications

The draft DCAP proposes a number of changes that would become new policy subject to Council's decision on the matters raised in this report. The proposed changes are consistent with the broader approach for developer contributions and are not expected to have any significant adverse planning or policy implications.

Financial & Economic Implications

Any further reduction of, or exemption from, contribution rates will impact Council's ability to fund infrastructure works to cater for growth related demand. This also needs to be a balance between financial impacts and economic benefits of encouraging business to establish, expand and prosper. It is considered that the proposed policy amendments strike an appropriate balance.

Attachments

- 1 [View](#). Draft Development Contributions Assessment Policy - Sept 2016
- 2 [View](#). Submission - Brigadoon Holiday Park
- 3 [View](#). Submission - Linney
- 4 [View](#). Submission - Pensini
- 5 [View](#). Submission - Riverlodge Tourist Village
- 6 [View](#). Submission - Stoney Park Watersport and Recreation
- 7 [View](#). Submission - Willmott.

Planning and Providing Our Infrastructure

What are we trying to achieve?

Our population growth is supported through public infrastructure, land use and development strategies that create a connected, sustainable and accessible community.

What will the result be?

- Supported and integrated communities.
- Infrastructure provision and maintenance that respects community expectations and needs.
- A natural environment that can be accessed by a network of footpaths, cycleways, coastal and hinterland walkways.
- Accessible, convenient and affordable public transport.
- Employment and population growth that is clustered within urban centres.

How do we get there?

- 5.1 Create and maintain integrated transport system that eases access between population centres and services.
- 5.2 Ensure transport options are safe, functional and meet access needs across the Local Government Area.
- 5.3 Develop and enhance quality open space and recreational facilities.
- 5.4 Plan settlements to accommodate a range of compatible land uses and projected population growth.

Planning and Providing Our Infrastructure

Item: 13.01

Subject: NOTICE OF MOTION - STORMWATER NETWORK

Councillor Levido has given notice of his intention to move the following motion:

RECOMMENDATION

That the General Manager provide a report to the February 2017 Ordinary Council Meeting which:

- 1. Quantifies the risk to Council associated with Council's stormwater network; and**
- 2. Provides a recommended approach/strategy detailing the types of work required to appropriately address the current risk to Council associated with Council's stormwater network.**

Comments by Councillor Levido (if provided)

As a part of the recent service level reviews, Councillors were made aware of the current condition of only a small portion of Council's stormwater network. I am concerned that what we have seen is only a small component of what is likely a more far reaching issue and therefore a significant risk to Council.

With respect to the information gained from the recent CCTV investigations undertaken on these assets, and the Report presented to Council in March 2013 detailing major stormwater issues, it is timely to revisit the matter with a view to developing and implementing a stormwater drainage improvement strategy for the whole of the Port Macquarie-Hastings Local Government Area moving forward.

The provision, improvement and enhancement of stormwater drainage is a core Council service.

It is unsatisfactory that in the second decade of the 21st Century that in an area such as the Port Macquarie-Hastings Local Government Area there are residents that suffer significant property damage and inconvenience when heavy rain occurs.

Unfortunately the provision, improvement and enhancement of stormwater drainage in the Port Macquarie-Hastings Local Government Area has remained a very low priority.

It is hoped that the February 2017 Report will provide a pathway forward as to identifying issues, a practical timeline for implementation, a prioritisation methodology as to hot spots & problem areas, funding options and setting out a balance between the provision of new stormwater drainage assets & infrastructure and renewal of existing stormwater assets & infrastructure.

Planning and Providing Our Infrastructure

A comprehensive, practical, realistic and funded Stormwater Drainage Improvement Strategy is needed and the time to start this journey is now!

Attachments

Nil

Planning and Providing Our Infrastructure

Item: 13.02

Subject: DRAFT BIODIVERSITY CERTIFICATION ASSESSMENT AND STRATEGY - PORT MACQUARIE AIRPORT AND SURROUNDING LAND - FUNDING OPTIONS

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

3.5.1 Develop, manage and maintain Port Macquarie Airport as a key component of the regional transport network and continue to grow the airport's contribution to the regional economy.

RECOMMENDATION

That Council adopt Option 2 as detailed in the body of this report as the preferred funding option for the Draft Biodiversity Certification Assessment and Strategy - Port Macquarie Airport and Surrounding Land.

Executive Summary

This report follows a previous report on the Draft Biodiversity Certification Assessment and Strategy - Port Macquarie Airport and Surrounding Land, which was presented to Council at the Ordinary Council Meeting held on 10 August 2016.

This report provides details of the options available to Council for the funding of the costs associated with the establishment and ongoing maintenance of the proposed 444.17ha biobank site as a permanently funded and managed conservation measure required in accordance with the Biodiversity Certification Assessment.

The "total fund deposit", that is, the cost required to permanently manage the proposed biobank site, is an amount to be paid by Council into the NSW Government BioBanking Trust Fund, from which ongoing payments are subsequently available to permanently manage the proposed conservation measure.

Consultants EcoLogical Australia Pty Ltd have estimated that the "total fund deposit" for the biobank site will be in the order of \$3 million (excl. GST). The actual value of the "total fund deposit" will not be known until the biobank site is formally established and registered as a biobank site following and subject to, the approval of the Draft Biodiversity Certification Assessment and Strategy by the NSW Minister for the Environment.

As part of the Office of Environment & Heritage (OEH) and Minister's assessment of the Draft Biodiversity Certification Assessment and Strategy, Council is required to commit to the in perpetuity funding of the proposed biobank site and stipulate how it proposes to fund the "total fund deposit" to commence active management works.

Planning and Providing Our Infrastructure

Two funding options have been considered:

- Option 1: to pay the estimated \$3 million “total fund deposit” upfront in Year 1 of the biobank site; or
- Option 2: to defer payment of the estimated \$3 million “total fund deposit” to the end of Year 7 of the biobank site, and make annual payments of approximately \$100,000 pa through Years 1 to 7 to fund the initial establishment and maintenance costs during this period.

Both options achieve the same environmental outcome, that is the establishment of a permanently funded and managed conservation measure to provide the offset credits required.

Financial modelling of the two options demonstrates that Option 2 provides significant cashflow benefits to the Port Macquarie Airport business unit (Airport Reserve Fund) over the next 10 years, and on a Net Present Value (NPV) / Discounted Cash Flow (DCF) basis, provides a more advantageous outcome by deferring (discounting) the future payments over a longer period of time.

As such, Option 2 is recommended as the preferred funding option for the Draft Biodiversity Certification Assessment and Strategy - Port Macquarie Airport and Surrounding Land.

It should be noted that this report refers to the initial 444.17ha biobank site to be established which will provide for 90% of the overall offset credits required. As stated in the previous report to Council, a further 40-50ha of “Blackbutt Tallowwood dry grassy open forest” is proposed to be secured to offset a credit deficit in the Biodiversity Certification Assessment for that vegetation type and to compensate for koala habitat loss. Additional funds will be required in order to secure the additional credits. These costs will be reported to Council separately as part of a future report on the viability and implications of the options for securing the required Blackbutt Tallowwood dry grassy open forest and Koala habitat credits, prior to the clearing that creates the demand for those credits.

Discussion

The Draft Biodiversity Certification Assessment and Strategy - Port Macquarie Airport and Surrounding Land was prepared with the aim of providing a strategic solution to ongoing operational, development and biodiversity issues related to the Port Macquarie Airport, particularly the new and more extensive obstacle limitation requirements for the Airport, which are required by the Civil Aviation Safety Authority (CASA) for a Code 4C Aerodrome.

The Assessment and Strategy also cover proposed development of Council's zoned residential and light industrial land in the adjoining Thrumster Urban Release Area and land proposed for future Business Park on Boundary Street, adjacent to the Port Macquarie Airport. The aim being to coordinate environmental offsets for all of these areas in one Biodiversity Certification proposal.

At the Ordinary Council Meeting held on 10 August 2016, Council considered the Draft Biodiversity Certification Assessment and Strategy - Port Macquarie Airport and Surrounding Land and resolved as follows:

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12.01 DRAFT BIODIVERSITY CERTIFICATION ASSESSMENT AND STRATEGY - PORT MACQUARIE AIRPORT AND SURROUNDING LAND

Mayor Besseling and Councillor Cusato declared Non-Pecuniary - Significant Interests in this item, left the Chambers and were out of sight during Council's consideration of this item, the time being 6.30pm. The Deputy Mayor assumed the Chair. Mr Tony Thorne, King & Campbell on behalf of Port Macquarie Airport, addressed the Meeting in support of the recommendation and answered questions from Councillors.

RESOLVED: Levido/Turner

That Council:

1. Adopt the Port Macquarie-Airport Lands Biodiversity Certification Assessment Report & Biocertification Strategy, with amendments as outlined in this report, and forward to the NSW Minister for the Environment requesting biodiversity certification of the land.

2. Consider a future report on the viability and implications of the options for securing the required Blackbutt Tallowood dry grassy open forest and Koala habitat credits, prior to the clearing that creates the demand for those credits.

CARRIED: 7/0

FOR: Griffiths, Hawkins, Intemann, Levido, Roberts, Sargeant and Turner

AGAINST: Nil

The amendments to the Draft Biodiversity Certification Assessment and Strategy as outlined in the report to the Ordinary Council Meeting held on 10 August 2016 and referred to in Resolution 1 above are currently being finalised.

As part of these amendments, Council is required to commit to the in perpetuity funding of the proposed biobank site and stipulate how it proposes to fund the "total fund deposit" to commence active management works.

The "total fund deposit", that is, the cost required to permanently manage the proposed biobank site, is an amount to be paid by Council into the NSW Government BioBanking Trust Fund, from which ongoing payments are subsequently available to permanently manage the proposed conservation measure.

Consultants EcoLogical Australia Pty Ltd have estimated that the "total fund deposit" for the biobank site will be in the order of \$3 million (excl. GST). The actual value of the "total fund deposit" will not be known until the biobank site is formally established and registered as a biobank site following and subject to, the approval of the Draft Biodiversity Certification Assessment and Strategy by the NSW Minister for the Environment. The estimated \$3 million "total fund deposit" is based on Ecological Australia's analysis and experience, and utilising the Office of Environment & Heritage (OEH) methodology for calculating Biocertification establishment and management costs.

Two funding options have been considered:

- Option 1: to pay the estimated \$3 million "total fund deposit" upfront in Year 1 of the biobank site; or
- Option 2: to defer payment of the estimated \$3 million "total fund deposit" to the end of Year 7 of the biobank site, and make annual payments of

Planning and Providing Our Infrastructure

approximately \$100,000 pa through Years 1 to 7 to fund the initial establishment and maintenance costs during this period.

Both options achieve the same environmental outcome, that is the establishment of a permanently funded and managed conservation measure to provide the offset credits required.

Financial modelling of the two options demonstrates that Option 2 provides significant cashflow benefits to the Port Macquarie Airport business unit (Airport Reserve Fund) over the next 10 years, and on a Net Present Value* (NPV) / Discounted Cash Flow (DCF) basis, provides a more advantageous outcome by deferring (discounting) the future payments over a longer period of time.

** Net Present Value represents the sum of future cashflows converted to today's dollars. Future cash flows are discounted by a discount rate which takes into account inflation, risk and interest. Discount rates within a range of values between 5% and 9% are considered reasonable.*

Option 1: to pay the estimated \$3 million “total fund deposit” upfront in Year 1 of the biobank site

Option 1: Risks / Benefits	
Risks	<ul style="list-style-type: none"> Ability for the Airport to fund other unforeseen improvements (eg. Air Traffic Control or similar) will be significantly constrained based on limited availability of cashflow within the Airport Reserve More expensive than Option 2 on a NPV basis
Benefits	<ul style="list-style-type: none"> Current interest rates (cost of borrowing) are low Known and fixed costs (lump sum costs are locked in and cannot be changed over time) Likely to be the preferred option of OEH

Option 2: to defer payment of the estimated \$3 million “total fund deposit” to the end of Year 7 of the biobank site, and make annual payments of approximately \$100,000 pa through Years 1 to 7 to fund the initial establishment and maintenance costs during this period

Option 2: Risks / Benefits	
Risks	<ul style="list-style-type: none"> BioBank / Biodiversity legislation may change resulting in a new methodology for calculating the in perpetuity management costs (ie the “total fund deposit” payment required may increase) As above, OEH could review the costs over the deferred period (ie 7 years) and recalculate the lump sum “total fund deposit” costs which may be greater than current calculations The deferred lump sum borrowing is likely to be instigated around the same time that the Airport Business Park is likely to commence development costs - could reduce the capacity for borrowing for the Business Park Development (albeit that the Business Park development will be subject to a separate business case assessment) Introduces a further negotiation point with OEH regarding the biocertification approval process (initial negotiations have indicated that OEH will consider the deferred payment option)
Benefits	<ul style="list-style-type: none"> Availability of cash in the Airport Reserve and capacity to fund other works in the initial years is better than in Option 1

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Option 2: Risks / Benefits

- Existing Airport loans (from previous upgrade works) will have been repaid by the time new loans for biocertification and credit shortfalls are required
- Long term the cost of Option 2 is more advantageous than Option 1 on a NPV basis

While Option 2 in purely cash terms is potentially \$700,000 more expensive than Option 1, a NPV analysis as summarised below shows that Option 2 is more advantageous by deferring (discounting) the future payments over a longer period of time. As a sensitivity check, and noting the risk that a change in the biobanking methodology could potentially see the value of the required "total fund deposit" increase, Option 2 has also been analysed with a \$3.5 million "total fund deposit" which still provides an improved result over Option 1 at a 7% discount rate.

Options	5% discount rate \$ '000	7% discount rate \$ '000	9% discount rate \$ '000
Option 1 (\$3 million TFD in Year 1)	3,000	2,729	2,493
Option 2 (\$3 million TFD at the end of Year 7) - preferred option	2,710	2,238	1,867
Sensitivity Analysis on Option 2 (\$3.5 million TFD at the end of Year 7)	3,066	2,521	2,095

While there are some risks associated with Option 2, the cashflow and NPV analysis demonstrate that Option 2 offers significant financial benefits for the Airport Reserve fund over Option 1.

With either option, programming of future capital works at the Airport will need to continue to be carefully managed and prioritised in order to manage cashflow and the Airport Reserve balance so as not to impact on the General Fund.

It should be noted that this report refers to the initial 444.17ha biobank site to be established which will provide for 90% of the overall offset credits required. As stated in the previous report to Council, a further 40-50ha of "Blackbutt Tallowwood dry grassy open forest" is proposed to be secured to offset a credit deficit in the Biodiversity Certification Assessment for that vegetation type and to compensate for koala habitat loss. Additional funds will be required in order to secure the additional credits. These costs will be reported to Council separately as part of a future report on the viability and implications of the options for securing the required Blackbutt Tallowwood dry grassy open forest and Koala habitat credits, prior to the clearing that creates the demand for those credits.

Subject to Council's consideration of this report, the final Biodiversity Certification Assessment and Strategy is proposed to be submitted to the Office of Environment and Heritage (OEH) for Ministerial approval by the end of October 2016.

Planning and Providing Our Infrastructure

Community Engagement & Internal Consultation

Internal Consultation:

- Director Corporate & Organisational Services
- Director Development & Environment
- Chief Financial Officer
- Group Manager Commercial and Business Services
- Business Enterprise Manager - Airport.

External Consultation

- Ecological Australia (Environmental Consultant)
- King and Campbell (Planning Consultants)
- Office of Environment and Heritage (via Ecological Australia)

Planning & Policy Implications

There are no planning and policy implications in relation to this report.

Financial & Economic Implications

The funding of the Biodiversity Certification Assessment and Strategy will be a significant investment for the Port Macquarie Airport business unit. For the purposes of this financial analysis it has been assumed that the estimated \$3 million “total fund deposit” will be funded fully by the Airport business unit (Airport Reserve Fund). While the majority (approx. 85%) of the required funding will be provided by the Airport business unit, it is expected that at the time of securing the “total fund deposit” contributions towards the funding will also be sought from other relevant Council funds, including Property, Sewer, and Environment (bushfire management).

Attachments

Nil

Planning and Providing Our Infrastructure

Item: 13.03

Subject: THREE VILLAGES SEWER SCHEME CONSTRUCTION

Presented by: Infrastructure and Asset Management, Jeffery Sharp

Alignment with Delivery Program

5.5.3 Plan, investigate, design and construct sewerage assets.

RECOMMENDATION

That Council:

- 1. Delegate to the General Manager to accept the funding offer and complete the necessary documentation from Infrastructure NSW for the construction of the sewerage schemes of Long Flat, Telegraph Point and Comboyne, subject to consideration of conditions associated with the funding offer.**
- 2. Note the project cost estimates and project timetables for the completion of the Village sewerage schemes of Long Flat, Telegraph Point and Comboyne and following receipt of tender bids and consideration of the tenders by Council, formalise project budgets.**
- 3. Proceed to tender for the Village Sewerage Schemes of Long Flat, Telegraph Point and Comboyne.**

Executive Summary

Residents of Long Flat, Telegraph Point and Comboyne were advised in May 2016 that Council is committed to completing the schemes, however would not proceed to tender until advised of the outcome of the funding subsidy applications.

Media releases on 29 September 2016 identified Port Macquarie-Hastings Council as having been successful in obtaining NSW State Government funding for the Village sewerage schemes of Long Flat, Telegraph Point and Comboyne, in the total amount of \$5,990,000. This funding is made available through the Restart NSW program.

Formal offers of funding assistance are yet to be received, however Infrastructure NSW advises funding offers are currently being prepared for distribution to successful Councils.

Details of funding offers are:

- Long Flat : \$1,170,000
- Telegraph Point : \$2,320,000
- Comboyne : \$2,500,000

Planning and Providing Our Infrastructure

This report responds to the resolution from the Confidential Three Villages Sewerage Scheme Update Report at the Extraordinary Council Meeting held 29 July 2015 where the minutes of the meeting reflect the following:

RESOLVED: Griffiths/Hawkins

That the undermentioned recommendations from Confidential Committee of the Whole be adopted:

Item 09.02 Three Villages Sewerage Scheme Construction Update

This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

RECOMMENDATION

That Council:

1. Apply for funding for the villages of Comboyne, Telegraph Point and Long Flat through the Restart NSW funding program.
2. Remove the requirement for the sewerage schemes for the villages of Comboyne, Telegraph Point and Long Flat to be completed by September 2016, to explore re-design opportunities, new grant funding opportunities and other potential cost savings.
3. Request the General Manager provide a report to Council, as soon as reasonably practicable, as to options available to Council (including financial details) to deliver fit-for-purpose and value-for-money sewerage schemes for the villages of Comboyne, Telegraph Point and Long Flat; and
4. Request the General Manager provide a report to the September 2015 meeting of Council as to the terms and process of an independent review to be undertaken as to the three villages sewerage scheme project (relating to Comboyne, Telegraph Point and Long Flat) as a case study for Council's design processes, financial estimates and project reporting including a recommendation as to the undertaking of the independent review.

CARRIED: 8/0

FOR: Besseling, Cusato, Griffiths, Hawkins, Intemann, Levido, Roberts and Sargeant

AGAINST: Nil

Discussion

To progress this matter, the following updates are provided;

1. *Apply for funding for the villages of Comboyne, Telegraph Point and Long Flat through the Restart NSW funding program.*

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Council was successful in attracting a \$1.41 million grant for the North Shore Sewerage scheme under the NSW Government Country Towns Water supply and Sewerage Program (CTWS&S). The CTWS&S program will end 30 June 2017. To be eligible for this funding, the project needed to be identified in the list of backlog projects that has been in place for many years (Program commenced 1996). The Village sewerage schemes of Comboyne, Long Flat and Telegraph Point were also identified in this list of backlog projects.

Council became aware in 2015 that a replacement program was being developed by Infrastructure NSW, which ultimately became known as Restart NSW. Council was advised at the time that there was potential for the three Village schemes to be eligible for funding, however funding offers would not be offered retrospectively. Therefore if Council chose to proceed with the projects, the potential for funding subsidy would be lost.

Council received correspondence from the Minister for Lands and Water on 8 July 2015, advising PMHC of eligibility to apply for funding subsidy for the three Village schemes. Expressions of interest were subsequently forwarded by Council prior to the end of August 2015 deadline.

Council were then advised in February 2016 that the Village sewerage schemes of Comboyne, Long Flat and Telegraph Point had been shortlisted for the Restart NSW program and invited Council to formally apply for funding subsidy before the closing date of 28 April 2016. At that time it was understood that the list of backlog projects had been reduced from 71 to 45 following the expressions of interest process.

Council is now aware of the funding outcome via media releases of 29 September 2016 advising that \$6 million in NSW State funding would be made available for the three Village sewerage schemes. Staff have since discussed the funding subsidies with Infrastructure NSW and anticipate the formal offers to be received in the near future.

2. *Remove the requirement for the sewerage schemes for the villages of Comboyne, Telegraph Point and Long Flat to be completed by September 2016, to explore re-design opportunities, new grant funding opportunities and other potential cost savings.*

Removing the requirement to have the schemes completed by September 2016 allowed Council the opportunity to pursue funding subsidy for the three Village sewer schemes. Had Council proceeded to tender as previously determined, the opportunity for funding subsidy would not have been available. Given the previous adopted program, Council was intending to advertise the tender before the final designs were complete, and therefore reliable construction estimates not known. There was concern at the time that there was a significant risk component, no guarantee of a Section 60 approval to operate the schemes and no EPA concurrence.

Relaxing the deadline has enabled further background data to be established, a performance specification completed and a number of design options to be incorporated into the contract. DPI Water have been able to review and comment on Section 60 matters and the EPA have now also been consulted. A

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full water quality assessment has also been completed of the Hastings River catchments allowing for the setting of objective effluent quality parameters.

3. *Request the General Manager provide a report to Council, as soon as reasonably practicable, as to options available to Council (including financial details) to deliver fit-for purpose and value-for-money sewerage schemes for the villages of Comboyne, Telegraph Point and Long Flat; and*

A number of estimate reviews have taken place as the designs progressed. It was determined that a number of minor changes would reduce the overall estimates, including a review of rock quantities previously allowed for, and cost savings from adopting polyethylene-lined ponds.

At present, construction estimates are based on the final conforming design, however tenderers will now be directed to provide an additional mandatory alternative bid, with the further opportunity to provide an additional alternative bid if they are able to provide a sensible alternative. These tendering options will now enable Council to deliver fit-for -purpose, value-for-money schemes for the villages of Comboyne, Telegraph Point and Long Flat.

4. *Request the General Manager provide a report to the September 2015 meeting of Council as to the terms and process of an independent review to be undertaken as to the three villages sewerage scheme project (relating to Comboyne, Telegraph Point and Long Flat) as a case study for Council's design processes, financial estimates and project reporting including a recommendation as to the undertaking of the independent review.*

Council considered a report to the September 2015 Council meeting and determined terms of reference of an Independent Review as a case study for the overall project management process, including design, final estimates and project reporting for the three Villages sewerage schemes. Following the review and investigation, a review of project management - Three Villages Sewerage Schemes Report - was compiled by Michael Parkinson CIA, CISA, CRMA, CRISC and tabled at the October 2015 Council meeting.

Cost to construct the Three Villages Sewerage Schemes

Please refer to the confidential attachment titled "Three Villages Financial Information" which contains information that relates to information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. Local Government Act 1993 - Section 10A(2)(c)).

Construction estimates provided in the confidential attachment should be the basis of the establishment of budget allocations for the three Schemes'. Ultimately it is proposed to adopt formal budgets upon acceptance of any tenders to complete these works.

Budgets

Budgets for construction of the Three Villages Sewerage Schemes have not been approved by Council for the 2016/17 budget year due to the uncertainty of the timing

Planning and Providing Our Infrastructure

and quantum of funding subsidy offer. As a result, minimal budgets have been carried into this budget year.

Current 2016/17 adopted budgets - the existing 2016/17 budgets for the three schemes are:

- Small towns sewerage scheme - Telegraph Point : \$296,699
- Small towns sewerage scheme - Comboyne : \$241,117
- Small towns sewerage scheme - Long Flat : \$255,592

Proposed program

A number of tendering options have been considered and discussed in the Village Sewerage Scheme Steering Group (VSSSG). Following concerns raised in July 2015, a performance specification was also developed for the proposed sewerage treatment plants to enable tenderers to submit alternative bids as well as design and construct options. Therefore contractors will allow for pricing against the original scheme designs, a mandatory alternative tender and a third option of a further alternative tender if the contractor is able to provide a suitable alternative.

As has been previously advised, reticulation estimates are as expected and there is little to be gained from attempting to reconfigure the reticulation designs. The major costs are in the treatment plant construction, and cutting corners to meet a budget does not necessarily result in a better outcome for the environment. The Village treatment plants must be capable of providing high quality effluent during prolonged wet weather flows, power failures, equipment failure, discharge in low flow conditions and other unforeseen circumstances that could occur at remote, unmanned sites. It is envisaged that these range of contract options will allow Council to deliver fit-for-purpose and best value for money sewerage schemes for the villages of Comboyne, Telegraph Point and Long Flat.

A tender panel of five contracting firms has previously been determined, and one-on-one discussions will also need to take place with each of the contracting firms prior to advertising tenders. It is envisaged that these discussions will take place in November 2016.

Should Council resolve to continue, it is considered that the tender advertising period will occur in early 2017, with the construction phase for each scheme dependant on the delivery option chosen. For example, one contractor delivering all three schemes may result in a different program to a number of contractors building individual schemes.

There remains some uncertainty around the actual final configuration of the treatment plants and their operation. Council requires Section 60 approvals issued by DPI Water to operate a sewerage treatment plant, therefore until final tender bids are assessed and a recommendation made, Section 60 applications cannot be submitted. Council staff have consulted with DPI Water in the development of a performance specification, and will continue to seek advice from DPI Water as tenders progress in order to obtain Section 60 approvals.

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Another major uncertainty regarding the Three Villages Sewerage Scheme has been establishing a quantifiable set of treatment plant discharge criteria that Council can justify.

During the period Council has been waiting on advice of funding, a full water quality assessment has been undertaken across the Thone, Wilson and Hastings River catchments by the University of New England Aquatic Ecology and Restoration Research Group. The purpose of the study has been to establish baseline water quality in the Hastings River catchment. The results of this study then enable Council to establish a set of discharge criteria that will have no detrimental effect on the river, specifically in view of downstream river users. This report has recently been completed and the findings of the report are now being considered and incorporated into the Three Villages Sewerage Scheme Review of Environmental Factors (REF) document.

Discharge criteria from Cairncross waste facility into the Telegraph Point scheme also has to be carefully considered, including leachate treatment via a second inflow train. Organic waste leachate has proven to cause considerable treatment plant operating problems. Allowance for a secondary storage for the organic waste leachate component of the incoming flow will be required to isolate the leachate if it becomes untreatable. This will also lead to further pre-treatment requirements prior to considering the leachate to be acceptable to the treatment plant.

Whilst these are all issues which need to be resolved, it is considered that this can be done as the projects develop and are delivered.

To this point, the Village Sewerage Scheme Steering Group has been involved in continuing the development of the schemes. It is critical that these matters are correctly assessed and reviewed leading into the construction phase and it is considered the VSSSG would be the forum to enable this to take place.

Options

Council has the option of not proceeding to accept the funding or to then proceed to tender on all or any of the three Village Schemes.

Community Engagement & Internal Consultation

There has been significant engagement and consultation undertaken over the course of these projects. There has however been little engagement completed specifically on the production of this report before Council.

Should Council resolve to proceed with the funding and subsequent scheme completion, further community engagement will be completed in accordance with the current project plans.

Planning & Policy Implications

There are no planning and policy implications in relation to this report.

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Financial & Economic Implications

As outlined in this report. Acceptance of the grant through Infrastructure NSW will reduce the burden on Council in establishing these three schemes. Should this project proceed, it is considered that the Sewer Reserve has sufficient funding to cover the required additional Council expenditure.

Attachments

1 [View](#). Confidential - Three Villages Financial Information (Confidential)

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Item: 13.04

Subject: RACEWYN CLOSE, PORT MACQUARIE STORMWATER DRAINAGE WORKS AS MATERIAL PUBLIC BENEFIT

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

5.5.6 Plan, investigate, design and construct stormwater assets.

RECOMMENDATION

That Council:

- 1. Subject to the applicant entering into a Works in Kind Agreement, approve the application to undertake works involving the construction of stormwater infrastructure at Racewyn Close Port Macquarie on the basis that the work will provide material public benefit pursuant to s94(5)(b) of the Environmental Planning and Assessment Act 1979 (as amended).**
- 2. Delegate authority to the General Manager to execute the Works in Kind Agreement in item 1.**

Executive Summary

Council has received an application to undertake works with a material public benefit, in lieu of paying developer contributions in association with a development application for multi unit housing at No.5 Tulloch Road, Port Macquarie. The proposed works involve the upgrade of a section of stormwater drainage in Racewyn Close, Port Macquarie. The applicant has requested an offset against development contributions for roads and open space levies for the proposed stormwater works.

The works are considered to provide a significant improvement in stormwater drainage in an identified 'hotspot' area for stormwater. The application is recommended for approval.

Discussion

Council has received an application to undertake works as material public benefit from Richard Swan Constructions Pty Ltd. The application is supported by advice from Mr Rob Beukers of Beukers & Ritter Consulting. A copy of the letter of offer and supporting information is attached.

The applicant proposes to undertake stormwater drainage works in Racewyn Close as material public benefit in lieu of the payment of S94 roads contributions and open space contributions in connection with Development Application (DA) 2015/845 for a multi unit housing at No.5 Tulloch Road, Port Macquarie.

DA 2015/845 has not yet been determined but will be assessed and determined by Council staff or the Development Assessment Panel under delegation. The

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development will attract Section 94 contributions (road, open space and community facilities) as well as water and sewer contributions. The contributions would be required to be paid prior to release of the construction certificate for the development.

The development site is located in a precinct that is considered a stormwater 'hotspot' area. The attached existing stormwater service diagram shows Racewyn Close is currently largely un-serviced by public stormwater drainage infrastructure and is subject to overland flooding from the adjoining under capacity upstream street drainage systems in Oxley Hwy, Sherwood Rd, Tulloch Rd and street flooding in the western end of the Racewyn Close cul-de-sac.

The works proposed comprise approximately 107 metres of new 600mm diameter stormwater pipe and associated gully pits to be constructed in the road reserve generally between the eastern boundary of No.4 Racewyn Close and the end of the cul-de-sac, connecting into the existing public stormwater pit adjacent to No.12 Racewyn Close. This will supplement the existing and undersized 150mm diameter private interallotment pipeline that currently serves properties within Racewyn Close.

The works are proposed to be undertaken in conjunction with a proposed multi unit housing development under DA2015/845. The estimated cost of the new 600mm stormwater pipe works is \$85,868 (ex GST).

The justification for the proposal is that the proposed works will provide the following public benefit:

- Provide properties 5, 7 & 9 Tulloch Rd and 4, 6 & 8 Racewyn Close with a direct point of connection to an adequately sized public drainage system. Doing so will support and encourage the orderly development of the precinct.
- Provision of additional kerb inlet pits in Racewyn Close will remove minor stormwater flows from the street during relatively frequent storm events, improving amenity and lessening the potential for further water damage to the road pavement.
- Based on analysis undertaken by council's Senior Stormwater Engineer, the provision of a 600mm stormwater pipeline will provide Council with a cost effective future works option to divert a large part of the existing upstream catchment area located north east of Racewyn Close through the proposed pipe network. Such a diversion will significantly reduce potential for flooding of Tulloch Rd and the adjoining properties at Numbers 3B and 5.

The alternative stormwater works to serve the subject development involve the construction of a new 225mm diameter stormwater pipeline within an existing stormwater easement located within the frontages of No. 4 to No.12 Racewyn Close at an estimated cost to the developer of \$16,225 (ex GST).

Whilst this alternate option would provide the subject development with a compliant drainage system, this option would not assist in the rectification of the stormwater problems for the precinct nor would those works support future development within Racewyn Close. Further upgrades and disruption would be required by future developers.

The cost estimates provided by the applicant have been verified by Council's Senior Stormwater Engineer.

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It is proposed to offset the cost of the 600mm pipe, being \$85,868, reduced by the costs that the applicant would incur to construct the alternative stormwater works, being \$16,225, to provide an offset against monetary roads and open space contributions of approximately \$69,643. The offset would be made up of:

- A full offset of \$45,416.70 of the estimated roads contributions associated with DA 2015/845 based on current rates. Whilst the proposed works are not included in any contributions plan the proposed works provide a good stormwater outcome and assist in protecting road assets,
- A partial offset of \$24,226.30 of the estimated open space contributions associated with DA 2015/845 based on current rates. Council's Development Contribution Register will note the loss of income to the Open Space Contributions Plan to enable a potential similar contribution from roadworks contributions in the future.

The developer will still be required to pay the Administration Levy of 2.2% of the original total s94 contribution amount.

A formal Works in Kind agreement (WIK) will need to be executed to formalise the developer's application following determination of the DA. A WIK would not be entered into if the development is not approved. The design, assessment and construction of the stormwater works would be subject to Council's normal procedures for construction and acceptance of public infrastructure. Provision will also be included to allow for standard rise and fall variations in the cost of the work which will need to be verified by Council's Stormwater Engineer.

Options

Council could resolve to approve the application to undertake works as material public benefit or reject the application.

Where the application is rejected, the applicant would be required to service the subject development via an alternative stormwater arrangement. The alternative arrangement would not assist to resolve the broader stormwater problems at Racewyn Close. Where the offer is not accepted by Council, the monetary contributions would apply as per the relevant development consent.

Community Engagement & Internal Consultation

The Group Manager Transport and Stormwater Networks has been consulted and supports the construction of upgraded stormwater facilities at Racewyn Close and the offset of local roads and open space contributions in this case. The Group Manager Recreation and Buildings is also in support of the proposal.

Planning & Policy Implications

The proposal conforms with Council's Works in Kind Policy.

Financial & Economic Implications

The proposal will allow for stormwater infrastructure upgrade works to the value of \$85,868 (ex GST) to proceed in the short term without any significant impact on Council's financial position. The value of the public works to be offset against

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developer contributions (\$69,643) is considered to be insignificant in the context of the contributions plan works programs and will provide a tangible positive impact by resolving a current unfunded stormwater problem.

Attachments

- 1[View](#). Draft Stormwater Design Racewyn Close, Port Macquarie Sept. 2016
- 2[View](#). Supporting Information Beukers Ritter Consulting Racewyn Close Stormwater Works in Kind Offer Sept. 2016
- 3[View](#). Richard Swan Constructions Racewyn Close Stormwater Works in Kind Offer Sept. 2016
- 4[View](#). Stormwater Service Diagram - Existing

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Item: 13.05

**Subject: QUESTION FROM PREVIOUS MEETING - PORT MACQUARIE
INDOOR STADIUM UPGRADE**

Presented by: Community and Economic Growth, Tricia Bulic

RECOMMENDATION

That Council note the response to the Question from the previous meeting of Council regarding the Port Macquarie Indoor Stadium Upgrade.

Question from Councillor Turner

In a media release to provide an update on progress of the Port Macquarie Indoor Stadium upgrade on 16 June 2016, Council announced “the \$7.2million project will provide modern state-of-the-art facilities for participants and spectators”.

Can the General Manager provide:

1. A brief description of the modern state-of-the-art facilities to be provided for spectators.
2. A comparison of existing stadium spectator seating capacity with the spectator seating capacity in the upgraded facility.

Response

1. The most recent stage in the development of the Indoor Stadium incorporates the newest ideas and features for this type of facility with the addition of spectator and participant amenities that are commensurate with sporting stadia of this size.

The colour palette, way-finding and attention to open space and casual seating outside of the courtside seating gives additional space to participants and spectators who may not be directly involved in an event at that time.

The upgraded facility incorporates a cafe with a large, modern commercial kitchen that supports indoor and outdoor dining spaces. This facility increases the range of options available for spectators and users of Port Macquarie Indoor Stadium.

The upgraded facility design has carefully considered the needs of spectators and sporting users and has responded to these needs by providing great natural lighting and natural ventilation to the new 3 court sports hall. Natural ventilation and air conditioning is provided to the multi-purpose spaces to ensure that facility management can provide the most appropriate cooling options for spectators and users alike.

2. The maximum number of persons that can be accommodated within the newly combined Indoor Stadium excluding the sub leased Gymnastics section is 795

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persons moving around the facility and seated within the total area. This figure is in accordance with the Building Code of Australia (BCA) D1.13 as shown in the attachments.

The number of persons accommodated is subject to change depending on variations during construction, final building inspection and occupation certificate. With respect to actual seating capacity (and in accordance with the above), the original stadium could accommodate 170 persons in fixed seating (90 grandstand and 80 bench seating). This could be considerably expanded with potential for provision of portable seating for major events.

The new section of the stadium will have grandstand bench type seating within the sport court hall to accommodate up to 250 people with the opportunity to expand these numbers with portable grandstand seating which is an option exercised by other sporting facilities. Of note, and with the option to utilise portable seating arrangements, it is still a requisite that facilities comply with the above BCA regulations.

The multi-purpose spaces within the upgraded facility may also present opportunities for spectators to be accommodated. With the use of these spaces to be determined through the tender process associated management, operation and promotion of this facility, it is not yet known exactly what spectator seating opportunities will be presented in these areas.

There will also be spectator seating opportunities provided adjacent to the café and in the meandering casual lounge area situated outside of the entry to the gymnastics and sports court halls. While these areas do not provide direct observation of activities being undertaken within the sports court halls, gymnastics facility or multi-purpose spaces, they do provide seating opportunities for people who have come to Port Macquarie Indoor Stadium to watch any one of the range of sporting and non-sporting activities that this facility has the potential to accommodate.

Attachments

Nil

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Item: 13.06

Subject: PORT MACQUARIE BREAKWALL COMMUNITY CONSULTATION

Presented by: Community and Economic Growth, Tricia Bulic

Alignment with Delivery Program

5.3.1 Plan, investigate, design and construct open spaces and recreational facilities.

RECOMMENDATION

That Council:

- 1. Note the submissions received during exhibition for Port Macquarie Breakwall Concept Plan**
- 2. Continue to work with Department of Primary Industries - Lands to Develop an Implementation Plan for the project.**

Executive Summary

A project for the detailed design of a foreshore walkway from Town Beach to the Kooloonbung Creek footbridge was initiated by the Town Centre Master Plan (TCMP) Sub-Committee. A Concept design for the section from the Kooloonbung Creek footbridge to the Town Green has been adopted by Council with the concept stage design for the Breakwall section of the walkway completed and exhibited for public feedback.

The concept design has been developed in partnership with the Department of Primary Industries - Lands (DPI - Lands) as the asset owner of the breakwall. There was also engagement with the Breakwall Holiday Park, Port Macquarie-Hastings Access Committee representatives, Department of Primary Industries - Fisheries and the TCMP Sub-Committee in development of the draft concept plan.

The draft concept plan was considered at the Ordinary Council Meeting held on 15 June 2016:

**13.02 CONCEPT DESIGN FORESHORE WALKWAY - BREAKWALL
RESOLVED: Hawkins/Griffiths**

That Council:

- 1. Note the information contained in the report relating to the preparation of the Concept Plan for the Foreshore Walkway - Breakwall.*
- 2. Place the Concept Design for the Foreshore Walkway - Breakwall on public exhibition for the period from 7 July 2016 to 19 August 2016.*

**CARRIED: 8/0 FOR: Besseling, Cusato, Griffiths, Hawkins, Intemann, Levido,
Sargeant and Turner
AGAINST: Nil**

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In accordance with this Council resolution the draft concept plan was exhibited to the public for a period of 6 weeks, closing 19 August 2016. Twenty (20) submissions were received during this period.

Comments related to the width of the path, shelter and shade and the number and location of fishing platforms. The viewing platform proposed for the end of the breakwall received particular concern from local body-board riders who are worried that it may affect surf break conditions on Town Beach. Most concerns are able to be addressed through the detailed design phase to be conducted by DPI- Lands.

As the asset owner, DPI - Lands will have responsibility for the detailed design phase of this project pending adoption of the concept plan. Responsibility for delivery of the identified improvements will primarily be the responsibility of DPI - Lands, although they have identified some components they will discuss further with Council. As an example, DPI - Lands staff have advised that funding for the construction and maintenance of fishing platforms will be a Council responsibility. On this basis, it is important for Council and DPI - Lands to develop an Implementation Plan so roles and responsibilities associated with this project are clearly understood.

Discussion

The December 2013 TCMP Review undertaken by Tract Consultants identified the need to revitalise the Break Wall, Town Beach and Town Beach Park connections from the town centre to provide a high quality, people friendly waterside promenade and contribute to the character of the town centre.

The Review recommended (Part 7 of the TCMP):

- A seamless walking environment for the whole of the Town Centre Foreshore with consistent path widths and materials, seating, lighting and signage.
- Widening of the promenade to cater for walkers, runners and cyclists.
- Seating and trees for shade should be provided at key strategic locations.

A concept plan was developed that showed a widening of the path to 5-6m, a number of fishing platforms, seating, lighting, way finding signage, tree planting and shelters.

Council staff met with DPI - Lands to seek their feedback. DPI - Lands were very focussed on the requirements for maintaining the breakwater including that the structure be designed for the weight and manoeuvring space of a 35 tonne excavator carrying a load of rocks. They requested that the lookout area be constructed in concrete by widening the head of the wall. They were supportive of the fishing platforms (as included in their Plan of Management) but requested they be reduced in number to three. They also identified that all furniture and shelters should be removable for maintenance vehicle access. DPI - Lands have confirmed their support of the draft concept plan via letter.

The TCMP Sub-Committee reviewed and endorsed the concept at their 26 May 2016 meeting.

Council staff met with the former and current licensees of the Breakwall Holiday Park during the period that the license transfer was being negotiated with DPI - Lands.

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Both expressed support for the Concept Plan. The new licensee should be consulted throughout the detailed design as a key stakeholder.

Council staff presented the Concept Plan to representatives of the Port Macquarie-Hastings Access Committee on 20 June 2016 to seek feedback on the accessibility of the concept. The main comment was to include a ramp to the Holiday Park in the middle of the wall in addition to those at either end.

DPI - Fisheries were generally supportive. They were positive about the accessibility of the fishing platforms and requested life rings are included on the platforms.

Now that public exhibition has been undertaken all comments will be collated and provided to DPI - Lands for consideration in development of detailed design. Council will continue to work closely with DPI - Lands as the asset owner to develop an implementation strategy.

Options

Council can accept, reject or amend these recommendations.

Community Engagement & Internal Consultation

Consultation has taken place with internal Council staff, the TCMP Sub-Committee, DPI - Lands, DPI - Fisheries, Breakwall Holiday Park licensees and the Port Macquarie-Hastings Access Committee in preparation of this concept design.

Public exhibition of this design occurred for 6 weeks between the 7 July and 19 August. The plans were exhibited on signs installed at either end of the breakwall, on Town Beach Reserve, near the Marine Rescue Building and in the Holiday Park (5 in total). A media release resulted in representation in the Port News, NBN and local radio. 20 formal submissions were received during this period. A total of 39 people engaged in the discussion on the PMHC web site.

The formal submissions received during public exhibition period and the online discussion on PMHC Listening had a variety of themes including:

Fishing Platforms: online discussion was focussed on the fishing platforms (59 comments) with requests for a greater number of larger platforms closer to the water with seating and shade and fish cleaning facilities. Further consultation with fishermen was requested. Council recommend that this be undertaken during detailed design.

Viewing Platform: there was a great deal of concern that the construction of the viewing platform at the end of the breakwall by widening the wall would affect the surf conditions for bodyboarders. DPI - Lands have been made aware of this intense concern. DPI - Lands suggest that minor modifications to the head of the breakwater to incorporate an elevated viewing platform are unlikely to have any noticeable impact on adjoining wave conditions and will consider this matter during detailed design.

Lighting: Lighting has been suggested by a number of people concerned about the safety of the path. Lighting has been included in the concept.

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Separated path: There was some discussion online and in formal submissions about moderating the shared path to improve safety. Suggestions were to make it either separated completely with cyclists on one side and pedestrians on the other or installing a central line to make the movements one way.

Separate bike paths operate better where they can be separated by some distance/wall/ kerb/ landscaping. It is preferable to make the path truly shared as a slow speed recreational route. Users will spread across the path randomly forcing cyclists or wheeled transport to be very cautious and move more slowly. Signage will be included to highlight the shared nature of the path and the need for cyclists to give way to pedestrians. Speed limits should also be notified through pavement stencils and signage.

Austroroads guidelines, which provide direction in the design of such paths, recommend separation when cyclist numbers are very high. There will need to be ongoing monitoring of the pedestrian and cyclist numbers. Provision of good alternative on-road routes for commuter cyclists will ensure that the path remains safe and attractive for users.

Many other comments were about the detail of the project including numbers and locations of seating and shelters, inclusion of rubbish bins, public art and signage. These will all be considered during the detailed design of the area.

Submission		Issue
1.	Kodi Baird	Should not alter such an iconic sporting arena. It could affect the surf spot has produced world champions in the past and will in the future. It's the greatest wave ever.
	Response/ Comment:	Staff recommend that this be considered during detailed design to eliminate or minimise impact on surf conditions.
2.	Kathryn Butler	I would like to propose solar lighting along the breakwall pathway. Solar lights can be flush with the footpath and would also look attractive.
	Response/ Comment:	Lighting is important along the walkway. Staff recommend that solar options including in-ground installation be considered during detailed design.
3.	Matthew Connors	<ol style="list-style-type: none"> 1. Install a painted line up the middle and keep left markings on the path and signage. This allows congestion free and safe running, cycling and various other forms of use. 2. The fishing platforms are a great idea, but there needs to be far more than 3 and they should be multi use areas. 3. Include signage with fines for people who clean their fish on the breakwall. 4. The kiosk on the town green end is wrong. This end of the breakwall already has lots of commerce readily available and it seems like a money grab from council to place a kiosk there. 5. The Eastern end desperately needs a kiosk and proper toilets near the playground and skate park. 6. Include 2 lots of steps into the water, one opposite the

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		<p>beach on the north wall and one further towards the river mouth. 20- 50 surfers per day climb up and down the wall with wet feet to paddle across the river and surf the north wall.</p> <p>7. Parking in the van park. When the van park is full during festivals and events or some holidays, parking is a major issue for visitors. Make sure there is not a reduction in the parking area for visitors in the van park.</p> <p>8. The painted rocks need to largely remain, as they are a huge drawcard for tourists.</p> <p>9. There should be seating for at least 50-100 or more on tables and chairs at very regular intervals along the break wall.</p> <p>10. I propose that where the path needs to be widest due to fishing platforms or picnic tables have no parking in the van park. Where the path can be narrower, provide parking in the van park against the wall.</p>
	Response/ Comment:	<p>1. An appropriate strategy for the shared walkway/cycleway will be considered during the detailed design phase of this project.</p> <p>2. Due to the need to maintain the breakwall it is impractical to have more than 3 fishing/viewing platforms.</p> <p>3. Signage will be considered during development of detailed design.</p> <p>4. The kiosk is a proposal put forward by the holiday park management and will wholly funded by them. It will be constructed within their lease boundary.</p> <p>5. New kiosk and toilets are currently under construction on Town Beach Reserve.</p> <p>6. Will be considered during development of detailed design.</p> <p>7. The managers of the holiday park have been consulted and will continue to be involved as the design develops. They were generally happy with the current layout.</p> <p>8. Some painted rocks will be affected by fishing platform construction and breakwall maintenance. The concept does not propose removal of the painted rocks.</p> <p>9. A balance of seating and circulation space will be considered in detailed design. Need for additional seating is recognised.</p> <p>10. Will discuss with Holiday Park managers during development of detailed design.</p>
4.	Annie Curtis	<p>1. The path is too wide and will allow too much traffic and speed. 3 - 4 metres would be wide enough.</p> <p>2. Don't remove the pine trees - they provide aesthetics and shade.</p> <p>3. No large platform at the end of the break wall as a look out. It may impact on the surf / beach and will be the prominent feature over the landscape</p> <p>4. Too many and too large man made features take away from the natural beauty of the landscape. Please do not over engineer or crowd this area with too many structures.</p>

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		5. Only 2 fishing platforms is enough as there is plenty of rest area at town beach and town green
	Response/ Comment:	<p>1. The width of this path has been previously considered in strategic planning associated with the Port Macquarie Foreshore. The path has a wide range of users that will increase over time including cyclists, skateboarders, prams, wheelchairs and pedestrians. The identified width of the path is considered necessary.</p> <p>2. The pine trees need to be removed to enable the construction of the path. A new avenue of shade trees will be planted to replace them.</p> <p>3. The design of the viewing platform will minimise affects on the surf conditions.</p> <p>4. A balance will be sought between providing adequate facilities for growing numbers of users and effecting the natural attraction. Additional plantings along the southern side of the path will soften the impact of the changes.</p> <p>5. Most feedback from fishermen has been that there are not enough fishing platforms provided in the design.</p>
5.	Paul Dirago	The Concept plan will provide useful improvements but the 3 fishing platforms are too small and located too far away from the water.
	Response/ Comment:	Size and proximity to the water of the fishing platforms will be further considered during development of detailed design.
6.	Colin Draper	<p>Congratulations on this concept plan which is long overdue and will be of significant benefit to locals and tourists.</p> <p>1. Proposed width is good but must include a dedicated bike/scooter/skate board lane for safety</p> <p>2. Platforms need to be adequately protected from high seas</p> <p>3. Gaps between path and rocks need to be better filled with concrete to improve safety</p> <p>4. Naming by species of fishing platforms is misleading and unnecessary</p> <p>5. Additional vehicle parking should be made available at Town Beach or eastern end of wall to cater for shortage at western end.</p>
	Response/ Comment:	<p>1. Cyclists can ride at great speed on designated bike paths increasing risks of pedestrian collision. Australian Standards provide guidelines on the installation of separated cycle paths depending on volume of users. At this stage the volume of users does not warrant separated path design.</p> <p>2. Platforms will be designed by structural and coastal engineers with sea and storm impacts fully considered.</p> <p>3. Agreed. This will be considered during development of detailed design.</p> <p>4. Agreed. Platform naming could be changed or removed in detailed design.</p> <p>5. The Town Beach Master Plan identifies provision of</p>

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		additional parking when funding becomes available.
7.	Stephen Gale	Additional shade structures for pedestrians are needed. The northern aspect of the walkway results in it being a hot and uncomfortable. Consider the shade structures/ arbours as public art structures that could be installed over time.
	Response/ Comment:	Can be considered during development of detailed design. Structures need to be limited in number and/or designed to allow access for large trucks to maintain the breakwall.
8.	Joel Groth	My concern is with the lookout part of the proposal. The end of the breakwall is a world class surfing wave. Any change with rock formations will definitely affect the wave.
	Response/ Comment:	This will be considered during detailed design and changes to the surf minimised.
9.	Brian Hall	Objects to the Breakwall Upgrade as he feels the money would be better spent on roads everywhere. Especially Pipeclay area.
	Response/ Comment:	The breakwall is fully owned and maintained by DPI- Lands. The project will now be handed to DPI - Lands for the development of an implementation plan in conjunction with PMHC. Main changes to the breakwall will be funded by DPI - Lands or grant funding.
10.	Wayne Harris	Our foreshore lacks a safe salt water cooling off area for all ages. I propose the concept of a semi submerged landing and boardwalk. The area to be surrounded by a pool fence with secure entry and exit points. The movement of river/ocean debris and plankton will need discussion on how to minimise impact. We as a community will have a point of difference and enhance the town green / break wall experience at Port Macquarie.
	Response/ Comment:	An ocean pool is not considered as part of the scope of this project, and has not previously been identified in strategic plans associated with the Port Macquarie Foreshore.
11.	John Ingram	Henry Lawson published in 1897 what is believed to be his only "maritime" poem which he named "The Light on the Wreck" about the ship the Wanderer that was wrecked off Port Macquarie. A sculpture is proposed to commemorate this. I propose a light be held high from a bronze section of a symbolic "maritime wreck" such as a mast or bowsprit which on the one hand acknowledges the dangers of the sea & river bar & the several wrecks claimed thereon. The light would symbolize hope, guidance, direction & the safety of the harbour. This would add to the arrival experience at the end of the journey.
	Response/ Comment:	Inclusion of a public art sculpture/ element can be explored with other potential themes as a part of detailed design process.

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12.	Gay Mack	I object to the proposed structures that will obstruct the natural views along the wall. People enjoy the fishing off the rocks along the wall at any point not in designated areas like some city establishment. They will be damaged by high seas and storms. Please leave this area in a natural state as possible for everyone to share and enjoy.
	Response/Comment:	There has been an overwhelming positive response to the fishing platforms from fishermen. They will be designed by structural and coastal engineers to withstand high seas and storms.
13.	Charles Roberts	Concerned about painted rocks. Will these be retained?
	Response/Comment:	Some painted rocks will be affected by fishing platform construction and breakwall maintenance. The concept does not propose removal of the painted rocks.
14.	Brad Sage	We should also build the Ocean Pool into the end of the breakwall at town beach. Also extend the breakwall to make it longer on the town beach side to also stop sand erosion.
	Response/Comment:	An ocean pool is not considered as part of the scope of this project, and has not previously been identified in strategic plans associated with the Port Macquarie Foreshore. Coastal engineers will consider the length of the breakwall when designing the viewing platform in the detailed design phase of this project.
15.	Piri Stephens	I think it is a great proposal. I commend those who have designed the improvements.
	Response/Comment:	Noted.
16.	Heather Worthing	1.Need bins for fishing line and bait bags 2.Need safety phone or sea belt 3.Have "no fishing sign" in viewing zones 4.Have a 2 tiered viewing platform 5.Keep area clean 6.Need disabled toilet, seats, lighting, ramps and parking near by
	Response/Comment:	Will be considered by DPI - Lands in development of the detailed design.
17.	Brendon Rook	I am heavily involved in the Port Macquarie Bodyboarding Association and Surfing NSW. The lookout structure will require the expansion of the end of the breakwall. This will ruin a fantastic surf break that has honed the skills of a number of champion bodyboarders. This spot has also held many competitions, on local club level, memorial event, Australian Championships and a World Tour event. If such a structure becomes constructed I believe there should be some compensation for the surfing community,

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		such as a man made surfing reef.
		I also don't agree with the kiosk planned at that end.
	Response/ Comment:	This will be considered during detailed design phase of this project and changes to the surf conditions minimised. The kiosk is identified in strategic plans associated with Town Beach and the facility currently under construction.
18.	Simone Rawlings	It is of critical importance to extend the lighting to the end of the breakwall and to Town Beach. It is very dark and dangerous for walkers and joggers, particularly for women.
	Response/ Comment:	Agreed. Lighting is an important part of the concept. Lighting of Town Beach Reserve is identified in the Town Beach Reserve Master Plan that has been adopted by Council for future implementation.
19.	Ray Brown	We think it is a marvellous concept. If the pathway is to continue as a shared pedestrian /cycle/skateboard pathway the new width would permit a painted dividing line so that cycles and skateboards would travel on the side next to the caravan park and pedestrians would walk on the river side.
	Response/ Comment:	Will be considered in detailed design.
20.	Mid North Coast Maritime Museum	The Maritime Museum would like to see signage about the Notable Wrecks on the Hastings River Bar incorporating details of the location of where the Pilots Precinct was established and where more local maritime history can be viewed. We would like to be involved in the design of these signs if possible.
	Response/ Comment:	Interpretation signage is included in the concept. All relevant local history/ community groups will be consulted when this is developed.

Planning & Policy Implications

The proposed concept design is in direct alignment with the TCMP and the Port Macquarie Foreshore Master Plan, as previously adopted by Council.

The plans are consistent with the DPI - Lands, Hastings Regional Crown Reserve Precinct - A Plan of Management. They respond to Objective 1- Strategy 3 'Enhance the visitor experience of the foreshore and surrounding areas'.

It is anticipated that future development planning in this area will need to consider any future adopted designs.

Financial & Economic Implications

The development of the concept design has been funded in this year's capital works program: Preconstruction Foreshore Walkway- Town Beach to Kooloonbung Creek GL41471.

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There are no immediate financial and economic implications at this stage. Once the plan has been adopted by Council, it will be handed over to DPI - Lands for detailed design and elements of construction. Council may collaborate with DPI - Lands to develop an implementation plan and to seek grant funding for all, or elements of, the concept.

DPI - Lands have informed staff that Council will be required to maintain elements of the concept plan. For example, the fishing platforms. The costs associated with maintaining these facilities are not known at this time.

Attachments

1 [View](#). Port Macquarie Breakwall Draft Concept Plan

Subject: CONFIDENTIAL COMMITTEE OF THE WHOLE

RECOMMENDATION

- 1. That Council move into Confidential Committee of the Whole to receive and consider the following items:**

Item 15.01 T-16-09 Supply of a Truck Mounted Vacuum Excavation System

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

Item 15.02 T-16-15 Hyndman's Creek Bridge Replacement - Supply of Pre-Stressed Concrete Deck Units

This item is considered confidential under Section 10A(2)(d(i)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.

Item 15.03 T-16-44 Area 15 Pump Station and Sewer Rising Main

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council.

- 2. That pursuant to Section 10A subsections 2 & 3 and 10B of the Local Government Act 1993 (as amended), the press and public be excluded from the proceedings of the Council in Confidential Committee of the Whole on the basis that the items to be considered are of a confidential nature.**
- 3. That the recommendations made in Confidential Committee of the Whole be made public as soon as practicable.**

**Subject: ADOPTION OF RECOMMENDATIONS FROM THE CONFIDENTIAL
COMMITTEE OF THE WHOLE**

RECOMMENDATION

That the undermentioned recommendations from Confidential Committee of the Whole be adopted:

Item 15.01 T-16-09 Supply of a Truck Mounted Vacuum Excavation System

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RECOMMENDATION