



Ordinary Council

Business Paper

date of meeting: Wednesday 15 February 2017

location: Council Chambers
17 Burrawan Street
Port Macquarie

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 15 February 2017

Items of Business

Item	Subject	Page
01	Acknowledgement of Country	1
02	Local Government Prayer	1
03	Apologies.....	1
04	Confirmation of Minutes	1
05	Disclosures of Interest.....	28
06	Mayoral Minute	
07	Confidential Correspondence to Ordinary Council Meeting.....	32
08	Public Forum	33
09	Ensuring Good Governance	34
09.01	Status of Reports From Council Resolutions.....	35
09.02	Performance Measurement Framework	41
09.03	Project Management.....	48
09.04	Designated Persons	52
09.05	Disclosure of Interest Return	54
09.06	Making a Decision About Future Rates	56
09.07	Monthly Financial Review for January 2017	81
09.08	Quarterly Budget Review Statement	85
09.09	Investments - December 2016.....	94
09.10	Investments - January 2017	103
09.11	Glasshouse Quarterly Report And Update on Strategic Plan Recommendations	112
09.12	2016-2017 Operational Plan Quarterly Progress Report as at 31 December 2016	118
09.13	Alternate Chairs for Committees	124
09.14	Review of Select Council Committees.....	127
09.15	Revised Economic Development Steering Group Charter and New Membership	133
10	Looking After Our People.....	135
10.01	Contaminated Land Policy - Draft.....	136
10.02	Community Events Program to End of April 2017	142
11	Helping Our Community Prosper	149
11.01	Changes to the NSW Crown Land Management Act 2016	150
11.02	Construction Industry Action Plan.....	154
11.03	Commercial Activities on Council-managed Land Policy	158

12	Looking After Our Environment	<u>161</u>
12.01	DA2013 - 625.4 - Modification to Design of Previous Approved Medical Centre Including Clause 4.6 Objection to Clause 4.3 (Height Of Buildings) Of The Port Macquarie-Hastings Local Environmental Plan 2011 - Lot 180 DP 1197447, 8 Highfields Circuit, Port Macquarie	<u>162</u>
12.02	DA2016 - 0657.1 - Residential Flat Building with Strata Subdivision Including Clause 4.6 Variation to Clause 4.3 (Height of Buildings) of the Port Macquarie Hastings Local Environmental Plan 2011 at Lot 2 & 3 DP 18259 and Lot 1 & 2 DP 1454, 52-58 Church Street, Port Macquarie	<u>165</u>
12.03	DA2016 - 774.1 Multi Dwelling Housing And 1 Into 13 Lot Strata Subdivision At Lot 3 DP 634929, No. 1096 Ocean Drive, Bonny Hills.....	<u>170</u>
12.04	DA2016 - 0798.1 - Demolition Of Existing Dwelling And Construction Of New Dwelling Including Clause 4.6 Variation To Clause 4.3 (Height Of Buildings) And Clause 4.4 (Floor Space Ratio) Of The Port Macquarie Hastings Local Environmental Plan 2011 At Lot 78 DP 232885, 28 Dent Crescent, Port Macquarie.	<u>193</u>
13	Planning and Providing Our Infrastructure	<u>196</u>
13.01	Building Better Regions Fund - Round 1 Funding Applications	<u>197</u>
13.02	Asset Management Policy	<u>204</u>
13.03	Stormwater Drainage - Risks and Opportunities	<u>206</u>
13.04	Reclassification of Land for Hastings Regional Sports Complex	<u>221</u>
13.05	Local Environmental Plan 2011 - Administrative Review [PP2016-7]	<u>226</u>
13.06	Planning Controls Over Signage in Public Areas - Post-Exhibition Review.....	<u>241</u>
13.07	Deed of Variation - Laurieton Residential Resort Planning Agreement	<u>245</u>
13.08	Sienna Grange Residential Aged Care Facility Planning Agreement	<u>247</u>
13.09	Optimising Utilisation of Port Macquarie Sports Fields.....	<u>249</u>
14	Questions for Next Meeting	
15	Confidential Matters	
	Motion to move into Confidential Committee of the Whole	<u>258</u>
15.01	T-16-48 Wrights Creek Flood Study and Floodplain Risk Management Study and Plan	
15.02	T-16-56 Flynn's Beach Seawall Construction (Stage 1)	
15.03	T-16-59 Pavement Rejuvenation Services	
15.04	Sewer Main Construction - Links Crescent to Elkhorn Grove Cul-De-Sac	
	Adoption of Recommendations from Confidential Committee of the Whole	



**PORT MACQUARIE
HASTINGS**

Item: 01**Subject: ACKNOWLEDGEMENT OF COUNTRY**

"I acknowledge that we are gathered on Birpai Land. I pay respect to the Birpai Elders both past and present. I also extend that respect to all other Aboriginal and Torres Strait Islander people present."

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 14 December 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)
Acting Director of Community and Economic Growth (Liesa Davies)
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)
Communications Manager (Andy Roberts)

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

Pastor Mark Minturn from the Port Macquarie Ministers' Association delivered the Local Government Prayer.

03 APOLOGIES

Nil.

04 CONFIRMATION OF MINUTES

RESOLVED: Levido/Intemann

That the Minutes of the Ordinary Council Meeting held on 16 November 2016 be confirmed.

CARRIED: 9/0

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

AGAINST: Nil

05 DISCLOSURES OF INTEREST

Councillor Cusato declared a Non-Pecuniary, Significant Interest in Item 11.03 - Port Macquarie Airport - Airport Advisory Group Charter and Airport Terminal Building Upgrade Steering Group Charter, the reason being that Councillor Cusato owns a hanger within the precinct of the Airport.

Councillor Dixon declared a Non-Pecuniary, Significant Interest in Item 13.08 - Draft Yippin Creek Structure Plan - consideration of submissions & re-exhibition, the reason being that Councillor Dixon has relatives that project manage the adjoining development at Glenview Park.

Councillor Dixon declared a Non-Pecuniary, Significant Interest in Item 15.05 - T-16-55 Fencing Supply and Installation for Second Hockey Field at Wayne Richards Park, the reason being that Councillor Dixon has personal links with the Hockey Association's Senior Executive and was once a member of the Association Executive.

Councillor Levido declared a Non-Pecuniary, Significant Interest in Item 10.03 - DA2016 - 815.1 Dual Occupancy And Torrens Title Subdivision Into 2 Lots Including A Clause 4.6 Variation To Clause 4.4 (Floor Space Ratio) Of The Port Macquarie Hastings Local Environmental Plan 2011 At Proposed Lot 25 Summer Circuit (Seawide Estate), Lot 4 DP 615261, Ocean Drive, Lake Cathie, the reason being that Councillor Levido is a Partner in law firm Donovan Oates Hannaford and the firm acts for the current owner of the property being the subject of the report.

Councillor Levido declared a Non-Pecuniary, Significant Interest in Item 13.07 - Planning Proposal - Homedale Road, Kew, the reason being that Councillor Levido is a Partner in law firm Donovan Oates Hannaford and the firm acts for the owner of the property being the subject of the report.

Councillor Levido declared a Non-Pecuniary, Significant Interest in Item 13.08 - Draft Yippin Creek Structure Plan - consideration of submissions & re-exhibition, the reason being that Councillor Levido is a Partner in law firm Donovan Oates Hannaford and the firm acts for the owner of the property being the subject of the report.

Councillor Alley declared a Pecuniary Interest in Item 15.02 - T-16-41 Supply of Cisco Network Switch Equipment, the reason being that Councillor Alley will receive a financial benefit that is not available to members of the public from one of the organisations who submitted a quotation.

RESOLVED: Turner/Cusato

That the Disclosures of Interest as presented be noted.

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 3 November to 30 November 2016 inclusive be noted.

CARRIED: 9/0

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

AGAINST: Nil

06.02 TUFFINS LANE SPORTING FIELDS

The Mayor tabled additional information in relation to this item.

RESOLVED: Besseling

That Council:

1. Delegate Authority to the Mayor and General Manager to enter into an Agreement with the Trustees of the Roman Catholic Church Diocese of Lismore/St Agnes Catholic Parish Port Macquarie for the lease/sub-lease (or similar Agreement) of the Tuffins Lane Sporting Fields in Port Macquarie on suitable terms to Council, including a lease/sub-lease term of between five (5) and ten (10) years.
2. Request the General Manager table a report at a future meeting of Council detailing the terms of the Agreement entered into with the Trustees of the Roman Catholic Church Diocese of Lismore/St Agnes Catholic Parish Port Macquarie for the Tuffins Lane Sporting Fields in Port Macquarie.
3. Notes a commitment from the Trustees of the Roman Catholic Church Diocese of Lismore/St Agnes Catholic Parish Port Macquarie to remove the Notice to Quit/Vacate recently served upon Council, upon settlement of the purchase of the Tuffins Lane Sporting Fields lands by the Trustees of the Roman Catholic Church Diocese of Lismore/St Agnes Catholic Parish Port Macquarie.

-
4. Upon removal of such Notice to Quit/Vacate, commits to maintaining the sporting fields at the Tuffins Lane Sporting Fields Port Macquarie through a \$100,000.00 minimum, annual in-kind contribution for the period of the proposed Agreement.

CARRIED: 9/0

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

AGAINST: Nil

07 CONFIDENTIAL CORRESPONDENCE TO ORDINARY COUNCIL MEETING

RESOLVED: Levido/Hawkins

That Council determine that the attachments to Item Number 11.05 be considered as confidential, in accordance with section 11(3) of the Local Government Act.

CARRIED: 9/0

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

AGAINST: Nil

08 PUBLIC FORUM

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

1. Mr Jamie Harrison regarding respect, Council's Code of Conduct, censorship.

RESOLVED: Turner/Griffiths

That the above request 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 RESPECT, COUNCIL'S CODE OF CONDUCT, CENSORSHIP

Mr Jamie Harrison addressed Council in regard to respect, Council's Code of Conduct and censorship. Mr Harrison also made reference to Council's procurement and local content policy.

REQUESTS TO SPEAK ON AN AGENDA ITEM

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

Item 13.09 - Mr Mike Parsons in support of the recommendation.

RESOLVED: Turner/Alley

That the request 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: Cusato/Dixon

That Standing Orders be suspended to allow Item 13.09 to be brought forward and considered next.

CARRIED: 9/0

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

AGAINST: Nil

13.09 OPTIMISING UTILISATION OF PORT MACQUARIE SPORTS FIELDS

Mr Mike Parsons, representing Football Mid North Coast, addressed Council in support of the recommendation and answered questions from Councillors.

RESOLVED: Levido/Cusato

That Council:

1. Note the information contained within the Optimising Utilisation of Port Macquarie Sports Fields Report.
2. Note a report will be provided in February 2017 providing further detail on options to support the needs of local sporting user groups.

CARRIED: 9/0

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

AGAINST: Nil

09.01 STATUS OF REPORTS FROM COUNCIL RESOLUTIONS

RESOLVED: Intemann/Turner

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

09.02 DISCLOSURE OF INTEREST RETURN

RESOLVED: Cusato/Griffiths

That the Disclosure of Interest return for Councillors Peter Alley and Lee Dixon be noted.

CARRIED: 9/0

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

AGAINST: Nil

09.03 DELEGATED AUTHORITIES - CERTIFICATE OF IDENTIFICATION ISSUED UNDER THE SWIMMING POOLS ACT 1992

RESOLVED: Levido/Griffiths

That the seal of Council be affixed to the certificates of identification issued under the Swimming Pools Act 1992, for the following Council staff:

- a) Shannon McCaughey, Compliance Building Surveyor.
- b) Adam Bird, Ranger.

CARRIED: 9/0

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

AGAINST: Nil

09.04 CODE OF CONDUCT COMPLAINT STATISTICS

RESOLVED: Griffiths/Intemann

That Council note the Code of Conduct Complaint Statistics for the period 1 September 2015 to 31 August 2016.

CARRIED: 9/0

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

AGAINST: Nil

09.05 COUNCIL STEERING GROUP AMENDMENTS

RESOLVED: Intemann/Dixon

That Council adopt the amended charters for the following Steering Groups:

1. Stingray Creek Bridge Replacement Project Steering Group.
2. Ocean Drive Duplication Steering Group.
3. Port Macquarie Indoor Stadium Expansion Steering Group.
4. Village Sewerage Scheme Steering Group.

CARRIED: 9/0

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

AGAINST: Nil

09.06 NOTICE OF MOTION - ICT STRATEGY IMPLEMENTATION STATUS

RESOLVED: Hawkins/Levido

That the General Manager provide a report to the March 2017 Council Meeting on the status of the implementation of the ICT Strategy.

CARRIED: 9/0

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

AGAINST: Nil

09.07 MONTHLY FINANCIAL REVIEW FOR NOVEMBER 2016

RESOLVED: Hawkins/Cusato

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

CARRIED: 9/0

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

AGAINST: Nil

09.08 RESCISSION OF "BACKDATING OF PENSIONER CONCESSION REBATES" POLICY

RESOLVED: Hawkins/Alley

That Council:

1. Note that when the "Pensioner Concession Rebate Policy" was adopted at the Ordinary Council Meeting in July 2015 following public exhibition, the policy which it replaced was not formally rescinded. This previous policy was titled "Backdating of Pensioner Concession Rebates Policy". In order to correct this oversight it is a requirement that the prior policy be placed on public exhibition.
2. Place on public exhibition from 27 January 2017 to 24 February 2017 the previous policy "Backdating of Pensioner Concession Rebates Policy" with the intention to rescind.
3. Note that there is no change to the "Pensioner Concession Rebate Policy" which was adopted in July 2015 and is currently the Policy being applied to pensioner concession rebates.

CARRIED: 9/0

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

AGAINST: Nil

09.09 INVESTMENTS - NOVEMBER 2016

RESOLVED: Hawkins/Cusato

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

CARRIED: 9/0

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

AGAINST: Nil

09.10 AMENDMENT TO 2016-2017 FEES AND CHARGES

RESOLVED: Levido/Cusato

That Council:

1. Publicly exhibit the following draft fees and charges (including GST) from 27 January 2017 to 24 February 2017:
 - a) Environment: Issue of Clean Up, Prevention and Noise Control Notices - \$520 (GST not applicable);
 - b) Burial - Lawn Cemetery - Innes Gardens: Grave Digging Fee - \$1,400;
 - c) Burial - Lawn Cemetery - Innes Gardens: Grave Digging Fee - Double Depth Beams - 1st Interment - \$1,850;
 - d) Burial - Lawn Cemetery - Innes Gardens: Grave Digging Fee - Child up to 12 years - \$925;
 - e) Burial - All General Cemeteries: Port Macquarie General Digging Fee - \$1,850;
 - f) Burial - All General Cemeteries: Grave Digging Fee - \$1,400;
 - g) Burial - All General Cemeteries: Grave Digging Fee - Child up to 12 years - \$925.
2. Note that a further report will be tabled to Council at the March 2017 Ordinary Council meeting, detailing any submissions received from the public during the exhibition period.

CARRIED: 9/0

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

AGAINST: Nil

10.01 BOUNDARY ADJUSTMENT BETWEEN PART COUNCIL'S PORT MACQUARIE WATER SUPPLY DAM LAND AND 1 ORR STREET

MOTION

MOVED: Turner/Cusato

That Council defer the consideration of a boundary adjustment between Part Council's Port Macquarie Water Supply Dam Land and 1 Orr Street until value of the land has been provided by Council's Consultant Valuer, and associated preliminary work required to obtain a valuation has been undertaken at the applicant's cost.

FORESHADOWED MOTION

MOVED: Intemann

That Council:

1. Transfer Lot 1 Deposited Plan 630525 and part Lot 55 Deposited Plan 233413 to the registered proprietors of Lot 2 Deposited Plan 630525 (1 Orr Street), RP & PL Bailey, in an amount to be assessed by Council's Consultant Valuer.

-
2. Develop a Caveat to be registered on the title of the transferred lands such that the transferred lands cannot be used for residential purposes.
 3. Affix the Common Seal to the linen plan of survey involving Lot 55 Deposited Plan 233413.
 4. Delegate to the General Manager Authority to sign:
 - a. Contract for the Sale of Land;
 - b. Caveat;
 - c. Land and Property Information Transfer Form.
 5. Acknowledge that all costs incurred with the survey, transfer of the land and development/registration of the Caveat will be met by the registered proprietors of Lot 2 Deposited Plan 630525 (1 Orr Street).

THE MOTION WAS PUT

RESOLVED: Turner/Cusato

That Council defer the consideration of a boundary adjustment between Part Council's Port Macquarie Water Supply Dam Land and 1 Orr Street until value of the land has been provided by Council's Consultant Valuer, and associated preliminary work required to obtain a valuation has been undertaken at the applicant's cost.

CARRIED: 6/3

FOR: Besseling, Cusato, Dixon, Hawkins, Levido and Turner

AGAINST: Alley, Griffiths and Intemann

10.02 RESCISSION OF "BEACH AREAS PERMITTING DOGS IN LOCAL GOVERNMENT AREA" POLICY

RESOLVED: Intemann/Turner

That Council:

1. Rescind the superseded "Beach Areas Permitting Dogs in the Local Government Area Policy".
2. Note that there is no change to the "Dogs in Public Open Spaces Policy" which was adopted in July 2011 and is current Policy.

CARRIED: 9/0

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

AGAINST: Nil

10.03 DA2016 - 815.1 DUAL OCCUPANCY AND TORRENS TITLE SUBDIVISION INTO 2 LOTS INCLUDING A CLAUSE 4.6 VARIATION TO CLAUSE 4.4 (FLOOR SPACE RATIO) OF THE PORT MACQUARIE HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 AT PROPOSED LOT 25 SUMMER CIRCUIT (SEAWIDE ESTATE), LOT 4 DP 615261, OCEAN DRIVE, LAKE CATHIE

Councillor Levido declared a Non-Pecuniary, Significant Interest in this matter and left the room and was out of sight during the Council's consideration, the time being 6:33pm.

RESOLVED: Intemann/Hawkins

That the determination of DA2016 - 0815.1 for a dual occupancy and torrens title subdivision into 2 lots including a Clause 4.6 variation to Clause 4.4 (Floor Space Ratio) at Proposed Lot 25 Summer Circuit (Seawide Estate), Lot 4 DP 615261 Ocean Drive, Lake Cathie, be noted.

CARRIED: 8/0

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

AGAINST: Nil

Councillor Levido returned to the meeting, the time being 6:33pm.

10.04 RECOMMENDED ITEM FROM THE MAYOR'S SPORTING FUND SUB-COMMITTEE - NOVEMBER 2016 MEETING

RESOLVED: Besseling/Cusato

That Council, pursuant to the provisions of Section 356 of the Local Government Act 1993, grant financial assistance from the Mayor's Sporting Fund as follows:

1. That Briana McGrady be granted \$1200.00 to assist with the expenses she will incur travelling to and competing as part of the Australian team at the Junior World Waterski Championships to be held in Chile, South America from 8- 11 January 2017 inclusive.
2. That Matthew Catania be granted \$500.00 to assist with the expenses he will incur travelling to and competing at the Australian All Schools Track and Field Championships to be held in Canberra from 1-4 December 2016 inclusive.

CARRIED: 9/0

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

AGAINST: Nil

**11.01 CLASSIFICATION OF PUBLIC LAND - 33 COMMERCE STREET,
WAUCHOPE (LOT 307 DP 1075670)**

RESOLVED: Levido/Griffiths

That Council classify Lot 307 DP 1075670 as Operational Land.

CARRIED: 9/0

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

AGAINST: Nil

11.02 CBD FREE WI-FI TRIAL UPDATE

RESOLVED: Hawkins/Alley

That Council note the plans for a 12 month free Wi-Fi trial on the Port Macquarie Town Green.

CARRIED: 9/0

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

AGAINST: Nil

**11.03 PORT MACQUARIE AIRPORT - AIRPORT ADVISORY GROUP CHARTER
AND AIRPORT TERMINAL BUILDING UPGRADE STEERING GROUP
CHARTER**

Councillor Cusato declared a Non-Pecuniary, Significant Interest in this matter and left the room and was out of sight during the Council's consideration, the time being 6:37pm.

RESOLVED: Intemann/Dixon

That Council:

1. Adopt the amended Airport Advisory Group Charter as attached to this report.
2. Establish an Airport Terminal Building Upgrade Steering Group for the duration of the project and adopt the Steering Group Charter as attached to this report.
3. Appoint Councillor J Levido, as Chair of the Major Projects Portfolio, as the Councillor representative on the Airport Terminal Building Upgrade Steering Group.

CARRIED: 8/0

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

AGAINST: Nil

Councillor Cusato returned to the meeting, the time being 6:38pm.

**11.04 ECONOMIC DEVELOPMENT STRATEGY 2013-2016: SIX MONTHLY
REPORT ON PROGRESS**

RESOLVED: Turner/Hawkins

That Council note the six monthly progress report on implementation of the 2013-2016 Port Macquarie-Hastings Economic Development Strategy.

CARRIED: 9/0

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

AGAINST: Nil

11.05 TASTINGS ON HASTINGS 2016

RESOLVED: Cusato/Dixon

That Council:

1. Note the information contained in report for Tastings on Hastings 2016 event.
2. Note planning for the 2017 Tastings on Hastings has commenced as per the Council-agreed 2015-2017 event approach.
3. Note that an Expression of Interest will be issued to engage an Event Co-ordinator for the 2017 Tastings on Hastings.

CARRIED: 9/0

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

AGAINST: Nil

**12.01 ACQUISITION OF AN EASEMENT FOR WATER SUPPLY AT CAMERON
STREET, WAUCHOPE**

RESOLVED: Levido/Alley

That Council:

1. Pay compensation in the total combined amount of \$9,188 (excl. GST) to the owners of Lot 4 Deposited Plan 216830 and Lot 5 Deposited Plan 38562, being D J A Flynn, CTM Superhold Pty Ltd and R & J (NSW) Pty Ltd, for the acquisition of the easement for water supply depicted "A" in Deposited Plan 1225822.
2. Delegate to the General Manager authority to sign the Deed of Acquisition/Contract for Sale.

CARRIED: 9/0

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

AGAINST: Nil

12.02 DA2016 - 372.1 - RESIDENTIAL FLAT BUILDING INCLUDING A CLAUSE 4.6 VARIATION TO CLAUSE 4.3 (HEIGHT OF BUILDING) OF THE PORT MACQUARIE HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 AT LOT 3 DP 345930, 3 GORE STREET, PORT MACQUARIE

RESOLVED: Intemann/Griffiths

That the determination of DA2016 - 372.1 for a residential flat building including a Clause 4.6 variation to Clause 4.3 (Height of Building) at Lot 3, DP 345930, No. 3 Gore Street, Port Macquarie, be noted.

CARRIED: 9/0

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

AGAINST: Nil

12.03 QUESTION FROM PREVIOUS MEETING - SHORT-TERM HOLIDAY LETTING

RESOLVED: Cusato/Turner

That Council request the General Manager present a further report to Council following the release of the NSW Government's response to the Inquiry on the Adequacy of the Regulation of Short-term Holiday Letting in New South Wales.

CARRIED: 9/0

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

AGAINST: Nil

12.04 RECOMMENDED ITEM FROM COAST, ESTUARY & FLOODPLAIN ADVISORY SUB-COMMITTEE - DRAFT LAKE CATHIE COASTAL MANAGEMENT DEVELOPMENT CONTROL PLAN (DCP) PROVISIONS

RESOLVED: Intemann/Griffiths

1. That the Lake Cathie Coastal Management Development Control Plan (DCP) provisions be placed on public exhibition from 15 December 2016 to 1 February 2017.
2. That a report on the outcome of public exhibition be presented to the February 2017 Council Meeting.

CARRIED: 9/0

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

AGAINST: Nil

12.05 LAND DEVELOPMENT APPROVAL PROCESS REVIEW UPDATE

Councillor Turner left the meeting, the time being 06:53pm.

Councillor Turner returned to the meeting, the time being 6:55pm.

RESOLVED: Levido/Cusato

That Council:

1. Note progress on the implementation of recommendations from the land development approval process review.
2. Receive a further update on progress, including the staff response to the remaining recommendations of the review, as part of the April 2017 Development Activity and Assessment System Performance Report.

CARRIED: 9/0

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

AGAINST: Nil

13.01 TRANSFER OF LAND TO COUNCIL FOR DRAINAGE AND SEWER PURPOSES

RESOLVED: Intemann/Levido

That Council:

1. Accept the transfer of land being Lot 87 Deposited Plan 1219489.
2. Delegate Authority to the General Manager to sign the Land and Property Information Transfer Form.
3. Pursuant to section 34 of the Local Government Act 1993, commence the procedure to classify Lots 87 and 89 Deposited Plan 1219489 as operational land by placing on public exhibition the proposed resolution "It is intended to classify Lots 87 and 89 Deposited Plan 1219489 (land situated on Boltwood Way, Thrumster) as operational land", from 30 January 2017 for a minimum period of 28 days.
4. Note that a further report will be tabled to Council at the March 2017 Ordinary Council meeting, detailing any submissions received from the public during the exhibition period.

CARRIED: 9/0

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

AGAINST: Nil

13.02 TOWN CENTRE MASTER PLAN SUB-COMMITTEE CHARTER

RESOLVED: Levido/Hawkins

That Council adopt the amended draft Town Centre Master Plan Sub-Committee Charter.

CARRIED: 9/0

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

AGAINST: Nil

13.03 RECOMMENDED ITEM FROM LOCAL TRAFFIC COMMITTEE - 2017 NSW JUNIOR STATE CUP TOUCH FOOTBALL CHAMPIONSHIPS

RESOLVED: Intemann/Levido

That Council approve the temporary road closures and traffic management arrangements associated with NSW Junior State Touch event between 17-19 February 2017, subject to the following conditions:

1. That the event organiser advertise, at no cost to Council, the following details of all temporary road closures and temporary parking restrictions associated with this event in the local print media on separate days, at least twice (2) within 14 days prior to the event:
 - temporary road closure times
 - duration of the temporary road closures
 - temporary parking restrictions times and duration.
 - alternative routes and access arrangements.
2. That the event organiser advertise the event by undertaking a letter box drop to all residents and businesses directly affected by the temporary road closures and temporary parking restrictions at least 14 days prior to the event, advising the following:
 - event name
 - event times
 - contact details of at least two (2) people involved in the organisation of the Event, in case of an emergency
 - proposed actions to be undertaken to mitigate the impact of the temporary road closures and temporary parking restrictions.
3. That the Traffic Management Plan dated 7 November 2016 and associated Traffic Guidance Scheme dated 13 October 2016 be implemented. Any modifications to the plans must be agreed with Council prior to the running of the event.
4. That the event organiser abides by the written approval from the NSW Police.
5. That the event organiser notify the NSW Ambulance, NSW Fire & Rescue and the State Emergency Service of the proposed road closures at least 14 days in advance of the event.
6. That the event organiser notifies local Transport Services (Bus Companies, Taxis) of the proposed road closures at least 14 days in advance of the event.

-
7. An RMS accredited (Yellow card) person is to be used for the establishment and removal of the traffic control devices.
 8. RMS accredited traffic controllers (Blue card) are to be used to control traffic.
 9. That the event organiser abides by any other condition that Council and the Police may impose at any time.
 10. That the event organiser submit to Council 14 days prior to the commencement of the event evidence of Public Liability Insurance for the amount of \$20 million, which is valid for the duration of the event, including placement and removal of traffic control devices.
 11. The event organiser must have this approval and the Traffic Management Plan and Traffic Guidance Scheme described above on site at all times for the duration of the event.

CARRIED: 9/0

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

AGAINST: Nil

13.04 SMALL VILLAGES PEDESTRIAN ACCESS AND MOBILITY PLAN

RESOLVED: Alley/Dixon

That Council:

1. Note the information contained in the report relating to preparation of the Draft Small Villages Pedestrian Access and Mobility Plan.
2. Exhibit the Draft Small Villages Pedestrian Access and Mobility Plan for the period 16 January 2017 to 24 February 2017.

CARRIED: 9/0

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

AGAINST: Nil

13.05 PORT MACQUARIE TOWN CENTRE - PEDESTRIAN FACILITY INVESTIGATIONS

RESOLVED: Turner/Cusato

That Council:

1. Note the information contained in the report titled Port Macquarie CBD – Pedestrian Facility Investigations.
2. Undertake further detailed investigations and develop concept plans for the proposed treatments contained within the report.
3. Consider inclusion in the Draft 2017/2018 Operational Plan, an allocation to complete the detailed design of the signalisation of the Gordon and Horton Street intersection.
4. Undertake a community engagement program in relation to the proposals including the wider community as well as specific stakeholders such as the Access Sub-Committee, Town Centre Master Plan Sub-Committee and Port

Macquarie Chamber of Commerce, following the detailed investigation and development of concept plans.

5. Request a report be presented to a future Council meeting detailing the outcomes of the community engagement program and any future actions.

CARRIED: 9/0

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

AGAINST: Nil

13.06 SOUTHERN ARM TRUNKMAIN EASEMENT

RESOLVED: Levido/Alley

That Council:

1. Delegate to the General Manager the authority to enter into construction licence and easement conditions by completing the necessary documentation from National Parks & Wildlife Service for the construction of the Southern Arm Trunk Main section adjacent to Houston Mitchell Drive, subject to consideration of final conditions and clauses.
2. Delegate to the General Manager the authority to sign the Letter of Authority from Forestry Corporation NSW for the construction of the Southern Arm Trunk Main section adjacent to Houston Mitchell Drive, subject to consideration of final conditions and clauses.

CARRIED: 9/0

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

AGAINST: Nil

13.07 PLANNING PROPOSAL - HOMEDALE ROAD, KEW

Councillor Levido declared a Non-Pecuniary, Significant Interest in this matter and left the room and was out of sight during the Council's consideration, the time being 7:11pm.

RESOLVED: Cusato/Dixon

That Council:

1. Prepare a planning proposal pursuant to section 55 of the Environmental Planning and Assessment Act 1979 in relation to part of Lot 202 DP 1133171, Homedale Road, Kew for residential and environmental purposes as described in this report.
2. Submit the planning proposal to the NSW Department of Planning and Environment requesting a Gateway Determination pursuant to section 56 of the Environmental Planning and Assessment Act 1979 and the issue of a Written Authorisation to Council to Exercise Delegation of the plan making functions under section 59 of the Act in respect of the planning proposal.

-
3. Delegate authority to the Director Development and Environment to make any amendments to the planning proposal as a result of the section 56 Gateway Determination, prior to public exhibition of the proposal.
 4. Note that a further report will be presented to Council following the public exhibition period to demonstrate compliance with the Gateway Determination and to provide details of any submissions received throughout that process.
- CARRIED: 8/0
- FOR: Besseling, Alley, Cusato, Dixon, Griffiths, Hawkins, Intemann and Turner
- AGAINST: Nil
-

13.08 DRAFT YIPPIN CREEK STRUCTURE PLAN - CONSIDERATION OF SUBMISSIONS & RE-EXHIBITION

Councillor Levido declared a Non-Pecuniary, Significant Interest in this matter and remained out of the room and was out of sight during the Council's consideration.

Councillor Dixon declared a Non-Pecuniary, Significant Interest in this matter and left the room and was out of sight during the Council's consideration, the time being 7:12pm.

RESOLVED: Intemann/Hawkins

That Council:

1. Note the submissions to the draft Yippin Creek Structure Plan as discussed in this report and contained in Attachment 2.
2. Place the revised draft Yippin Creek Structure Plan, as described in this report, on public exhibition between 30 January 2017 and 28 February 2017.
3. Advise all persons who have previously made submissions and who own land within or adjoining the Yippin Creek Structure Plan Area regarding the public exhibition of the revised draft Plan.
4. Note that a further report will be presented to the March 2017 meeting of Council, detailing the submissions received as a result of the re-exhibition period.

CARRIED: 7/0

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

AGAINST: Nil

Councillor Levido returned to the meeting, the time being 7:12pm.

Dixon returned to the meeting, the time being 7:12pm.

Item - 13.09 Optimising Utilisation of Port Macquarie Sports Fields - has been moved to another part of the document.

14 QUESTIONS FOR NEXT MEETING

Nil.

CONFIDENTIAL COMMITTEE OF THE WHOLE

RESOLVED: Dixon/Cusato

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 T-16-27 Cairncross Landfill Gas Pumping Trial

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 15.02 T-16-41 Supply of Cisco Network Switch Equipment

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-16-46 Provision of Road Patching and Kerb Replacement Services

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 15.04 T-16-47 Provision of Aviation Security Screening Services, Port Macquarie Airport

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 15.05 T-16-55 Fencing Supply and Installation for Second Hockey Field at Wayne Richards Park

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.

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- Item 15.06 T-16-57 Management, Operation and Promotion of Port Macquarie Indoor Stadium
- 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 15.07 T-16-61 Supply and Delivery of Domestic Water Meters (REGPRO181617)
- 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 15.08 T-16-04 Sewer SCADA Development
- 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 15.09 T-16-06 Advertising on and Maintenance of Transport Assets
- 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 15.10 Water Main Construction - Pacific Highway to John Oxley Drive North Oxley Town Centre
- 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.
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 7:12pm.

RESUME MEETING

The Ordinary Council Meeting resumed at 7:22pm.

ADOPTION OF RECOMMENDATIONS FROM THE CONFIDENTIAL COMMITTEE OF THE WHOLE

RESOLVED: Cusato/Levido

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

Item 15.01 T-16-27 Cairncross Landfill Gas Pumping Trial

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, prejudice the commercial position of the person who supplied it.

RECOMMENDATION

That Council:

1. Accept the tender from Landfill Gas Industries Pty Ltd for \$139,500 (exclusive of GST) for the Cairncross Landfill Gas Pumping Trial.
2. Accept the Schedule of Rates from Landfill Gas Industries Pty Ltd for the Cairncross Landfill Gas Pumping Trial.
3. Affix the seal of Council to the necessary documents.
4. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-27.
5. Include the Cairncross Landfill Gas Pumping Trial project in the 2016 - 2017 Operational Plan, to be funded by \$150,000 from reserves held within the Waste Fund.

Item 15.02 T-16-41 Supply of Cisco Network Switch Equipment

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, prejudice the commercial position of the person who supplied it.

RECOMMENDATION

That Council:

1. Accept the quotation, through Local Government Procurement, from Leading Edge Computers Port Macquarie, for the purchase of Cisco Network Switch Equipment for \$411,198 (excl GST).
2. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-41.

Item 15.03 T-16-46 Provision of Road Patching and Kerb Replacement Services

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.

RECOMMENDATION

That Council:

1. Accept the tender from Continuous Kerbing Pty Ltd for the Provision of Road Patching and Kerb Replacement Services for the period 14 December 2016 to 13 December 2017 with options to extend for up to a further two (2) x one (1) year periods (at Council's sole discretion).
2. Accept the Schedule of Rates from Continuous Kerbing Pty Ltd.
3. Affix the seal of Council to the necessary documents.
4. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-46.

Item 15.04 T-16-47 Provision of Aviation Security Screening Services, Port Macquarie Airport

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.

RECOMMENDATION

That Council:

1. Accept the Schedule of Rates tender from Sydney Night Patrol & Inquiry Co Pty Ltd t/as SNP Security with an annualised service fee of \$914,205 (exclusive of GST) per annum for the provision of Aviation Security Screening Services at Port Macquarie Airport for the period 4 February 2017 to 3 February 2020 with an option to extend for a further three (3) year period (at Council's sole discretion).
2. Affix the seal of Council to the necessary documents.
3. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-47.

Item 15.05 T-16-55 Fencing Supply and Installation for Second Hockey Field at Wayne Richards Park

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.

RECOMMENDATION

That Council:

1. Accept the tender from Olympic Fencing (NSW) Pty Ltd for \$129,470 (exclusive of GST) for the supply and installation of fencing for the Second Hockey Field at Wayne Richards Park.
2. Accept the Schedule of Rates from Olympic Fencing (NSW) Pty Ltd for the supply and installation of fencing for the Second Hockey Field at Wayne Richards Park.
3. Affix the seal of Council to the necessary documents.
4. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-55.

Item 15.06 T-16-57 Management, Operation and Promotion of Port Macquarie Indoor Stadium

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.

RECOMMENDATION

That Council:

1. Accept the tender from International Facility Management Group for the Management, Operation and Promotion of the Port Macquarie Indoor Stadium of \$30,000 (excl GST) per annum as net Lessee Service Contribution (payment) to Council, for a period of five (5) years with an option to extend for a further five (5) year period (at Council's sole discretion), subject to s47 of Part 2 of Chapter 6 of the Local Government Act 1993 (NSW) being satisfied including, but not limited to, public notice of the proposal to grant the management agreement being given in accordance with that section.
2. That the successful tenderer be informed of this resolution.
3. Subject to satisfactory resolution 1 above, affix the seal of Council to the necessary documents.
4. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-57.

Item 15.07 T-16-61 Supply and Delivery of Domestic Water Meters (REGPRO181617)

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.

RECOMMENDATION

That Council:

1. Accept the tender from Elster Metering Pty Ltd for the Supply and Delivery of Domestic Water Meters for a twenty four (24) month period commencing on 1 January 2017 to 31 December

-
- 2018, with a twelve (12) month option to extend (at Council's sole discretion).
 2. Accept the Schedule of Rates from Elster Metering Pty Ltd for the Supply and Delivery of Domestic Water Meters.
 3. Affix the seal of Council to the necessary documents.
 4. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-61 (REGPRO181617).

Item 15.08 T-16-04 Sewer SCADA Development

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.

RECOMMENDATION

That Council:

1. Accept the tender from SAFEgroup Automation Pty Ltd for \$322,263 (exclusive of GST) for the procurement and development of a Supervision Control And Data Acquisition (SCADA) system for remote monitoring and control of the sewer scheme in the Port Macquarie Hasting Council local government area.
2. Accept the Schedule of Rates from SAFEgroup Automation Pty Ltd for the procurement and development of a Supervision Control And Data Acquisition (SCADA) system for remote monitoring and control of the sewer scheme in the Port Macquarie Hasting Council local government area.
3. Affix the seal of Council to the necessary documents.
4. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-04.

Item 15.09 T-16-06 Advertising on and Maintenance of Transport Assets

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.

RECOMMENDATION

That Council:

1. In accordance with the Local Government (General) Regulations 2005, 178 (1) (b), decline to accept any of the tenders submitted for Tender T-16-06 Advertising on and Maintenance of Transport Assets.
2. Decline to invite fresh tenders for the reason that the Tender Evaluation Panel (TEP) considers that Claude Outdoor Pty Ltd is appropriately qualified, experienced and able to meet the requirements of the tender; however further negotiations with Claude Outdoor Pty Ltd are required to ensure that Council's objectives are met under the resultant contract as detailed in the

-
- body of this report.
3. In accordance with the Local Government (General) Regulations 2005, 178 (3) (e), enter into negotiations with Claude Outdoor Pty Ltd with the intention of ensuring an optimal overall outcome in relation to the Conditions of Contract and operating structure.
 4. Maintain the confidentiality of the documents and considerations in respect of Tender T-16-06.

Item 15.10 Water Main Construction - Pacific Highway to John Oxley Drive North Oxley Town Centre

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 information contained in this report.
2. In accordance with Section 55 (3) (i) of the Local Government Act, 1993, due to the extenuating circumstances and unavailability of reliable and competitive tenders, as described in this report, does not invite tenders for the construction of a water main pipeline between the Pacific Highway to John Oxley Drive (North Oxley), as a satisfactory result would not be achieved.
3. Delegate authority to the General Manager to enter into an agreement for construction of the water main, subject to the negotiated cost being generally in accordance with Council's estimate.

CARRIED: 9/0

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

AGAINST: Nil

The meeting closed at 7:22pm.

.....
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:
.....

Name:

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. The Council official must not be present at, or in sight of, the meeting of the Council at any time during which the matter is being considered or discussed, or at any time during which the council is voting on any question in relation to the matter. (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 Name:

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..
- 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: 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 09.08 be considered as confidential, in accordance with Section 11(3) of the Local Government Act.

Discussion

The following confidential attachments have been submitted to the Ordinary Council Meeting:

Item No:	09.08
Subject:	Quarterly Budget Review Statement
Attachment Description:	2016-2017 December Quarterly Budget Review Statement - Consultancy Engagements
Confidential Reason:	Relates 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).

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
Performance Measurement Framework (Item 09.07 - OC 05/10/16)	Refer to report titled: Performance Measurement Framework	DCOS		Feb 2017
Stormwater Network (Item 13.01 - OC 19/10/16)	Refer to report titled: Stormwater Drainage - Risks and Opportunities	DIAM		Feb 2017
Making a Decision About Future Rates - Post Exhibition (Item 09.14 - OC 16/11/16)	Refer to report titled: Making a Decision About Future Rates	DCOS		Feb 2017
Project Management Policy - post exhibition (Item 09.05 - OC 16/11/16)	Refer to report titled: Project Management	DCOS		Feb 2017

Ensuring Good Governance

Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Review and future options for: a) Heritage, Arts and Cultural Priorities Advisory Group b) Aboriginal Advisory Committee c) Implementation and monitoring of the Glasshouse Strategic Plan, particularly in relation to the objectives of the Cultural Plan. d) PMHC Youth Advisory Committee e) Mid North Coast Co-operative Library Committee (Item 09.04 - OC 16/11/16)	Refer to report titled: Review of Select Council Committees	GM		Feb 2017
Review for streamlined approach: a) Australia Day Sub-Committee b) Mayor's Sporting Fund c) Port Macquarie-Handa Sister City Sub-Committee (Item 09.04 - OC 16/11/16)	Refer to report titled: Review of Select Council Committees	DCEG		Feb 2017
Alternate Chairs for Sub-Committees (Item 09.04 - OC 16/11/16)	Refer to report titled: Alternate Chairs for Committees	GM		Feb 2017
Options to support needs of local sporting user groups. (Item 13.09 - OC 14/12/16)	Refer to report titled: Optimising Utilisation of Port Macquarie Sports Fields	DCEG		Feb 2017
Lake Cathie Coastal Management Development Control Plan - post exhibition (Item 12.04 - OC 14/12/16)		DDES		Mar 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	Mar 2017
Town and Village Signage (Item 13.08 - OC 16/11/16)		DCEG		Mar 2017

Ensuring Good Governance

Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Opportunities for Local Firms to do Business with Council (Item 11.01 - OC 16/11/16)		DCOS		Mar 2017
Audit, Risk and Improvement Committee Charter Review (Item 09.04 - OC 16/11/16)		DCOS		Mar 2017
ICT Strategy Implementation Status (Item 09.06 - OC 14/12/16)		DCOS		Mar 2017
Amendment to 2016-2017 Fees and Charges - post exhibition (Item 09.10 - OC 14/12/16)		DCOS		Mar 2017
Operational Land Classification - Lots 87 & 89 DP 1219489 Boltwood Way, Thrumster - post exhibition (Item 13.01 - OC 14/12/16)		DCOS		Mar 2017
Draft Yippin Creek Structure Plan - post exhibition (Item 13.08 - OC 14/12/16)		DDES		Mar 2017
Cultural Plan 2016-2019 - Progress Report (Item 10.03 - OC 10/08/16)		DCEG		April 2017
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)	Delayed to align with UGMS report.	DDES	Dec 2016	May 2017
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	May 2017

Ensuring Good Governance

Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Sancrox Employment Land Environmental Lands and Services Planning Agreement - post public exhibition. (Item 12.04 - OC 10/08/16)	There are delays with the acquisition process	DDES	Feb 2017	May 2017
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	Jun 2017
Planning Proposal - Homedale Road Kew - post exhibition (Item 13.07 - OC 14/12/16)		DDES		Oct 2017
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		TBA
Classification of Land - Lot 5 DP774400 Stingray Creek Bridge Environmental Offset (Item 12.01 - OC 16/11/16)		DCOS		TBA
Planning Controls for Short Term Rental Accommodation Report on findings and recommendations arising from the Inquiry 'Adequacy of the regulation of short-term holiday letting in NSW'. (Item 13.07 - OC 16/03/16)	Pending government response to the inquiry.	DDES		TBA
Tuffins Lane Sporting Fields - Terms of Agreement (Item 06.02 - OC 14/12/16)		GM		TBA

Ensuring Good Governance

Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Short-Term Holiday Letting - post release of NSW Government response to Inquiry 'Adequacy of the regulation of short-term holiday letting in NSW'. (Item 12.03 - OC 14/12/16)		DDES		TBA
Port Macquarie Town Centre Pedestrian Facility Investigations - post community engagement (Item 13.05 - OC 14/12/16)		DIAM		TBA

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)

Ensuring Good Governance

Report	Reporting Officer	Reporting Cycle
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)
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: PERFORMANCE MEASUREMENT FRAMEWORK

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.5.2 Provide and maintain efficient and effective information management systems that are accessible, user friendly and meet community and organisational requirements.

RECOMMENDATION

That the information in the Performance Measurement Framework report be noted.

Executive Summary

At the Ordinary Council Meeting held on 5 October 2016, Council resolved:

*09.07 NOTICE OF MOTION - PERFORMANCE MEASUREMENT FRAMEWORK
RESOLVED: Hawkins/Cusato*

That Council:

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

This report addresses the above Council resolution.

Predominantly, the report presented to the February 2014 Ordinary Meeting of Council on the Performance Measurement Framework remains relevant and current in February 2017. That report is attached for information.

Since this time and more recently, Port Macquarie-Hastings Council has been involved in a Sector-Led Performance Monitoring Pilot Project which has been conducted through a working group comprising representatives from:

Ensuring Good Governance

- Selected NSW Councils (including Port Macquarie-Hastings Council)
- Local Government NSW (LGNSW)
- Office of Local Government (OLG)
- UTS Institute for Public Policy and Governance (UTS: IPPG).

The Sector-led Performance Monitoring Pilot Project came about due to various Councils and the UTS: IPPG wanting to push forward with the development of some form of performance measurement framework in light of the fact the OLG had not progressed plans for such a framework.

This report captures the ongoing relevance of the February 2014 report, and summarises the current involvement in the Sector-led Performance Monitoring Pilot Project, noting that this project is ongoing.

Discussion

Status in February 2014

A report was provided to the Ordinary Meeting of Council on 19 February 2014 on Building a New Local Government Performance Management Framework. Whilst a copy of this report is provided as an attachment to this report, the following is a summary of that report:

Following the Destination 2036 meeting with all Councils in 2011, the Division of Local Government (now the Office of Local Government (OLG)) had been working on a number of initiatives as a result of that meeting. Improving performance measurement of local government was one of the key focus areas identified through this process.

A discussion paper was circulated in November 2013 titled "Strengthening councils and communities: Building a new framework for measuring performance in local government" and all Councils were invited to provide feedback. Additionally, Councils were invited to participate in a survey on "Performance Measurement and Community Satisfaction Surveys".

This information was circulated to all Councillors and a copy of the proposed response was provided seeking feedback. All feedback was incorporated into the final response to the Division of Local Government which was sent on the 24 January 2014. A copy of this submission is attached to this report.

Current Office of Local Government Position - 2016

Whilst a Performance Measurement Framework appears to remain on the OLG's forward planning schedule, there has been no further information provided to Council's in this regard since early 2014. As stated above, the OLG does have representation at the Sector-Led Performance Monitoring Pilot Project working group meetings.

Current Performance Reporting - Port Macquarie-Hastings Council (PMHC) - 2016

PMHC currently meets a range of performance reporting responsibilities and in some instances exceeds its legislative requirements, by providing the following:

Ensuring Good Governance

- An Operational Plan quarterly report to Council - detailing performance against the operational plan performance measures;
- A six monthly progress report on implementing the activities of the Delivery Program to Council - detailing progress against Delivery Program objectives;
- An End of Term report - detailing progress against Delivery Program objectives over the previous elected term of Council;
- A Monthly Budget Review to Council - detailing the financial position of Council on a monthly basis*;
- A monthly Investments report*;
- A Quarterly Budget Review statement quarterly;
- An Annual Report - to the Office of Local Government - detailing the achievements against the Operational Plan activities, the annual financial position together with other statutory reporting requirements such as the GIPA returns etc;
- An Annual Report to Council on Compliments and Complaints - detailing all compliments and complaints together with trend analysis;
- Regular community satisfaction surveys (reported to Council and the community) - outlining the community's feedback regarding satisfaction with service delivery by PMHC*;
- A quarterly Community Connect newsletter - detailing and highlighting achievements and major projects during the year. This is sent with the rates notices (both electronically and by mail)*;
- An annual Community Report Card - which is an executive summary for the community of achievements during the year against the operational plan and
- Regular Development Assessment and Activity System reporting*.

** denotes where reporting exceeds legislative requirements.*

Sector-Led Performance Monitoring Pilot Project

As noted in the above-mentioned 2014 report, the OLG has identified that it intends to introduce a new system for measuring local government performance and supporting improvement, as part of its local government reform program. A Sector-Led Performance Monitoring Pilot Project was developed with a working group being formed to progress the project. At this stage, the OLG involvement with the sector-led project indicates that they are willing to be part of whatever framework is developed as part of this project, with the intent being that the sector-led project would inform the final OLG position on a performance management framework.

The Working Group is comprised of representatives from:

- Selected NSW Councils (including Port Macquarie-Hastings Council);
- LG NSW;
- OLG;
- UTS: IPPG.

UTS: IPPG have provided coordination, research, performance measurement insight, data collation and administrative support to the project.

The project aims include:

Ensuring Good Governance

- Learn from the development of existing performance measurement systems, particularly from the Victorian framework;
- Establish a suite of performance metrics appropriate for local government in NSW and potentially elsewhere in Australia;
- Develop a peer review framework for local government in NSW;
- Pilot the performance measurement and improvement frameworks among a small group of Councils; and
- Inform development of the NSW Office of Local Government's proposed performance measurement framework.

The Working Group has met on several occasions and most recently on 19 December 2016.

At the inception workshop, the following key points were noted:

Guiding Principles	No time or need to reinvent the wheel – will build on what has already been done in NSW and in other Australian jurisdictions and overseas.
	Participation in the project is open to all Councils in NSW with an interest in progressing a Local Government (LG) performance measurement system
	The project will be Council-driven
Pilot Project Objective	To produce a Council-endorsed LG performance measurement system that is effective, scalable and flexible and supports Councils' performance improvement.
	The pilot project has two outputs to be conducted in consecutive stages: First stage = Identify a set of performance indicators across the areas of finance and governance (and service delivery, time permitting) – for trialling by participating Councils. Second stage = Develop a peer review process focussed on performance improvement and benchmarking to be trialled between like Councils.
Agreed Process	The identification of the performance indicators will draw on: Existing work done by OLG towards developing a new performance measurement framework; Victoria's Local Government Performance Reporting Framework; Work done on performance

Ensuring Good Governance

	measurement in-house by NSW councils and; OLG's Promoting Better Practice review of councils in NSW.
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First Stage: Identification of a set of performance indicators.

The first stage performance indicators have been identified as part of the pilot project and are currently being trialled with the purpose being to test utility and refine the metrics. An extract of the measures being tested as part of the project are included in the table below and cover dimensions of Resilience, Liquidity, Debt, Infrastructure Renewals, Local Government Efficiency Proxies, Budget Accuracy, resident and Business Satisfaction: Governance, Demographic Risk, Consistency of Accounting Accruals Estimates and Equity.

Measurement Dimensions	Metrics Examples
Resilience	Operating Ratio
	Rates, Annual Charges, Interest & Charges Outstanding Percentage
	Rate Cap %
	SRV Determination %
Liquidity	Cash Expense Cover Ratio
	Current ratio
Debt	Nett Financial Liabilities as a Proportion of Revenue
Infrastructure Renewals	Buildings, Infrastructure and Other Structures Renewal Ratio
Local Government Efficiency Proxies	Operational Expenditure (Excluding Roads, Water and Sewerage) per assessment
	Road Operation Expenditure per Kilometre
Budget Accuracy	Deviation from Budgeted Revenue (%)
	Deviation from Budgeted expenditure (%)
Resident and Business Satisfaction with Local Government and Delivery on Community Plans	Overall Resident Satisfaction
	Overall Business Satisfaction
Governance	Councillor Attendance
	Number of GIPA Requests
	Number of Council Decisions Made at Meeting Closed to the Public
Demographic Risk	Proportion of Individuals on the Aged Pension
Consistency of Accounting Accruals Estimates	Depreciation rate (%)
Equity	Proportion of Operational Expenditure Funded by Fees and Charges (%)

There are some current challenges which have been identified including:

Ensuring Good Governance

- Accuracy of input data;
- Consistency (for example with Resident and Business Satisfaction, there is no standardised survey conducted).
- Need for individual Council comment for context and
- Insufficient data for comparisons and decision making.

The next phase (to commence in early 2017) is proposed to include:

- To move to an online platform;
- To incorporate time trend data (additional financial years' data etc);
- Clustering (noting that more Councils will need to be involved).

The development of a peer review process is also being considered for 2017.

Whilst Stage 1 was completed in December 2016, the timelines for 2017 are yet to be finalised.

It is noted that the second resolution from the 5 October 2016 Council meeting as mentioned above asked for a proposed forward path incorporating high level milestones and indicative timelines. It is not possible to provide this level of detail at this stage. The reason for this is that the Sector-Led Performance Monitoring Pilot Project is still in its infancy and Council will be guided by the milestones and timelines set by that overarching program.

It is considered that Council's involvement in this Sector-Led Performance Monitoring Pilot Project is a critical step forward in continuing our regional leadership on issues of significance to the industry and in ensuring the organisation focuses on ongoing performance monitoring and reporting across all facets of its business and the services provided for the community.

Options

This is an Information report only.

Community Engagement & Internal Consultation

Internal Consultation has occurred with:

- General Manager;
- Directors;
- Group Manager Organisational Performance.

Planning & Policy Implications

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

Financial & Economic Implications

There are no direct financial and economic implications in relation to this report.

Ensuring Good Governance

Attachments

- 1 [View](#). Response to DLG on Performance Measurement Framework in NSW Local Government - January 2014
- 2 [View](#). Performance Measurement Framework - February 2014 Council Report.

Ensuring Good Governance

Item: 09.03

Subject: PROJECT MANAGEMENT

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:

- 1. Adopt the Project Management Policy, as attached to the Project Management report.**
- 2. Rescind the:**
 - (a) Project Management and Gateway Policy.**
 - (b) Project Management Guidelines Policy.**

Executive Summary

Council has been undertaking a review of the Project Management framework since 2011. This initially resulted in the adoption of the Project Management and Gateway Policy (2012) and project management framework (updated 2014).

A project management review group has been used in place of the Gateway project management process noting the expense and unavailability of resources in gateway reviews. The decision to implement the substitute project management steering group process has been made on a case by case basis.

The most recent review of the Project Management Framework has resulted in the development of a draft Project Management Policy and accompanying procedure and templates. The draft Project Management Policy has been endorsed by the Audit Committee.

The draft Project Management Policy was publically exhibited from 25 November 2016 until 23 December 2016. It is now ready to be adopted by Council.

The supporting project management framework documents that are more operational in nature, that include the Project Management Procedure and project management templates have been approved and adopted by the Executive team.

Ensuring Good Governance

Discussion

Background

Review of Project Management Framework

Council developed a project management framework during 2004-2005. Since its introduction the framework has had varying levels of use across the organisation.

During 2011, it was determined that an integrated approach to project management was lacking. Council at this point in time had the project management framework (2004-2005) and the Project Gateway Review Policy (2008). The framework and Policy did not integrate.

As a result of the review of the organisation's project management framework a revised Project Gateway Review Policy and project management framework was proposed as an interim strategy.

A working group was formed to action the interim strategy. The working group revised the project management framework to consist of three levels of project management:

- Level 1: Standard Project Checklist.
- Level 2: Project Plan.
- Level 3: Gateway Project Management.

Council adopted the Project Management and Gateway Policy at its October 2012 Ordinary Meeting of Council, which replaced the Project Gateway Review Policy (2008).

In 2014, an internal cross functional working group, the Project Management Review Group, was formed whose membership consists of representatives from across the organisation.

Current Progress

Council, at the March 2015 Ordinary Meeting of Council, resolved the following:

9.04 PROJECT MANAGEMENT

RESOLVED: *Hawkins/Griffiths*

That Council note the report on project management and the current status of the review of the Project Management and Gateway Policy.

CARRIED: 9/0

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

AGAINST: Nil

Ensuring Good Governance

The Project Management policy has been developed using a number of key inputs. These include:

- ISO21500, international project management standard.
- Project Management Framework Internal Audit.
- Council wide survey.
- Feedback from the Senior Leadership team, the cross functional Project Management Review Group, the Executive team and the Audit Committee.

It is envisaged that the key benefits that will result from the implementation of the draft Project Management policy and accompanying procedure and standardised templates will be:

- clarity as to when the project management framework needs to be used.
- a consistent and aligned approach to project management within Council.
- more support and guidance relating to how to manage projects.
- more projects are delivered within cost and budget estimates and on time.

Review of the Project Management Policy

1. A review of the Project Management Framework has now taken place, with the Project Management Policy now ready for formal adoption.
2. Community consultation was undertaken in adherence to Council's Community Engagement Policy. Consultation has taken place with relevant staff and the community.
3. The draft Project Management Policy was publicly exhibited from 25 November 2016 until 23 December 2016 during which submissions were accepted from the public on the draft Policy during that period. One submission was received (summarised below and attached).

Submission-		Issue
1.	Port Macquarie-Hastings Resident	The resident proposed that Council consider the application of <i>Earned Value Management</i> to support project forecasting and reporting purposes.
	Response/Comment	Council responded by informing the resident that the scope of stage 2 of the Project Management Framework Review would include reporting. At this stage the resident's suggestion would be considered.

All feedback from the consultation undertaken has been considered. No amendments were required. The Project Management Policy is provided as Attachment 1 to this report.

The supporting project management framework documents that are more operational in nature, that include the Project Management Procedure and project management templates have been approved and adopted by the Executive team.

Planning relating to training staff that will be required to adhere and operate within the Project Management Framework is underway

Ensuring Good Governance

Options

Council may choose to continue with the current project management framework.

Community Engagement & Internal Consultation

Community Engagement

Community consultation was undertaken in adherence to Council's Community Engagement Policy. The community consultation plan was based around Council informing and consulting with the community.

The draft Project Management Policy was publicly exhibited from 25 November 2016 until 23 December 2016.

During the Project Management Policy submission period one submission was received.

Internal Consultation

- Audit Committee.
- Executive Team.
- Senior Leadership Team.
- Group Manager Governance & Executive Services.

Planning & Policy Implications

The current practice of utilising a project management review group in place of the Gateway project management process is inconsistent with current Policy.

The comprehensive review and adoption of Council's Project Management Policy, currently will directly address this issue.

Financial & Economic Implications

An intent of the comprehensive review of Council's Project Management and Gateway Policy is to provide further financial accountability with regard to Council's project management and delivery.

The Project Management Review Group Charter explicitly outlines that one of its responsibilities is to fulfil the relevant requirements of Outcome 4 of the Tardiis Financial Accountability Project, which seeks to address the organisations management of projects.

It is envisaged that the introduction of a comprehensive Project Management framework, supported by a policy, procedure and templates will ensure that more projects are delivered within cost and budget estimates and on time.

Attachments

1[View](#). Project Management Policy

2[View](#). Public Exhibition response

Ensuring Good Governance

Item: 09.04

Subject: DESIGNATED PERSONS

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 determine that the following position become a Designated Person pursuant to the provisions of section 441 of the Local Government Act 1993:

- Ranger (Litter and Illegal Dumping).

Executive Summary

This report identifies a position within Council that should be added to the Council's list of Designated Persons.

Discussion

Section 441 of the *Local Government Act 1993* ("the Act") states:

"For the purposes of this Chapter, designated persons are:

- *the General Manager*
- *other senior staff of Council*
- *a person (other than a member of the senior staff of the Council) who is a member of staff of the Council or a delegate of the Council and who holds a position identified by the Council as the position of a designated person because it involves the exercise of functions under this or any other Act (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the person's duty as a member of staff or delegate and the person's private interests"*

As new positions are established or positions responsibilities change, it is necessary to review the list of Council positions which should become Designated Persons.

"Designated Persons" must:

- *prepare and submit written returns of interest in accordance with section 449 of the Act.*
- *disclose pecuniary interests in accordance with section 459 of the Act.*

The Office of Local Government has previously advised that the range of Designated Persons must include individuals with delegations to issue orders, approvals or consents under any Act.

Ensuring Good Governance

Based on this information, the following position should be added to the existing list of Designated Positions within Council:

Ranger (Litter and Illegal Dumping)

Duties of the positions listed above can involve the issuing of orders, approvals or consents under the Local Government and related Acts. These positions have the ability to make recommendations and influence Council.

Options

Council has the option of reviewing the position for inclusion on the current list of Designated Persons.

Community Engagement & Internal Consultation

Internal Consultation

Consultation has taken place with:

- General Manager.
- Director Development & Environment Services
- Group Manager Governance & Executive Services.

Planning & Policy Implications

There are no planning or policy implications.

Financial & Economic Implications

There are no financial or economic implications.

Attachments

Nil

Ensuring Good Governance

Item: 09.05

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 Council note the Disclosure of Interest returns for the following positions:

Sport and Recreation Officer.

Building Surveyor- Regulation.

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 positions of Sport and Recreation Officer and Building Surveyor - Regulation are designated persons 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 Returns for the positions of Sport and Recreation Officer and Building Surveyor - Regulation will be tabled at this meeting.

Options

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

Ensuring Good Governance

Community Engagement & Internal Consultation

Internal Consultation

- General Manager.
- Group Manager Governance & Executive Services.
- Sport and Recreation Officer.
- Building Surveyor - Regulation.

Planning & Policy Implications

There are no planning or policy implications.

Financial & Economic Implications

There are no financial or economic implications.

Attachments

Nil

Ensuring Good Governance

Item: 09.06

Subject: MAKING A DECISION ABOUT FUTURE RATES

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:

- 1. Adopt the amended 2013-2017 Delivery Program.**
- 2. Adopt the amended Long Term Financial Plan 2016-2026.**
- 3. Request the General Manager submit an application to the Independent Pricing and Regulatory Tribunal (IPART) under section 508(2) of the NSW Local Government Act 1993, for a permanent single year Special Rate Variation (SRV) increase of 3.89% in addition to the rate peg amount of 1.5% (total 5.39%), noting that this is a single year percentage increase that will remain permanently in the rate base for the purpose of maintaining and renewing Council's road network.**

Executive Summary

Over the past five years, Council has placed a high focus on improving and maintaining our region's key transport assets, including the significant sealed and unsealed road network. In 2012 a Special Rate Variation (SRV) of 4.43% in addition to the rate peg was approved by the Independent Pricing and Regulatory Tribunal (IPART), under guidelines set by the NSW Office of Local Government.

This current SRV was approved for a period of five years and is due to expire on 30 June 2017. The value of the expiring SRV is approximately \$1.7m in additional revenue in 2016-2017. Should there be a desire to maintain this funding and hence the resulting service delivery outcomes, an application must be made to IPART via a specific process which is determined by IPART.

This report proposes that Council applies to IPART for a new single year permanent SRV to embed the funding associated with the current expiring SRV. The total SRV being requested is 3.89% plus rate peg of 1.5% = 5.39%.

The % SRV required is calculated using Council's general income. Since 2012 Council's income has grown which has caused the 4.43% of 2012 to reduce to 3.89%.

Ensuring Good Governance

In November 2016 Council resolved:

RESOLVED: Turner/Alley

That Council:

1. *Place the following draft documents on public exhibition for a period of 28 days from 21 November to 18 December 2016:*
 - *Amended 2013-2017 Delivery Program.*
 - *Amended Long Term Financial Plan.*
2. *Lodge an IPART expression of interest for a Special Rate Variation in December 2016 in relation to embedding the existing Special Rate Variation into the future noting that the submission of an expression of interest will not bind Council in applying for a Special Rate Variation.*
3. *Note that a further report will be tabled at the February 2017 meeting of Council, detailing the submissions received from the public during the exhibition period that will provide Council with information that can be taken into account in considering whether to formally apply for a Special Rate Variation to maintain the current funding levels.*

CARRIED: 8/1

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

AGAINST: Griffiths

Items 1 and 2 of the above mentioned Council resolution have been completed. This report addresses item 3 in seeking a formal resolution to submit an application to IPART for an SRV.

The scenarios presented for consideration in the November 2016 Council report and subsequently presented to the community for feedback were:

- **Scenario 1: Reduce (rate peg only, current SRV expires)**
The current SRV expires at the end of June 2017 which means rates would reduce for 2017-18. Each year after that they would increase by the rate peg only.
- **Scenario 2: Maintain (rate peg + SRV to replace expiring SRV)**
Council would continue receiving the funds from the current SRV and receive the rate peg as determined by IPART. This means in 2017-2018 the community would only see the impact of the rate peg increase.

The scenarios and subsequent community engagement were premised on a rate peg of 2.5% for 2017-2018 as indicated by IPART at the time. The total SRV presented to the community, equated to 3.96% SRV plus 2.5% rate peg (6.46%). It is important to note that IPART confirmed in December 2016 the rate peg for 17/18 will be 1.5%. The lower rate peg and inclusion of recent growth figures results in a lower SRV percentage being sought of 3.89% plus rate peg of 1.5% = 5.39%.

This report will cover details of:

- The existing SRV;
- The delivery outcomes of that funding;
- The IPART process and the results from the community engagement that has been undertaken, including the five submissions received during the public exhibition period; and
- The proposed SRV.

Ensuring Good Governance

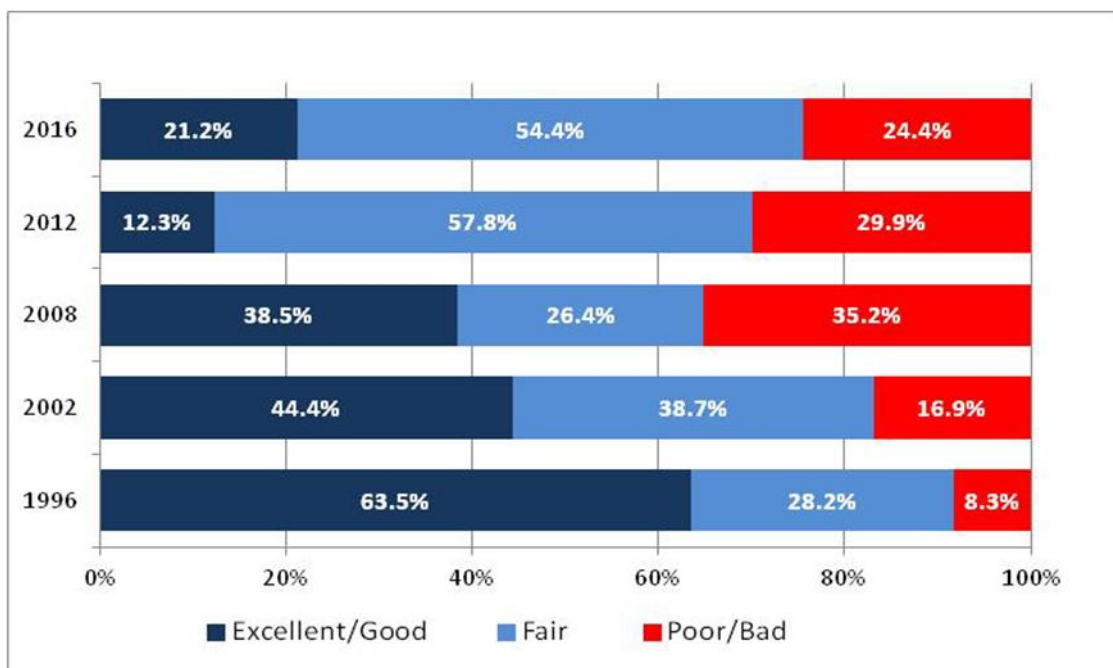
Discussion

Existing SRV and Delivery Outcomes

Council's Road Network

The sealed road network condition in 2012 was the result of a progressive and significant decline in condition since 1996. This was due to insufficient annual budget and resource allocations toward sealed road maintenance. The graph below shows the percentage of our road network in each condition from 1996 to 2016:

Table 1



The service level experienced by residents up to 2012 was reactionary maintenance only, and was characterised by significant complaints to Council during wet weather events, when the condition of the sealed road network would rapidly deteriorate and cause issues for residents. As the graph demonstrates, this resulted in a significant decline in the condition of our road network over time.

Available resources up to 2012 were only able to be applied to short-term reactive maintenance activities, such as jet patching. Jet patching is viewed as a reactionary holding treatment only, temporary in nature, effective only in postponing the requirement for a more expensive and higher level of maintenance intervention in the future.

Due to budget constraints, up to 2012 only minimal road resealing activities were able to be undertaken. In comparison to jet patching, resealing of bitumen and asphaltic surfaces is considered a preventative maintenance activity. Resealing activities extend the service life of the road and reduces the instance of pavement failures and the subsequent requirement for reactive maintenance. Further, resealing is around one tenth the cost of full reconstruction or asphalt overlays, and when done at the right time can extend the life of a road by 10 to 15 years.

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While the 2012 position indicates a conscious application of scarce funding aimed at containing the backlog of 'poor' roads and retaining as many roads as possible in at least 'fair' condition, it can be seen that this was at the cost of less roads remaining in the 'good' category. As a result, in 2012, while the rapid increase in the proportion of 'poor' roads in prior years had been arrested, it was still very high, at about one-third of the network, and represented a large backlog of work. In comparison, the improvement in the condition of the sealed road network in 2016 is the result of combining existing scarce maintenance funding with the first four years of clearly identified SRV funding, and applying these funds to specifically targeted long-term road maintenance activities.

In 2012, in recognition that the general condition of the sealed road network across the local government area was deteriorating faster than current resources could address, Council resolved to take a proactive approach to manage this network. In line with this and following an application by Council, Council received approval from IPART to apply an SRV from the commencement of the 2012/13 financial year. This SRV allowed for the funding from the 4.43% increase to apply for each of the next five years.

The SRV meant that Council could transition from utilising a short-term reactive approach to its road maintenance activities, into the development and implementation of a roads maintenance and resealing program plus invest into heavy patching and unsealed road maintenance.

These were the priorities that were identified by the community in the extensive engagement that supported the 2012 rate rise application process, and these were the areas that Council needed to focus on to halt the consistent annual decline in the condition of the road network.

Current Status

Council currently provides and maintains 875km of sealed and 465km unsealed road network across the local government area. 261km are classified as high traffic roads, consisting of 68km arterial sealed roads (e.g. Ocean Drive, Hastings River drive, Lake Road) and 193km collector sealed roads (e.g. Beechwood Rd, William St, Kennedy Dr). 465km of the network are unsealed roads (e.g. Lorne Road, Maria River Road, Pappinbarra Road). As at 30 June 2016, Council's sealed road assets are valued at \$610.2M and unsealed road assets \$94.3M, current replacement cost.

The service level currently experienced by residents is a combination of proactive and reactive roads maintenance, with Council steadily addressing the previous decline in condition of the sealed road network, through targeted and specific programs of work. In addition, more efficient work practices and ongoing resealing programmes have led to an increase in road condition and overall decrease of complaints from the public. As table 1 demonstrates since 2012 the additional funding has allowed for a reduction in our road network classed as poor/bad condition and a proactive shift towards increasing the volume classed as excellent/good condition.

The current SRV funding supports the overall maintenance of the sealed network at an average condition and the unsealed network at an average yet deteriorating condition.

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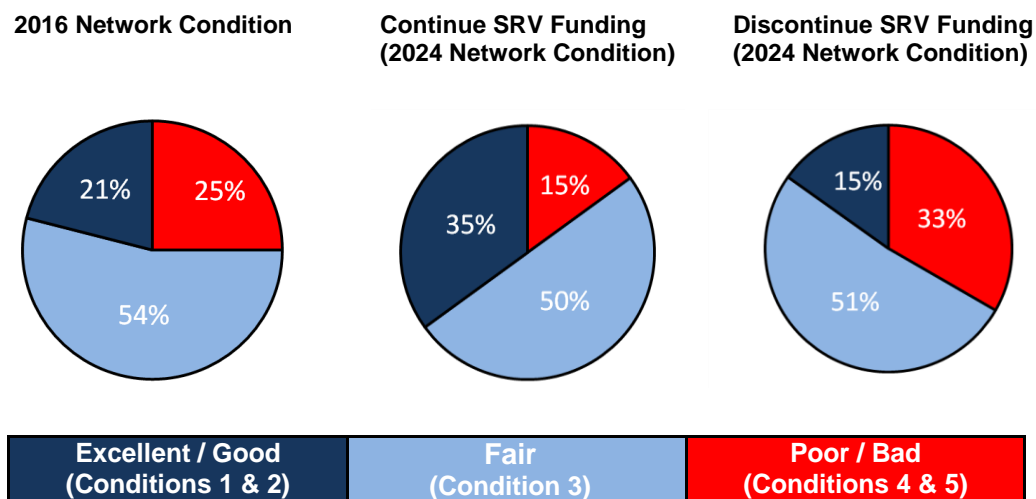
Whilst it is clear the 2012 SRV has gone a long way toward improving the high traffic and unsealed road network across the local government network with a current infrastructure backlog of \$81.4M for sealed roads and \$1.45M for unsealed roads, as reported in Special Schedule 7 as at 30 June 2016, there is still considerable work to be done to reduce our infrastructure backlog and continue our ability to maintain the progress made on the condition of our road network into the future. If Council are unable to maintain the current level of SRV funding, then the loss of the current SRV funding would create a significant estimated shortfall in the amount Council is able to allocate each year to road maintenance and would have a significant impact on the progress made and reduce the service levels received by the community.

High Traffic Sealed Roads (arterial and collector)

Council's current asset management practice is focused on increasing the lifespan of high traffic sealed roads. Council's current target, made possible by the 2012 4.43% SRV funding, is that sealed roads in the local government area will be resealed or rehabilitated every 12-14 years, in line with state wide programs.

The level of progress made since 2012/13 has been dependent on the existing SRV funding which has supported the maintenance of the network to an average condition. Should the current funding level cease there would be a significant increase in the percentage of high traffic sealed roads that fall into the poor/bad condition within the next eight years, see diagram 1.

Diagram 1 High Traffic Sealed Roads



Unsealed Roads

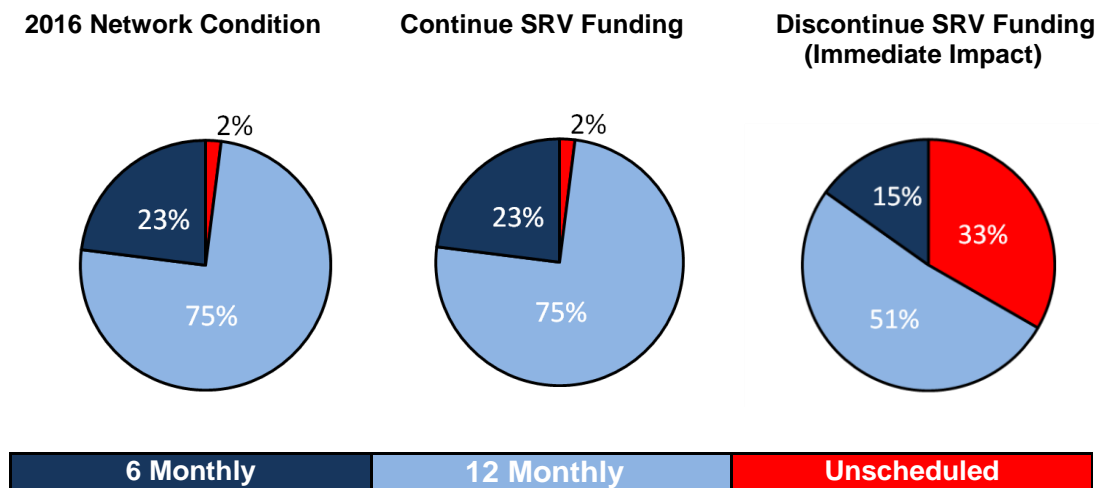
Current asset management practice for the unsealed road network requires application of new gravel material on average every eight years. For Council's network of 456km of unsealed roads this equates to 58km of new gravel each year. Current operations are providing approximately 21km of new gravel per annum.

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Continued loss of gravel and infrequent grading results in continuing deterioration of the network that in turn results in compromised connectivity and loss of all weather access across parts of the network as well as a reduction in vehicle travel speed on poor condition roads.

The existing SRV funding is supporting the maintenance of the network at an average yet deteriorating condition, with additional funding required to halt the deterioration of this asset class. Diagram 2 highlights the immediate impact the removal of additional funding would have upon the unsealed network, removing completely Council's ability to provide a proactive 6 monthly grading program, resulting in the immediate increase of unscheduled works in reaction to network issues.

Diagram 2 Unsealed Roads



Over the past five years the SRV funding has allowed us to achieve significant results including but not limited to the following.

2012 - 2013 - Yr 1 of 4.43% SRV Funding:

Council was able to undertake the following proactive works, in 2012-2013, specifically utilising the **\$1,577,600** allocated in the first year of SRV funding:

- Completion of **\$800,000** of high traffic road resurfacing work, including resealing works on Randall and Cameron Street in Wauchope, on Pacific Drive and Gordon Street in Port Macquarie, on Ocean Drive in Lake Cathie and on Panorama Drive and Beech Street in Bonny Hills;
- Completion of **\$398,000** of high priority unsealed road grading, under which all high priority unsealed roads were graded twice within the financial year, due to the addition of a fourth fulltime maintenance grading crew; and
- Completion of **\$200,000** in pavement rejuvenation across the region based on priority rankings, and investment of **\$180,000** to support design requirements for new road construction.

This was in addition to the ongoing reactive maintenance activities required to be undertaken in 2012/-2013 to maintain the overall road network.

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2013-2014 - Yr 2 of 4.43% SRV Funding:

Council was able to undertake the following proactive works, in 2013-2014, utilising the second year of SRV funding:

- Completion of **\$827,000** of high traffic road resurfacing work, including rehabilitation works on Bago Rd South of King Creek near Wauchope, Koala St (Kennedy to Shearer St), Lake Rd (Lake Road and Jindalee Rd), and Pacific Dr (Pacific Dr and Flynn St, and Waterview to Bangalay) in Port Macquarie, and resealing works on Livingstone Rd (entire length) and Pacific Dr (Livingstone Rd to bus bay) in Port Macquarie;
- Completion of **\$411,000** of unsealed road grading work, including allocation of two additional grading crews to continue the grading program; and
- Completion of **\$207,000** in pavement rejuvenation across the region based on priority rankings, and investment of **\$186,000** to support design requirements for new road construction.

This was in addition to the ongoing reactive maintenance activities required to be undertaken in 2013-2014 to maintain the overall road network.

2014-2015 - Yr 3 of 4.43% SRV Funding:

Council was able to undertake the following proactive works, in 2014-2015, utilising the third year of SRV funding:

- Completion of **\$846,000** of high traffic road resurfacing work, including foam bitumen and asphalt rehabilitation works on Cameron St (High St to Bridge St) in Wauchope, Hastings River Drive (Tuffins Ln to Boundary St) and William St (Munster St to Grant St) in Port Macquarie;
- Completion of **\$421,000** of unsealed road grading work, including allocation of two additional grading crews to continue the rural grading program; and
- Completion of **\$212,000** in pavement rejuvenation across the region based on priority rankings, and investment of **\$190,000** to support design requirements for new road construction.

2015-2016 - Yr 4 of 4.43% SRV Funding:

Council was able to undertake the following proactive works, in 2015-2016, utilising the fourth year of SRV funding:

- Completion of **\$867,000** of high traffic road resurfacing work, including foam bitumen and asphalt rehabilitation works on Lord St (Gordon St to Yaranbee Rd) and Kennedy Drive (Yaranbee Rd to Coral St) in Port Macquarie, and Ocean Drive (near Waterview Cr) in West Haven;
- Completion of **\$431,000** of unsealed road grading work, through allocation of two additional grading crews to continue the rural grading program, including 1km of works at each of Ballengarra Bransdon Rd in Telegraph Point and Pappinbarra Rd in Pappinbarra; and

Ensuring Good Governance

- Completion of **\$217,000** in pavement rejuvenation across the region based on priority rankings, and investment of **\$195,000** to support design requirements for new road construction.

2016-2017 - Year 5 (current financial year) of 4.43% SRV Funding:

In 2016-2017, in accordance with the Council adopted Operational Plan, Council will undertake the following proactive works, utilising the fifth year of SRV funding:

- Completion of **\$882,000** of high traffic road resurfacing work;
- Completion of **\$438,000** of unsealed road grading work, through allocation of two additional grading crews to continue the rural grading program; and
- Completion of **\$221,000** in pavement rejuvenation across the region based on priority rankings, and investment of **\$198,000** to support design requirements for new road construction.

During the same year, Council will again continue to focus on addressing lower priority local roads, to continue to build on the positive impacts made to the condition of the road network from the previous four years of SRV funding.

Expiry of the current SRV

The current SRV funding will expire as of 30 June 2017. It is important to consider through the following points, the impact the loss of this funding would have on the progress made to date:

- Council would no longer be in a financial position to strategically manage its road assets to the current level, and the condition of the network would deteriorate year on year;
- Council would be forced to revert to a reactive approach to roads maintenance;
- Resealing and rejuvenation works would once again be predominantly replaced by reactive jet patching works;
- Sealed roads in the local government area would only be able to be resealed or rehabilitated every 25 years; and
- There would be a significant decrease in the level of service provided to residents by these assets.

It is also important to note that the SRV application that is the subject of this report is to maintain the current level of funding plus rate peg. It will not provide adequate funding to increase the service level for roads.

Productivity improvements and cost containment strategies

In June 2015, Council was required to submit an improvement proposal to the NSW Office of Local Government as part of the NSW Government's 'Fit for the Future' assessment of councils. At the June 2015 Council meeting, Council resolved the following in response to this submission:

Any future application for Special Rate Variations associated with the submission take into account the following:

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- a) *The community's capacity to pay any suggested rate increase.*
- b) *Any further efficiencies identified in Council's current Services Review.*
- c) *The financial realisation of Council assets.*
- d) *Federal and State Government funding equity improvements.*
- e) *Feedback from the community.*

Taking into account the above Council resolution the following has been undertaken:

Community's capacity to pay

- The rates and annual charges outstanding ratio is an indication of ratepayer's ability to pay. Council performs well compared to benchmark in this ratio.

In 2015-16 Council achieved a rates and annual charges outstanding ratio of 5.34%. This ratio has been steadily improving. The 2016 result exceeded the benchmark which applied until 2015 (6%), and was close to meeting the revised benchmark of 5%.

Prior to 2015/16, the benchmark was 6% for this ratio as prescribed by Local Government Managers Australia - now known as Local Government Professionals Australia. In 2015/16 a new lower benchmark was introduced by the Local Government Code of Accounting Practice. The benchmark for metropolitan areas is 5%, and the benchmark for rural areas is 10%. Council's auditors have applied the metropolitan benchmark to Port Macquarie Hastings Council despite Council being in a regional area.

5.34% is a strong result for a regional area.

Efficiencies and Financial Realisation of Council's assets

- Council has been focused on its procurement approach and with the implementation of a procurement strategy, it is estimated that this has resulted in savings in order of \$1.3m per annum which are now embedded in our Long Term Financial Plan.
- Council has worked hard to contain staffing with very little movement in full time equivalent employees in the last few years (507 in 2015/16 compared to 490 in 2013/14) despite regional growth and improved service.
- Additionally Council has undertaken a program to ensure that annual leave is taken as appropriate. The number of annual leave hours accrued by staff in excess of 8 weeks¹ has more than halved since 2015. This results in a reduction in wages compared to what they would otherwise have been.
- Council has undertaken a review of its loan portfolio, and as a consequence has recently undertaken refinancing to take advantage of the current prevailing low interest rate environment. In total, this review will save Council in the order of \$2.5m over the life of the loans. As a consequence Council has factored significant amounts of interest savings in the outer years in its long term plan.

¹ 8 weeks is noted in the Local Government State Award 2014 as being a level of leave accrued, at which employers can work with employees to reduce leave.

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- Identified opportunities for service level change are progressing through Phase Three: Business Improvement of the Service Review Project as adopted by Council.
- Council continually reviews processes as part of its continuous improvement approach. Operational process improvements are realised across the business that provide financial savings, productivity release, improved quality, easier processes for staff and/or customers and improved customer experience/satisfaction. Examples include:
 - Campaigns to increase emailing of rates notices to save on paper and postage costs
 - Review of rates payment options
 - Life Guards alternate service delivery
 - Review of user pay fees and charges
- The property business unit is developing a property portfolio business plan, which amongst other things will consider possibilities to optimise the financial return from property assets.
- Significant progress has been made in developing and maturing our asset management plans and these will form a key part of the 2017-2021 Resourcing Strategy.

Federal and State Government funding

- In 2016 a cost shifting report was presented to Council and subsequently Council lobbied Members of Parliament for assistance in reducing the financial burden on our community. At the time of writing this report, there has been no reduction in the levels of cost shifting from other levels of government.
- The newly elected Council have formed a Portfolio focused on maximising external grants and revenues.

Feedback from the community

- Council undertakes regular community engagement on how the community feels about our region, current Council services and community service level expectations. Recent community engagement, detailed further in this report, also sought feedback from the community on its willingness and capacity to pay the proposed SRV.
- Feedback from the community is considered when making any decisions about service change and delivery.

Council has a strong commitment and continued focus on improving the delivery of Council's services in line with community expectation.

IPART process and Community Engagement

Community Engagement Activities

Council undertakes regular community consultation regarding services and community expectation. For the past two years this engagement has shown the community would like to see Council continue and 'do more' in delivering roads and infrastructure.

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A requirement of IPART is to conduct sufficient community awareness and engagement for Special Rate Variations. The purpose is to ensure Councils fully consult with their communities, demonstrate the financial impact the proposed SRV would have and allow the community the opportunity to provide feedback to Council. In addition to Council's regular community engagement we have undertaken a community engagement program specifically related to the SRV.

To meet the criteria set by IPART, Council placed the amended Delivery Program 2013-2017 and amended Long Term Financial Plan 2016-2026 on public exhibition in late 2016 and implemented a community engagement program specifically related to the proposed SRV. This program consulted with the community through a variety of methods that built upon previous community engagement conducted by Council.

Engagement over the past two years has focused on Council service levels. These activities include the (October 2015 to December 2015) Your Voice Our Community face-to-face and online engagement, and the July 2016 region-wide telephone survey conducted by University of Technology Sydney (sample 800 people). These interactions have highlighted the community's continuing desire to do more when it comes to roads. Council has listened to the priority the community place on continuing to build on the progress made over the last five years by prioritising funding to maintain and renew Council's road network.

During November and December 2016, Council continued its engagement by talking with the community about the proposed SRV impact, affordability and determining the community's willingness to pay. Engagement activities included the public exhibition of the amended Delivery Program 2013-2017 and Long Term Financial Plan 2016-2026, face to face (community events, pop up stands, community forum), online survey (PMHC Listening) and information factsheets.

Table 2 provides a summary of the engagement activities that have taken place relevant to the SRV application. There are four elements to Council's SRV engagement program:

- Council Services;
- Public exhibition of the relevant Council planning documents;
- SRV impact, capacity and willingness to pay; and
- Media communication.

Table 2

	Purpose	Method	Date	Community Participation
Council Services	Engage and consult with the community about Council services, service	Your Voice our Community campaign: <ul style="list-style-type: none"> • Online survey and discussion • Information 	April 2015 - July 2016	Service voting activity: 274 participants Online: 1549 visits, 517 responses 159 community

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	Purpose	Method	Date	Community Participation
	levels and expectations	<p>kiosks</p> <ul style="list-style-type: none"> • Focus Groups • Community Forum • Attendance at key community events <p>LGA Wide Telephone Survey</p>		<p>member attendance at forums and focus groups</p> <p>Telephone survey 800 participants with demographics in line with quotas set for age, gender and locality</p>
Public Exhibition of amended Delivery Program 2013-2017 and Long Term Financial Plan 2016-2026	Provide the community with evidence of the need for a SRV through Council's planning documents	<p>Online publication of documents</p> <p>Copies of documents available for viewing at service counters</p> <p>Submissions invited</p> <p>Attendance at key community events</p>	21 November - 18 December 2016	<p>Online: 133 visits, documents downloaded 3 times each</p> <p>5 submissions received to Council</p>
Specific SRV Engagement	Engage and consult with the community about the proposed SRV	<p>Presentations to community groups</p> <p>Community forum including live streaming of discussion and responding to community comments</p>	November - December 2016	<p>Presentations to 5 community groups - 133 community participants</p> <p>Attendance at 2 events - 8,270 community reach, 300 participation</p>

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	Purpose	Method	Date	Community Participation
		<p>Online survey, forum and information page</p> <p>Fact sheets</p> <p>Information kiosks</p> <p>Attendance at key community events</p>		<p>11 Information Kiosks across the LGA - 182 community members spoken to</p> <p>Community Forums - 23 attendees , with live feed on 10/11/16. Reached 5819 and engaged 544 community members</p> <p>PMHC Listening site open for 55 days</p> <p>1220 visits by 918 people to the have your say site</p> <p>Suite of 5 factsheets available to down load - 195 downloaded in total</p> <p>426 surveys completed</p>
Media communication	Inform and invite feedback relating to Council's SRV community engagement campaign	<p>Media releases</p> <p>Social media</p> <p>Live feed of community forum</p> <p>Council website</p> <p>Communication to online</p>	November - December 2016	<p>SRV Making a Decision about Future Rates media release on 3/11/16 - 18 page views</p> <p>Community newsletter emailed on</p>

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	Purpose	Method	Date	Community Participation
		engagement and subscriber database		2/11/16 titled 'Invitation to Council's Community Forum' was sent to 5,244 subscribers and received 2,306 unique opens Social media posts, four with a reach of 6,356 community members

Results

Following is a summary of results from the stages of community engagement relevant to the SRV application.

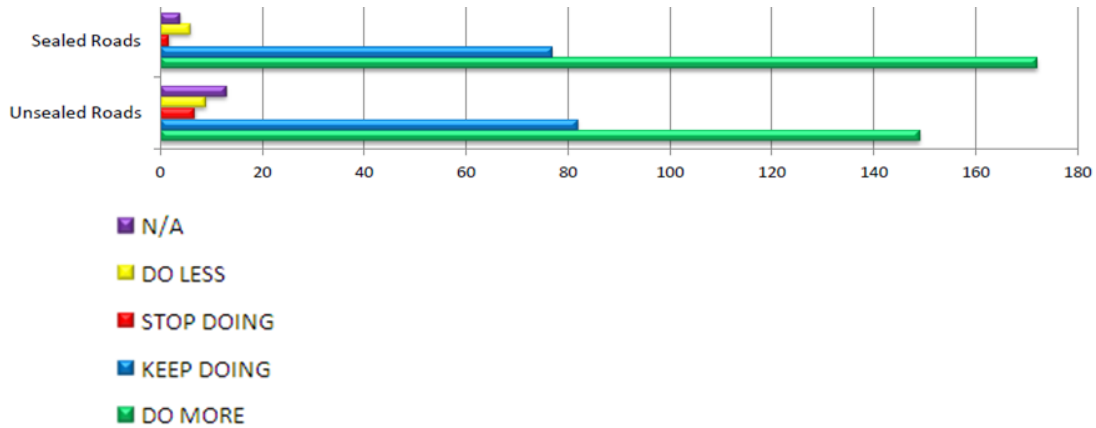
Council Services

Your Voice our Community

- The Your Voice our Community engagement talked to the community about Council Services categorised into four themes:
 - Supporting your home life;
 - Supporting you in getting around;
 - Supporting community life; and
 - Supporting business and industry.
- Supporting you in getting around focused on roads and infrastructure services.
- The voting exercise (274 participants) results show services in this theme (see table 3) are evenly split between 'keep doing' and 'do more' for sealed and unsealed roads.
- The voting demonstrates a community desire to increase the current service level for sealed and unsealed roads.

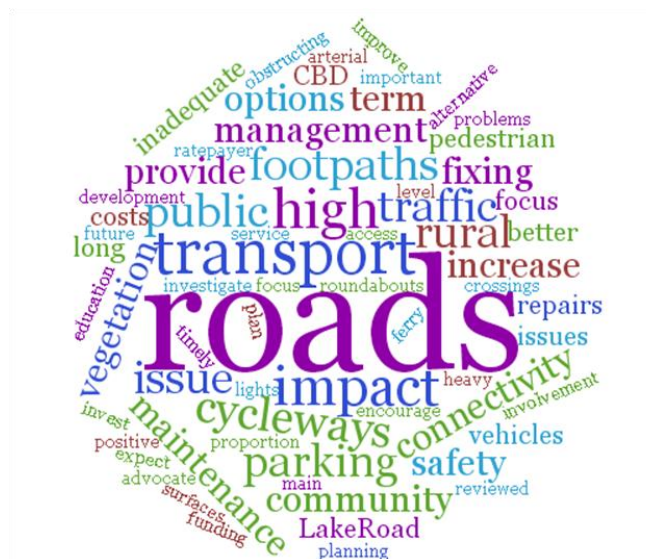
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Table 3



- The roads and transport focus groups were attended by 14 community members.
- For sealed and unsealed roads community feedback was to increase the current service levels.
- The feedback comments received throughout the Your Voice our Community engagement has been collated and entered into analytical software to produce a word cloud (diagram 1). This analysis 'counts' the number of times a particular word or phrase appears and, based on the frequency of that word or phrase, a font size is generated. The larger the font, the more frequently the word or sentiment is mentioned.

Diagram 3



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LGA wide telephone survey

- In May 2016 Council undertook a community survey of a minimum 800 residents within the Port Macquarie-Hastings Local Government Area (LGA).
 - 60% - Port Macquarie
 - 12% - Camden Haven
 - 12% - Wauchope
 - 8% - Rural
 - 8% - Lake Cathie
- The survey investigated community attitudes, values and perceptions of services, facilities, and infrastructure provided by Council.
- Results of the survey relevant to the SRV application include:
 - Over the past two years, residents perceive a positive change in Council's performance (43% believed Council's performance has improved and 43% believe it has stayed the same).
 - There was desire to increase the current service level of sealed and unsealed roads.
 - A high percentage of residents (63%) believed that local government should spend 'a little more' or 'a lot more' on services in the local area, with 30% of residents feeling that the level of spending was 'about the right amount'.
 - The majority of residents believed that Council should invest more in roads (79%).
 - 93 % placed creating and maintaining sealed roads as the local government function and activity of greatest importance.
 - Older residents are more likely to not support increased local government expenditure in their local area, compared to younger residents.
 - Younger residents (18-35 years of age), are prepared to pay either; more rates in return for a greater range of services, or lower rates in exchange for fewer services.
 - Older residents are more likely not to support increased local government expenditure in their local area, compared to younger residents. They are also more inclined to rate value-for-money of Council services as being of a high standard.
 - Residents with incomes of \$80,000-\$100,000 are less likely to hold value-for-money and quality of Council's services in high regard. In addition, the majority of residents of this income bracket do not wish for increased expenditure in their local area.

Ensuring Good Governance

- Residents of the Wauchope locality rate value-for-money and quality of services to be of a lower standard and identify a need for increased Council spending in the local area.
- Residents new to the area (less than 5-year residency) are prepared to pay lower rates in exchange for fewer services. However, they do not want to pay more rates to receive a broader range of services.
- Residents earning in excess of \$100,000 are prepared to pay more rates to receive a greater range of services, but not pay less in exchange for fewer services.
- Between 2013-2015 the importance remained mostly unchanged for:
 - Maintenance of sealed roads: 95% vs. 96%
 - Maintenance of unsealed roads: 79% vs. 78%

Public Exhibition of amended 2013-2017 Delivery Program and Long Term Financial Plan 2016-2026

- As adopted by Council in November 2016 the amended documents were placed on public exhibition from 21 November to 18 December.
- The documents were available for the community to view and make submissions online, at Council's customer service counters and at community engagement stands during the public exhibition period.
- Five submissions were received by Council as outlined further in this report.

Specific SRV Engagement

- A variety of engagement methods were used to inform and engage with the community.
- Key community events were attended to provide the community with information and the opportunity to have their say by completing a survey. Events included Tastings Ignite, Tastings on Hastings and Countdown to Christmas.
- On 10 November Council held a community forum to discuss the SRV for Roads. Council presented information to 23 community members who were given the opportunity to ask questions, provide feedback and complete a survey.
- The community forum was live streamed via the Port Macquarie-Hastings Council Facebook page reaching 5819 community members with 544 engaging via comment/sharing during the live feed.
- The footage of the forum remains available on the Port Macquarie-Hastings Council Facebook page having over 900 views to date.
- Approximately 250 people attended information stalls that were set up at various locations across the region:
 - Lake Cathie Woolworths;
 - Main Street Wauchope;
 - Settlement City Shopping Centre;
 - Hay Street Forecourt; and

Ensuring Good Governance

- Bold Street Laurieton.
- Information stands at Council offices in Port Macquarie, Laurieton and Wauchope received approximately 490 visits.
- Online engagement site (PMHC Listening) was open for 55 days and attracted 1220 visits by 918 people with 600 taking further action to explore the site and gather information.
- Factsheets were available to inform the community about the proposed SRV. The factsheets were available at events, customer service counters and also to download online. Online downloads:
 - 50 - Fact Sheet 3 - Rate Scenarios
 - 41 - Fact sheet 4 - Current SRV achievements
 - 39 - Fact sheet 2 - Rate pegging and Special Rate Variations - SRV the Facts
 - 35 - Fact sheet 1 - Talking to our Community
 - 30 - Fact sheet 5 - Council Services
- 426 surveys were completed (either directly online or hand written at an event/forum/information stand).
Details of participants are as follows:
 - Age of those who completed the survey
 - 4.6% - 26-35
 - 10.8% - 36-45
 - 18.5% - 46-55
 - 24.6 % - 56-65
 - 41.5% - Over 65
 - Location of those who completed the survey
 - 64.6% - Port Macquarie
 - 14.2% - Wauchope
 - 8.5% - Lake Cathie
 - 7.3% - Port Macquarie (Business Centre)
 - 5.4% - Lighthouse Beach
 - Connection to Port Macquarie-Hastings area
 - 385 - Home Owner
 - 16 - Renter
 - 45 - Business owner/operator
 - 16 - Farm owner/operator
 - 6 - Prefer not to answer
 - 12 - Other
 - Where respondents income comes from
 - 149 - Work full-time including own business

Ensuring Good Governance

- 56 - Work part-time/casual
- 137 - Self funded retiree
- 8 - Carer
- 8 - Studying
- 19 - Prefer not to answer
- 77 - Receiving benefits
- 18 - Other

The results of the questions relating to the community's capacity and willingness to pay are as follows:

- **Do you think maintaining the current level of rates is a reasonable price to pay?**
 - 65% - strongly agree, agree or neither agree/disagree
 - 33.4% - disagree or strongly disagree
 - 1.6% - don't have an opinion/don't want to answer
- **Do you believe that maintaining the current rate level is affordable?**
 - 66.3% - strongly agree, agree or neither agree/disagree
 - 32.5% - disagree or strongly disagree
 - 1.2% - don't have an opinion/don't want to answer
- Feedback comments received from the community via the online survey 'Making a Decision about Future Rates', completed at events and at the Community Forum held on 10 November 2016 is detailed in attachment 1.
- To compliment the community engagement Council used a variety of media communications to inform the community about the SRV and opportunity's for the community to have their say: media releases, social media, Council website and subscriber emails.

Options

1. Council could adopt the recommendation as included in the report.
2. Council could decide not to adopt the amended Delivery Program 2013-2017 and Long Term Financial Plan 2016-2026 and not to submit the SRV application to IPART.
3. Council could decide to adopt the amended Delivery Program 2013-2017 and Long Term Financial Plan 2016-2026 and not to submit the SRV application to IPART.

Ensuring Good Governance

Community Engagement & Internal Consultation

Community Engagement Program (external):

Council has to-date conducted regular engagement with the community relating to the services the community receives as previously outlined previously in this report.

A specific requirement of the IPART process, was for Council to provide the community with evidence of the need for a SRV through Council's planning documents. The amended 2013 -2017 Delivery Program and Long Term Financial Plan 2016-2026, were placed on public exhibition from 21 November - 18 December. Five submissions were received by Council during the public exhibition period as outlined below and provided in attachment 2.

Submission: Comments on Special Rate Variation Proposals		Issue: Opposing SRV
1.	Name redacted	Opposed to another SRV or permanent rate variation. Rates are unaffordable for many. Encourage Council to co-operate with State and Federal Government to seek opportunities to secure grant funding for specific projects.
	Response/ Comment:	<p>Council has undertaken a community engagement campaign as per IPART requirements to engage with the community about the proposed SRV and test the community's willingness and capacity to pay. The results of this community engagement, the impact to the current roads works program, Councils ability to deliver a service level in line with community expectation and community capacity to pay, are used to inform the decision of Council.</p> <p>Council has an ongoing focus to identify State and Federal Government opportunities.</p> <ul style="list-style-type: none"> In 2016 a cost shifting report was presented to Council and subsequently Council lobbied with Members of Parliament for assistance in reducing the financial burden on our community. The newly elected Council have formed a portfolio committee focused on External Grants and Revenues.

Ensuring Good Governance

Submission: Special Rate Variation Scenarios		Issue: Opposing SRV
2.	Name redacted	Opposed to any further SRV as rates are already too high, only supports CPI rate peg increase.
	Response/Comment:	<p>The proposed SRV increase, as presented to the community, is an increase equivalent to a rate peg increase on Council total income. The impact to the community based on what they are currently paying would be the effect of rate peg increase only as they are already paying the SRV amount with Council proposing to embed this permanently into the rate base.</p> <p>It is important to note individual rate payers may be impacted differently due to the complexity of the rating system.</p>
Submission: Proposed Rate Increases		Issue: Opposing SRV
3.	Name redacted	Opposed to rate variation. Suggests Council consider selling assets such as unused land or pay off outstanding loans.
	Response/Comment:	<p>The proposed SRV increase, as presented to the community, is an increase equivalent to a rate peg increase on Council total income. The impact to the community based on what they are currently paying would be the effect of rate peg increase only as they are already paying the SRV amount with Council proposing to embed this permanently into the rate base.</p> <p>It is important to note individual rate payers may be impacted differently due to the complexity of the rating system.</p> <p>When preparing its Long Term Financial Plan Council considers all options available. The works funded by the expiring SRV are ongoing and therefore, the funding also needs to be ongoing.</p> <p>Council does have a level of loans which are within appropriate benchmarks and financial levels, and are considered prudent in terms of Council's overall financial management and in ensuring intergenerational equality i.e. loans help to ensure that where a future generation receives benefit from a facility that they share some of the cost for it.</p>

Ensuring Good Governance

Submission: Rate Increase		Issue: Opposing SRV
4.	Name redacted	Opposed to rate increase. The online survey is a scam. Would like to have been given the option to have just the increase at the rate peg limit. 50% increase over 5 years is about \$1,000 to him.
	Response/Comment:	<p>The proposed SRV increase, as presented to the community, is an increase equivalent to a rate peg increase on Council total income. The impact to the community based on what they are currently paying would be the effect of rate peg increase only as they are already paying the SRV amount with Council proposing to embed this permanently into the rate base.</p> <p>It is important to note individual rate payers may be impacted differently due to the complexity of the rating system.</p> <p>To clarify Council is not seeking a 50% SRV. Council is seeking to permanently embed the current expiring SRV only.</p>
Submission: SRV for Roads		Issue: Opposing SRV and request for further information
5.	Name redacted	The economic modelling is partial. Would like to know at what point an appropriate maintenance level has been implemented. Does not understand why the previous SRV funding is not enough. Concerned roads maintenance is heading towards gold plating standards.
	Response/Comment:	<p>Meeting has taken place with Rebecca Olsen - Director Corporate & Organisational Services, Robyn Wilson - Chief Financial Officer and Duncan Clarke - Group Manager of Transport & Stormwater Network to clarify information and answer any further questions. Discussion included:</p> <ul style="list-style-type: none"> -clarification of the impact on ratios as a result of the SRV - SRV improves ratios -clarification of the works for which this SRV will be used for -clarification of the process that is undertaken to assess and prioritise works required

As detailed previously in this report, Council also conducted a specific community engagement program in relation to the SRV, engaging with the community via face to face (events, pop up stands, community forum), online survey (PMHC Listening) and information factsheets.

Ensuring Good Governance

Internal engagement has taken place with:

Councillors;
General Manager;
Directors;
Chief Financial Officer;
Group Managers.

Planning & Policy Implications

If Council resolves to submit a SRV application the amended 2013 -17 Delivery Program and Long Term Financial Plan 2016-2026 must be adopted to ensure IPART requirements of providing the community with evidence of the need for a SRV through Council's planning documents are met.

It is important to note that the Long Term Financial Plan was premised on the previously advised 2.5% rate peg not the 1.5% rate peg.

Financial & Economic Implications

The current SRV funding will expire as of 30 June 2017. It is important to consider the impact the loss of this funding would have on the progress made to date:

- Council would no longer be in a financial position to strategically manage its road assets, and the condition of the network would deteriorate year on year;
- Council would be forced to revert to a reactive approach to roads maintenance;
- Resealing and rejuvenation works would once again be predominantly replaced by reactive jet patching works;
- Sealed roads in the local government area would only be able to be resealed or rehabilitated every 25 years; and
- There would be a significant decrease in the level of service provided to residents by these assets.

The Port Macquarie-Hastings area is a high growth centre of the North Coast region and is expected to accommodate a significant proportion of regional growth over the next two decades. The population will grow from 79,114 in 2016 to 102,926 in 2036. As a consequence of this growth, Council must not only provide services to the existing community and maintain existing assets, but Council must also plan for future maintenance and capital expenditure on the infrastructure that will be needed to support the community, business and visitors to the area into the future.

To this end, Council holds cash reserves. As at June 2016, Council held \$214 million in cash and reserves. Predominantly, these reserves are all allocated for specific purposes, with 70% of these reserves legally only being able to be used for the purpose for which they were collected (for example for water and sewer). The remaining reserves are also predominantly held for specific purposes (for example, for the development of the Airport, or to fund projects which have already commenced). The balances of these reserves are audited annually and published in Council's financial statements.

Ensuring Good Governance

The level of reserves held by Port Macquarie-Hastings Council is not disproportionate to other similar Councils, noting that different Councils provide different services. Not all Councils provide Water and Sewer services for example which require significant capital investment.

The scenarios presented for consideration in the November 2016 Council report and subsequently presented to the community for feedback were:

- Scenario 1: Reduce (rate peg only, current SRV expires)
The current SRV expires at the end of June 2017 which means rates would reduce for 2017-18. This reduction is due to the expiring SRV partially offset by rate peg increase in 2017-18. Each year after that they would increase by the rate peg only.
- Scenario 2: Maintain (rate peg + SRV to replace expiring SRV)
Council would continue receiving the funds from the current SRV and receive the rate peg as determined by IPART. This means in 2017-2018 Council's general rating income would increase by rate peg.

At the time of community engagement IPART had indicated an expected rate peg of 2.5%. The scenarios presented to the community for feedback were premised on this 2.5%, the number of rate payers as at 1 July 2016, and the latest land valuations at that time. Subsequent to the community engagement, IPART have confirmed the 17/18 rate peg is 1.5% as opposed to the expected 2.5%. Additionally the number of rate payers has grown since July. This results in a lower SRV % application being sought.

It is important to note that all comparisons quoted are averages only on a per annum basis and relate to general rating income. Special levies and other charges such as waste water, and waste are not impacted by an SRV. These may change due to other factors, and are listed in Council's Revenue Policy. These are subject to varying guidelines and requirements.

Individual rate payers may be impacted differently due to the complexity of the rating system and land values which may be above or below average in a rating category. Land valuations are provided to Council by the NSW Valuer General. These are not managed or undertaken by Council.

The average impact of the SRV across rating categories and in total will be an increase equal to the rate peg of 1.5%. This is lower than the 2.5% quoted in the community engagement due to the lower rate peg.

The Emergency Services Levy (ESL) is a State Government charge which is currently collected through insurance premiums. From 1 July 2017, the State Government has determined that this will be collected through the local government rating system. Council will become a collection agent only for this charge, noting that this will be a new charge on the rate bill, but is not Council money and is not related to the SRV.

As a result of the changes to the collection method of ESL, Council received new land valuation data in early February 2016. Land valuations do not increase Council's general rating income, but they can shift the rate burden amongst ratepayers within a particular rating category if some properties increase in value relatively more than others. This impact is not caused by the SRV.

The value of the expiring SRV to Council is \$1.74m. Applying 1.5% (rate peg) to this equates to Council seeking approximately \$1.76m from the SRV application in

Ensuring Good Governance

2017/18 to continue maintaining and renewing Council's road network. As the SRV is a permanent single year application, if successful, this funding would continue and increase year on year by the rate peg.

To continually support Council's maintenance and renewal of its infrastructure projects, it is recommended an SRV application to permanently embed the current SRV funding is made.

To ensure the average increase to rates for the community is equal to the rate peg increase only (1.5%), Council is proposing to apply to continue the current SRV funding plus rate peg amount. This involves an application of 5.39% (3.89% plus 1.5% rate peg). This is lower than the previously anticipated 6.46% (3.96% plus 2.5% rate peg) due to the lower rate peg and growth since community engagement.

Using the current data, the approval of the SRV will result in the total average residential rate increasing by approximately \$17, which is a 1.5% increase in 17/18. Following this, the annual increase would be rate peg only unless future SRVs are considered by Council.

If the SRV is not approved the total average residential rate would decrease by approximately \$26, which is a 2.26% reduction in 2017/18. Following this, the annual increase would be rate peg only unless future SRVs are considered by Council.

These figures relate to average general rates across all residential ratepayers. They exclude other charges and special levies, and may vary across individual ratepayers. This is shown in Table 4.

Table 4

Average General Residential Rate (excludes other charges e.g. waste and special levies)*	Current Average 16/17	Average With SRV 17/18	Average Without SRV 17/18
Total Average Residential Rate \$ Rounded	\$1,145.74	\$1,162.90	\$1,119.87
Annual Increase/ (Decrease) from 16/17		\$17.16	(\$25.87)
% Increase / (Decrease) from 16/17		1.5%	(2.26%)

**Excludes special levies and other charges such as waste water and waste. Special levies and other charges such as waste water, and waste are not impacted by an SRV. These may change due to other factors, and are listed in Council's Revenue Policy. These are subject to varying guidelines and requirements.*

The amended 2013 -2017 Delivery Program and Long Term Financial Plan 2016-2026 support this proposed application.

Attachments

- 1[View](#). Making A Decision About Future Rates - community feedback
- 2[View](#). Submissions - Future Rates

Ensuring Good Governance

Item: 09.07

Subject: MONTHLY FINANCIAL REVIEW FOR JANUARY 2017

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 January 2017.

Executive Summary

This report will detail the monthly budget adjustments to 31 January 2017.

The Council adopted budget position as at 1 July 2016 was a shortfall of \$840,219. Adjustments made up to 30 November 2016 have reduced the shortfall position to a shortfall of \$388,283. The budget adjustments for January 2017 contained within this report will further reduce this shortfall position to a shortfall of \$382,836.

Discussion

Monthly Budget Adjustments for January 2017

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.

Ensuring Good Governance

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
October Review	Surplus	\$94,718
November Review	Surplus	\$505,761
January Review	Surplus	\$5,447
Forecast budget position for 30 June 2017	Shortfall	(\$382,836)

January 2017 Adjustments

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

Item	Surplus/ Shortfall	Amount	Comment
Procurement Income	Surplus	\$5,447	Council has received a procurement rebate.
Total	Surplus	\$5,447	

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):

Description	Notes	Funding Source	Amount
Grant projects	1	Grant/Revenue	\$868,988
Transfers between accounts	2	Revenue	\$221,126
Transfer from reserves	3	Reserves	\$77,224
S94 funding	4	S94	\$130,000
Council resolution	5	Reserve	\$150,000
Total			\$1,447,338

The following are included in the January 2017 adjustments:

1. A number of grant funded projects have required adjustments this month with a net increase in expenditure on those projects of \$868,988.
 - \$45,745 has been received in additional bushfire maintenance funding. It is proposed to use these funds for the Emergency operations centre fibre optic installation.
 - \$105,000 has been received for building works at the Camden Haven and Wauchope SES buildings.

Ensuring Good Governance

- Council has received \$22,000 for Fire & Diversity Consortium. These funds are to be used on a koala fire management project.
 - Council has received a grant of \$1,845 for Youth Week activities.
 - \$160,000 has been received in grant funding to undertake a flood study of the North Brother Local Catchment at a total cost of \$240,000. Council's component of the project has been transferred from other stormwater projects.
 - \$250,000 has been allocated to the detailed design of the flood access of Boundary Street. The grant received amounts to \$166,668 with Council contributing \$83,332. Council's component of the project has been transferred from the Hastings River Drive Design - Hughes Place to Boundary Street project.
 - Council has received additional grant funding for the Bulli Creek Bridge Replacement, the proportion allocated to this financial year is \$204,398.
2. The following transfers between accounts totalling \$221,126 have been included this month.
- \$10,000 allocated to the replacement of the segmented paver pathway at Ashdown Reserve is no longer required so the funding has been transferred to Lighthouse Beach Reserve for the upgrade of the fencing.
 - Minor expenditure has been incurred on the finalisation of the following projects. The funds have been transferred from Apex Park retaining wall.
 - Shelly Beach Reserve Improvements \$361
 - Lake Cathie Foreshore - Replace timber steps and viewing \$817
 - Gaol Point Improvements \$130
 - Ruins Way Park - Asphalt seal to bike track \$218
 - \$9,600 has been transferred from the additional design works allocation to the design and approval activities associated with footpath extension works on Hindman Street, Port Macquarie
 - Pavement stabilisation works to the value of \$420,000 are to be undertaken on Ocean Drive. There is insufficient funds remaining on the regional road block grant allocation so funding has been transferred from council funded road maintenance allocations in the amount of \$200,000.
3. Three projects have had reserve funding of \$77,224 allocated to them this month.
- \$745 has been allocated from the airport reserve towards the purchase and improvements to Hangar 5 at the PMQ airport. This amount relates to a late invoice for works undertaken in Dec 2015/January 2016.
 - The library sells books and collects donations and this money is put into a reserve at year end for future expenditure. An allocation of \$25,000 from this reserve has been made for expenditure on the Book Start program and additional stock.
 - \$11,479 has been transferred from the Town Centre Masterplan reserve to provide bin installations in the Port Macquarie town centre.
 - \$40,000 has been transferred from the Town Centre Masterplan reserve to fund the repair and upgrade of the outdoor dining area in Hay Street (fronting

Ensuring Good Governance

the former Luxe Café) in accordance with the consensus of the Town Centre Masterplan sub-committee on the 28 July 2016.

4. \$130,000 has been added to the Town Green - Implement masterplan project. Bank protection works will be required at the Town Green in the short term and by integrating these works into the masterplan works economies of scale can be achieved. S94 funding has been used to fund the increase.
5. \$150,000 has been allocated to Cairncross Landfill Gas Pumping Trial in line with item 15.01 to the December 2016 Council meeting. The funding has been transferred from waste reserves.

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.

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 \$382,836.

Responsible Accounting Officer Statement

The approved budget shortfall for 2016-2017 after the November 2016 Council meeting was a shortfall of \$388,283. The adjustments in this report have reduced this position to a shortfall of \$382,836. The shortfall position is considered an unsatisfactory 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](#). January 2017 Monthly Budget Review

Ensuring Good Governance

Item: 09.08

Subject: QUARTERLY BUDGET REVIEW STATEMENT

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 Quarterly Budget Review Statement for the December 2016 quarter.

Executive Summary

This report will detail the Quarterly Budget Review Statement (QBRs) for the period to the end of the second quarter of the 2016-2017 financial year (July 2016 to December 2016).

Discussion

The Quarterly Budget Review Statement (QBRs) is a statutory report prepared in accordance with the Local Government (General) Regulations, Sections 202 & 203.

The QBRs presents a summary of Council's financial position at the end of each quarter. It is a mechanism whereby the Councillors and the community are informed of Council's progress against the Operational Plan (original budget) and the last revised budget. It also outlines recommended changes and reasons for major variances.

Whilst the Local Government (General) Regulations requires the annual budget to be reviewed on a quarterly basis through this QBRs, Councillors are provided with details of the financial position and associated variances on a monthly exception basis.

Attached is the Quarterly Budget Review Statement for the December 2016 quarter for Council's information, which includes the following components:

1. Statement by the Responsible Accounting Officer on Council's financial position at the end of the year based on the information in the QBRs.
2. Budget review of Income and Expenditure in a consolidated format (including performance indicators).
3. Budget review of the Capital budget.
4. Budget review of the cash and investments position.

Ensuring Good Governance

5. Budget review of contracts and other expenses.
6. TCorp Ratios in line with the Local Government Code of Accounting Practice.

Also attached is a confidential attachment on Consultancy engagements as resolved by Council under Item 09.09 Supply of Services to Council on 21 October 2015. This resolution resolved:

1. *To Adopt Option 2 to expand the existing reporting format of the Quarterly Budget Review Statement to include additional categories of consultancy engagements including accounting, audit, legal, planning, architectural, surveying, environmental, IT and HR with individual consultant data to be provided in a confidential attachment.*
2. *Commence the reporting regime from the next Quarterly Budget Review Statement.*

CARRIED: 8/0

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

AGAINST: Nil

This attachment titled "2016-2017 December Quarterly Budget Review Statement - Consultancy Engagements" provides 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).

The year-to-date (YTD) reporting in the QBRS is against the phased budgets, improving the reporting with comparisons to Council's yearly and quarterly budgets. Actual expenditure amounts exclude commitments.

The YTD operating result excluding capital items is \$48.89m, compared to a YTD budget of \$37.42m. Most of this \$11.47m variance is in timing in Materials & Contracts and is described below.

The following key variances within the Income and Expense statement are noted:

Income YTD Actual \$133.3m; YTD Budget \$120.1m

Income of \$133.3m for the year to date (YTD) to the end of the second quarter is 111.0% of the YTD budget of \$120.1m, representing 75.0% of the \$177.7m annual income budget.

Key points to note are as follows:

1. Rates & Annual Charges - YTD Actual \$84.7m; YTD Budget \$83.2m

Rates & annual charges of \$84.7m remain slightly ahead of the expected budget of \$83.2m, being 101.9% of the YTD budget of \$83.2m and 97.3% of the \$87.0m annual budget. Note that the majority of rates are levied in July, with the exception of annual charges for water which are levied quarterly on the Water Notice.

The total YTD variance of \$1.54m (favourable) mainly comprises of:

- \$0.1m (favourable) for annual general fund rates;

Ensuring Good Governance

- \$0.6m (favourable) for annual domestic waste charges;
- \$0.4m (favourable) for annual water charges; and
- \$0.4m (favourable) for annual sewer charges.

The favourable variances largely relate to population growth in the area.

2. User Fees & Charges - YTD Actual \$14.55m; YTD Budget \$14.85m

User fees & charges of \$14.55m represent 98.0% of the YTD budget of \$14.85m, being 48.8% of the \$29.82m annual budget.

The total YTD variance of \$0.3m (adverse) is mainly made up of:

- \$1.0m (adverse) user charges for water consumption, attributable to the timing of water billing invoices, which are issued quarterly;
- \$0.447m (favourable) fees for Planning & Building Certification; \$0.324m and \$0.123m respectively due to the continued increase in building and subdivision activity in the area;
- \$0.402m (favourable) Tipping Fees primarily due to increased usage of Cairncross Tip; and
- \$0.142m (adverse) Aerodrome user fees mainly due to the timing of receipt of the fees.

3. Interest & Investment Revenue - YTD Actual \$3.84m; YTD Budget \$2.18m

Interest & Investment revenue of \$3.84m against the YTD budget of \$2.18m is 176.5% of the YTD budget and 81.5% of the annual budget of \$4.716m. This comprises the Interest on Investments for the YTD of \$3.71m, with an annual budget of \$4.358m and Interest on Overdue Rates for the YTD of \$0.133m with an annual budget of \$0.357m. Further information on Investments can be found in the Investment report.

4. Other Revenues - YTD Actual \$2.69m; YTD Budget \$2.12m

Other revenues of \$2.69m are 127.3% of the \$2.12m YTD budget, and 58.9% of the \$4.57m annual budget. The total YTD variance of \$0.578m (favourable) is primarily made up of:

- \$0.08m (favourable) Ordinance Services fines income, subject to timing as it is handled by a third party, the Office of State Revenue *;
- \$0.218m (favourable) Waste Management Income *;
- \$0.09m (favourable) fees for Private Water Testing, which is subject to demand;
- \$0.07m (favourable) fees for Rental of Council Facilities/Reserves *; and
- \$0.120m (favourable) various other minor revenues.

** Note that some of this revenue relates to services from the previous financial year, but not received until this financial year.*

Ensuring Good Governance

5. Operating Grants & Contributions - YTD Actual \$8.21m; YTD Budget \$8.23m

Operating grants & contributions of \$8.21m are largely in line with the YTD budget of \$8.23m, the variance being 99.8% against the YTD budget and 43.6% against the annual budget of \$18.8m. The total YTD variance of \$0.018m (adverse) comprises of the following:

- \$0.083m (favourable) Section 94 administration levy, due to increased subdivision and building activity in the area; and
- \$0.101m (adverse) various operating grants, timing issue.

6. Capital Grants & Contributions – YTD Actual \$19.31m; YTD Budget \$9.55m

YTD income from these items is \$19.31m against the YTD budget of \$9.55m, and represents 59.1% of the \$32.67m annual budget. The YTD variance of \$9.76m (favourable) is further dissected into grants and contributions and is discussed below:

a. \$2.48m (favourable) Capital Grants YTD grant income of \$8.01m is 115.1% of the \$5.52m YTD budget against the annual budget of \$18.11m. The main variances are:

- \$5.66m (favourable) Stingray Creek Bridge, funding received earlier than expected;
- \$0.28m (favourable) Westport Boatramp Upgrade, timing issue;
- \$1.15m (adverse) Port Macquarie Indoor Stadium, timing issue;
- \$0.394m (adverse) Lake and Blackbutt Road Intersection, timing issue;
- \$0.387m (adverse) Bullli Creek Bridge Replacement, timing issue;
- \$0.257m (adverse) Pappinbarra Road - Frazers Creek Road Safety Treatment, timing issue;
- \$0.206m (adverse) Comboyne Road Linemarking & Signage, timing issue;
- \$0.155m (adverse) Remembrance Drive Works, timing issue; and
- \$0.79m (adverse) various other grant funded roads projects, timing issue.

b. \$7.27m (favourable) Capital Contributions comprise two elements, cash and non-cash. The cash element is Section 64 & 94 developer contributions. The second element is non-cash contributions, being developer provided assets.

- Cash income for the YTD is \$11.3m, against the YTD budget of \$4.03m. This equates to 77.6% of the annual budget of \$14.56m. This is due to the increased subdivision and building activity in the area.
- Non-cash contributions will not be known until towards the end of the financial year.

Expenses

1. Employee costs - YTD Actual \$20.08m; YTD Budget \$21.25m

YTD employee costs are \$20.08m versus the YTD budget of \$21.25m, creating a favourable variance of \$1.17m. As at the end of the second quarter, this equates to 94.5% of the YTD budget, and 41.9% of the annual budget.

Ensuring Good Governance

Variances are largely due to unfilled positions and timing differences that are contingent upon when employees take their leave and the duration of that leave.

Other variances include:

- \$0.580m (favourable) Workers Compensation, this varies depending on the number of injury claims. The workers' compensation premium remains below the budget. It is deemed prudent to keep the budget at this level, as injury claims determine the actual premium. PMHC actively works to keep claims as low as possible and this is represented by a low claims history.

2. Borrowing costs - YTD Actual \$1.87m; YTD Budget \$1.74m

Borrowing costs of \$1.87m are roughly in line with estimated expectations, being 107.2% of the YTD budget and 41.9% of the \$4.47m annual budget. Note that these costs are subject to the timing of payments, receipts of interest payment information and accrual entries.

3. Materials & Contracts - YTD Actual \$16.05m; YTD Budget \$21.02m

Expenditure to the end of the second quarter is \$16.05m, which is 76.4% of the YTD budget of \$21.02m, and 40.3% of the annual budget of \$39.80m. The YTD variance of \$6.4m (favourable) is mainly due to timing, unless stated otherwise:

- \$0.849m (favourable) in Transport & Traffic: across various maintenance projects;
- \$0.496m (favourable) in Natural Resources, across various maintenance projects;
- \$0.348m (favourable) in Drainage: across various maintenance projects;
- \$0.817m (favourable) Sewer section: across various maintenance projects; and
- \$1.087m (favourable) Waste section: \$0.360m (favourable) Dunbogan Waste Depot Capping, timing; and \$0.727m (favourable) across various other maintenance projects.

4. Other Expenses - YTD Actual \$6.07m; YTD Budget \$6.59m

The amount expended of \$6.07m for Other Expenses totals 92.1% of the YTD budget of \$6.59m, representing 50.1% of the annual budget of \$12.13m. The YTD variance of \$0.52m (favourable) is predominately made up of:

- \$0.426m (favourable) Electricity & Street Lighting expenses, noting that the payment for these services is made a month in arrears; and
- \$0.109m (favourable) Other Donations & Contributions due to timing.

5. Net loss from disposal of assets

This section relates to the net profit or loss, which occurs from either the sale of assets, such as plant or land, or following asset capitalisation when an asset is renewed and the old asset disposed.

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- \$14.7k (loss) represents the actual losses on sale or disposal of assets, all relating to plant and equipment.
- \$32.8k sales proceeds received but not yet processed in the Assets Register.

Note that a budget review occurs each month with any required adjustments to estimates made at the time. It is therefore not appropriate to make any adjustments at this time. These variances can be largely attributed to timing of events.

Capital Expenditure

This section includes a comparison of the actual result against the phased capital expenditure budget. Note that the total carry-over budget from 2015-2016 is \$32.334m, of which \$30.371m is capital, and the remaining balance of \$1.963m is operating expenditure.

To the end of the second quarter and excluding the Loan repayments, \$33.1m was expended being 65.0% of the YTD budget of \$50.9m, and 31.1% of the annual budget of \$106.5m. The YTD 'under-spend' is \$17.8m. In addition to this expenditure, there are commitments for works in the order of \$17.1m.

As a comparison for the YTD and excluding the Loan repayments, the period to the end of December 2016 is ahead of the same time last year. For the second quarter in 2015-2016, a total of \$26.3m was expended being 53.6% of the YTD budget of \$49.2m and 21.7% of the annual budget of \$121.6m.

The key variances are detailed below. Of these, Council expects most to be underway or complete at 30 June 2017.

General Fund - Under-spend YTD \$13.62m: YTD Actuals \$24.32m; YTD Budget \$37.94m

General Fund has expended \$24.32m of the \$37.94m YTD budget, being 64.1%, and is 32.7% of the annual budget of \$74.27m. The YTD 'under-spend' is \$13.62m with main 'under-spends' noted below:

- \$2.13m Ocean Drive at Lakewood - behind schedule, project planning commenced;
- \$1.43m TCMP Construction of Town Square - behind schedule, detailed design being completed;
- \$1.41m Fleet Purchases - project is on-track, purchases on an 'as needs' basis;
- \$1.31m Gordon Street Upgrade Lake to Horton Streets - planning underway, preliminary works to start early 2017;
- \$1.3m Port Macquarie new Works Depot - required funding being considered prior to the physical works commencing;
- \$0.60m Beechwood Road Reconstruction, Riverbreeze to Waugh Street - behind schedule, project planning underway;
- \$0.60m Road Resealing project - on-track, resealing works underway;
- \$0.51m Port Macquarie Indoor Stadium - on track, variance due to timing;
- \$0.40m Wauchope Swimming Pool - behind schedule, due to open early January; and

Ensuring Good Governance

- \$0.031m Flynn's Beach Seawall - behind schedule, tender for construction advertised November 2016.

Spending ahead of the YTD budget

- \$0.514m Stingray Creek Bridge - on target; and
- \$0.917m Houston Mitchell Drive Stage 2 & 3 - on target, revised completion date due to weather & variations to the contract.

Waste - Spend ahead of YTD budget \$1.75m: YTD Actuals \$3.75m; YTD Budget \$2.0m

Spending for the YTD is ahead of the YTD budget by \$1.75m and primarily relates to the Kew Transfer Station. This project is ahead of the YTD budget by \$1.74m, noting that the annual budget is \$4.3m and due for completion mid-2017.

Water – Under-spend YTD \$1.69m: YTD Actuals \$2.42m; YTD Budget \$4.11m

The YTD 'under-spend' against the YTD budget totals \$1.69m, being 58.8% of the YTD budget, with key variances noted below:

Spending below the YTD budget

- \$1.26m Southern Arm Trunk Main - project commenced, clearing of easement and geotech to start in the fourth quarter;
- \$0.596m Sancrox Reservoir Trunkmain - design on-going, construction to start early 2017, may continue into 2017/18; and
- \$0.187m Port Dam 33Kv Switchgear - at design phase.

Spending ahead of the YTD budget

- \$0.267m Water Renewals & minor Works – works undertaken as required; and
- \$0.177m Thrumster Reclaimed Water Interim Rising Main - on target, variance due to timing.

Sewer - Under-spend YTD \$4.23m: YTD Actuals \$2.61m; YTD Budget \$6.84m

The Sewer section has a YTD budget 'under-spend' of \$4.23m being 38.1% of the YTD budget. The main 'under-spends' are:

- \$1.11m Port Macquarie Water Treatment Plant Upgrade - project is currently on-track, variance due to timing;
- \$0.500m Developer Provided assets - this is dependent on Developers providing the Works as Executed of constructed assets;
- \$0.429m Port Macquarie Sewer Pump Station #71 - in design stage;
- \$0.406m Sewer Rehabilitation - works ongoing on an 'as needs basis'; and
- \$0.400m Camden Haven Upgrade & Upsize Mains & Pumps – behind schedule, initial design complete, further investigations being undertaken.

TCorp Ratios

Last year the presentation methodology of all ratios was reviewed to ensure that the reported ratio is a projected year end result. This projection is based on approved full year budget wherever possible, or where this is not possible, it is based on an estimated year end position. The methodology is indicated in the table attached.

Ensuring Good Governance

Operating Performance Ratio

The Operating Performance ratio is often considered the most important ratio for Council to meet. The result projection as at December 2016 includes all approved adjustments to budgets up to and including the December Council meeting.

There has been a slight improvement since the original approved budget and Council is closely monitoring budgets to include any savings in future monthly budget reviews.

This ratio may be impacted by year end accruals.

Rates and Annual Charges Outstanding Ratio

Considerable work has been, and continues to be undertaken to enhance this ratio and the ratio achieved for the 2015-2016 financial year (5.34%) was the best Council has produced since 2006. The current forecast is an estimated 5.39%. It should be noted that with reduced outstanding rates comes reduced income from interest charged on outstanding rates and annual charges which then negatively affects other ratios such as Operating performance and Own source revenue. Previously the benchmark for this ratio (provided by Local Government Professionals Australia, NSW [formerly LGMA NSW]) was 6%. The current Code of Accounting Practice has a benchmark for Metro councils of 5% which the auditors have applied to Port Macquarie-Hastings Council.

Building and Infrastructure Renewals Ratio

The building and infrastructure renewals ratio is a difficult ratio for Council to meet as the definition of a renewal is "Works to replace existing assets or facilities with assets or facilities of equivalent capacity or performance capability".

Council often increases the capacity of an asset whilst undergoing a renewal but this portion of the cost is not considered a renewal.

The ratio does not consider the need for Council to spend on new infrastructure, and is also adversely impacted by gifted assets due to the increase in depreciation as a consequence of these assets.

For a Council to increase its renewal spend to improve this ratio performance may have an impact on the funds available for new assets, such as new footpaths etc.

The Office of Local Government has released a draft "Special Schedule 7 Appendix B - Examples of Renewal and Rehabilitation Costs and Activities" which specifies that costs previously regarded as new assets can be classified as renewals where they relate to the modern engineering equivalent.

Infrastructure Backlog

This ratio has been estimated based on historical percentages applied to budget spend. Significant reseals are expected to be undertaken in this financial year and it is anticipated that this expenditure will address a portion of Council's infrastructure backlog.

Ensuring Good Governance

Assets Maintenance Ratio

Significant work was done in the 2014-2015 financial year to calculate the actual amount of “required” maintenance for purposes of calculating this ratio. This figure is currently forecast at 0.89 for this financial year.

The Office of Local Government (OLG) definition of required maintenance are those costs identified in the Asset Management Plans (for the reporting period) of routine activities that should be undertaken to sustain the asset in a functional state, ensuring the assets reach the predicted useful life, excluding rehabilitation or renewal. Therefore, if additional road reseals/renewals continue to occur it is expected that the required maintenance may reduce, improving this ratio.

Furthermore the OLG has released a draft “Special Schedule 7 Appendix A - Examples of Maintenance and Operating Activities” which will assist Council in ensuring the correct types of expenditure are included in this ratio.

Options

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

Community Engagement & Internal Consultation

Not applicable.

Planning & Policy Implications

Nil.

Financial & Economic Implications

There are no financial and economic implications in this report. The variances between budget and actual results continue to be monitored.

Attachments

1 [View](#). 2016-2017 December Quarterly Budget Review Statement

2 [View](#). Confidential 2016-2017 December Quarterly Budget Review Statement
(Confidential)

Ensuring Good Governance

Item: 09.09

Subject: INVESTMENTS - DECEMBER 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 December 2016.

Executive Summary

- Total funds invested as at 31 December 2016 equals \$227,960,789.
- Year-to-date investment income of \$3,713,130 is 85.19% 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

Overview

Councils (including Port Macquarie-Hastings Council) provide a broad range of services and associated infrastructure to their communities.

These services include (but are not limited to) the following:

- Water and Sewer services;
- Waste services;
- Port Macquarie Regional Airport;
- Cemeteries;
- Roads and Bridges;
- Various Recreation and Cultural facilities.

The Port Macquarie-Hastings area is a high growth centre of the North Coast region and is expected to accommodate a significant proportion of regional growth over the next two decades. The population will grow from 79,114 in 2016 to 102,926 in 2036. As a consequence of this growth, Council must not only provide services to the existing community and maintain existing assets, but Council must also plan for future maintenance and capital expenditure on the infrastructure that will be needed to support the community, business and visitors to the area into the future.

Ensuring Good Governance

Council holds cash reserves as an alternative to (or to supplement) borrowing. As at June 2016, Council held \$214 million in cash and reserves. Predominantly, these reserves are all allocated for specific purposes, with 70% of these reserves legally only being able to be used for the purpose for which they were collected (for example for water and sewer). The remaining reserves are also predominantly held for specific purposes (for example, for the development of the Airport, or to fund projects which have already commenced). The balances of these reserves are audited annually and published in Council's financial statements.

The level of reserves held by Port Macquarie-Hastings Council is not disproportionate to other similar Councils, noting that different Councils provide different services. Not all Councils provide Water and Sewer services for example which require significant capital investment.

The balances of these reserves are invested until such time as they are required. This report details how Council invests these reserves to ensure the appropriate balance between risk and financial return (through interest).

Current Investments

Council is required to undertake investments in accordance with section 625 of the Local Government Act 1993. This report provides details of Council's investments, and certifies that all funds that Council has invested as at 31 December 2016, comply with this Act.

All investments have been made in accordance with the Act and Regulations, and Council's Investment Policy.

As at 31 December 2016, the investments held by Council totalled \$227,960,789 and were attributed to the following funds:

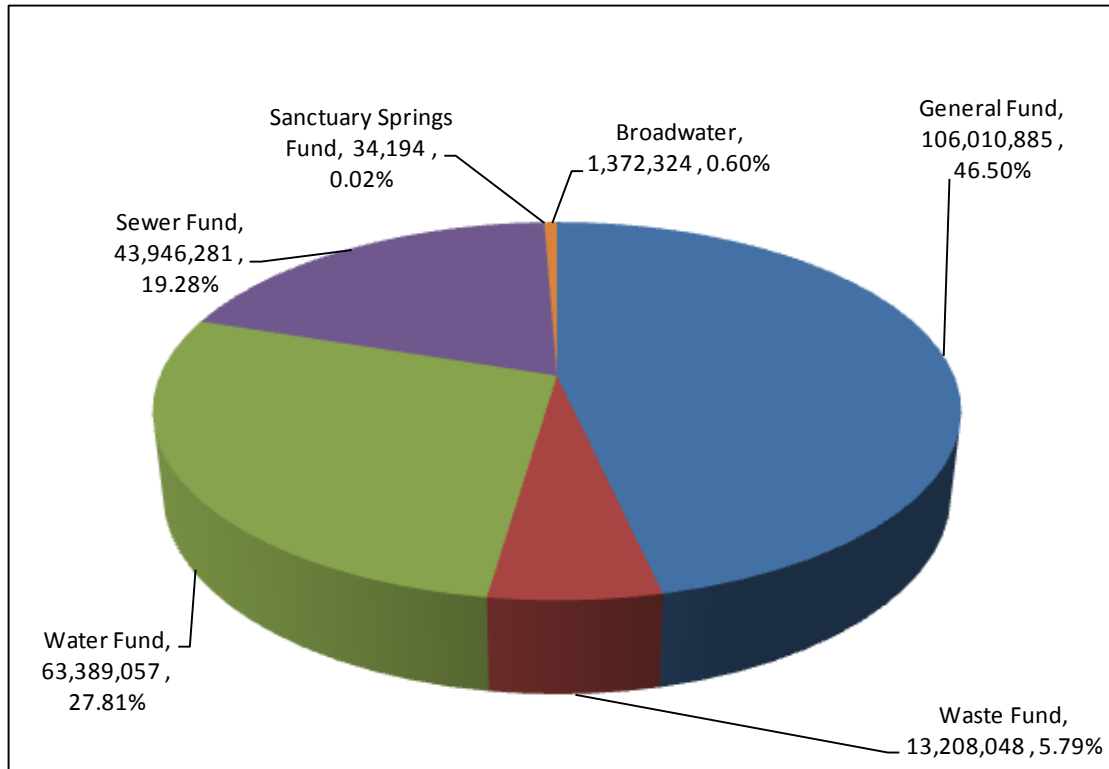
General Fund	106,010,885
Waste Fund	13,208,048
Water Fund	63,389,057
Sewer Fund	43,946,281
Sanctuary Springs Fund	34,194
Broadwater	1,372,324
	<hr/>
	227,960,789

Whilst the current level of investments remain high, these largely relate to funds which have legal restrictions (for example water and sewer), or for funds held for specific purposes.

These funds may be spent in the shorter or longer term depending on the required timing of future works. The totals will fluctuate dependent on the status of individual projects.

Ensuring Good Governance

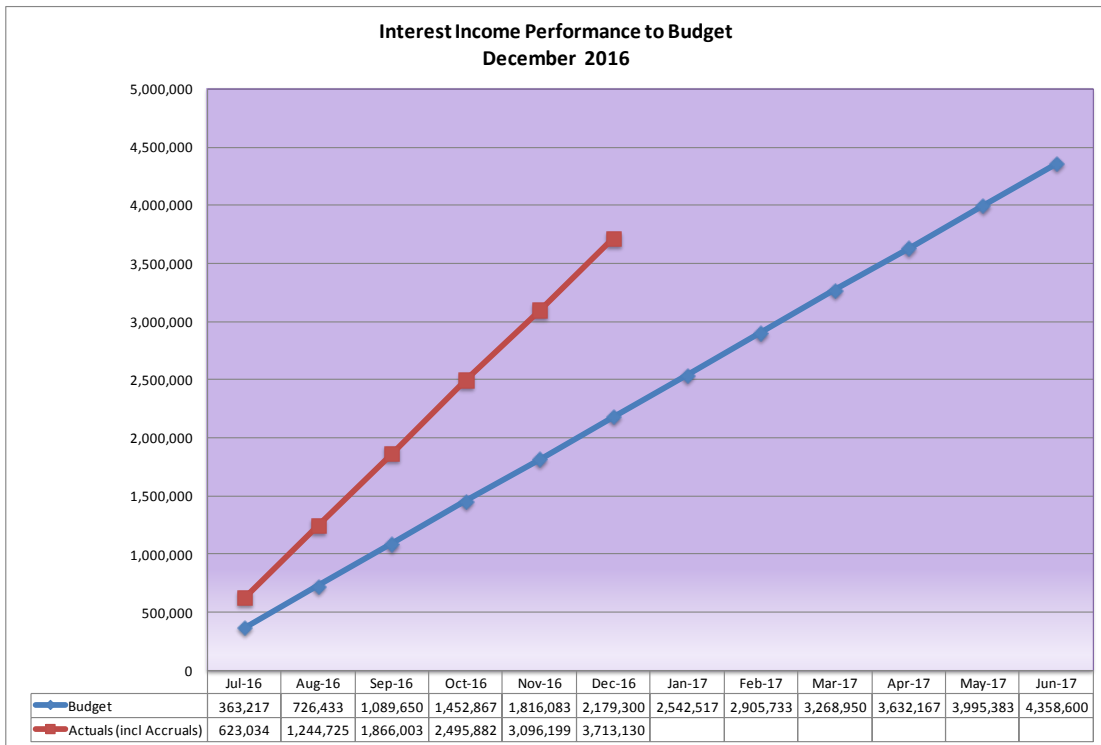
Investments by Fund - as at 31 December 2016



Portfolio Performance

- Council's total investment portfolio performance as at 31 December 2016 was 1.35% above the benchmark (3.12% against 1.77%). Benchmark being the Bank Bill reference rate as at 30 December 2016 in the Australian Financial Review published 4 January 2017.
- The total year-to-date investment income of \$3,713,130 is 85.19% of the total annual budget of \$4,358,600.

Ensuring Good Governance

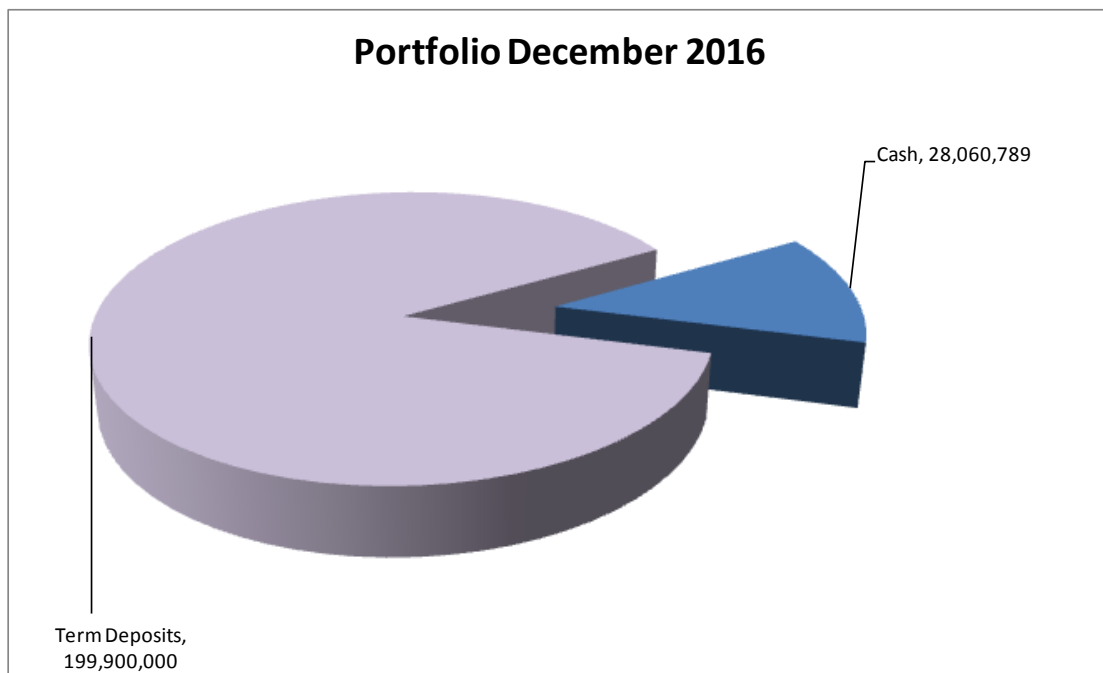


The year-to-date actual reflects total earning including both cash and accruals.

Investment Portfolio Mix

Council's current portfolio is made up of cash and term deposits. The total term deposits represent 87.69% of the total investment portfolio. As at 31 December 2016, the total investment portfolio was \$227,960,789 which is up from \$226,743,881 as at the end of November 2016. This consists of term deposits of \$199,900,000 and cash \$28,060,789.

Ensuring Good Governance



Term Deposits - Current month \$199,900,000 - Prior month \$211,900,000

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 31 December 2016 is as follows:

Table 1 - Term to Maturity

This table shows the amounts invested by various maturity profiles. These are in accordance with limits established by Council's Policy:

Term to Maturity	Balance \$	% Held	Policy Min	Policy Max
0 - 12 months	\$107,900,000	53.98%	40.00%	100.00%
1 - 3 years	\$87,000,000	43.52%	0.00%	60.00%
3 - 5 years	\$5,000,000	2.50%	0.00%	30.00%
Grand Total	\$199,900,000	100.00%		

Table 2 - Overall Portfolio Credit Framework

The institutions that Council invests with have credit ratings. Council policy specifies limits that can be invested within each rating band. These limits are to help avoid over exposure in any rating category. The table below groups the amounts held with various institutions based on their respective credit ratings, and compares the total to the maximum limit set for each credit rating category. Investments are within policy.

Ensuring Good Governance

Rating Frame	Total	% Held	Maximum % Policy	Variance
A	71,000,000	35.52%	60.00%	24.48%
AA	98,900,000	49.47%	100.00%	50.53%
BBB	24,000,000	12.01%	15.00%	2.99%
ADI/Unrated	6,000,000	3.00%	10.00%	7.00%
Grand Total	199,900,000	100%		

These tables show the total amount held for Council's term deposits as at 31 December 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 \$28,060,789 - Prior month \$14,843,881

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 December, \$10 million in funds matured with no funds reinvested into term deposits throughout the month as higher levels were maintained to cover larger end of year creditor payments.

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 (1.77% 31 December).

The largest sector of the portfolio is the term deposit allocation of \$199,900,000 (last month \$211,900,000) or 93.45% of the total.

Ensuring Good Governance

Investment Portfolio by Maturity Date - as at 31 December 2016

Inv Name	Type	Rating	Purchase Date	Maturity Date	Yield	Face Value
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

Ensuring Good Governance

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
Bank of Queensland	TD	A-	16-Nov-16	16-Jan-18	2.85%	2,000,000
Police Credit Union SA	TD	ADI/Unrated	12-Feb-16	12-Feb-18	3.15%	2,000,000
Bank of Queensland	TD	A-	16-Nov-16	16-Feb-18	2.85%	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
Bank of Queensland	TD	A-	16-Nov-16	16-Jul-18	2.92%	3,000,000
Westpac Banking Corporation	TD	AA-	15-Aug-16	15-Aug-18	2.96%	3,000,000
Bank of Queensland	TD	A-	16-Nov-16	16-Aug-18	2.92%	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
Bendigo Bank	TD	A-	10-Nov-16	9-Nov-18	3.00%	4,000,000
Westpac Banking Corporation	TD	AA-	10-Nov-16	10-Nov-18	3.00%	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						199,900,000
Westpac Business Cash Reserve Account						
	CASH				2.20%	28,060,789
Total Portfolio						\$227,960,789

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.

Ensuring Good Governance

Planning & Policy Implications

There are no planning and policy implications.

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 31 December 2016 is 1.35% above the benchmark (3.12% against 1.77%) and year to-date income is 85.19% 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 \$26,476.45 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: 09.10

Subject: INVESTMENTS - JANUARY 2017

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 January 2017.

Executive Summary

- Total funds invested as at 31 January 2017 equals \$231,510,481.
- Year-to-date investment income of \$4,321,248 is 99.14% 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

Overview

Councils (including Port Macquarie-Hastings Council) provide a broad range of services and associated infrastructure to their communities.

These services include (but are not limited to) the following:

- Water and Sewer services;
- Waste services;
- Port Macquarie Regional Airport;
- Cemeteries;
- Roads and Bridges;
- Various Recreation and Cultural facilities.

The Port Macquarie-Hastings area is a high growth centre of the North Coast region and is expected to accommodate a significant proportion of regional growth over the next two decades. The population will grow from 79,114 in 2016 to 102,926 in 2036. As a consequence of this growth, Council must not only provide services to the existing community and maintain existing assets, but Council must also plan for future maintenance and capital expenditure on the infrastructure that will be needed to support the community, business and visitors to the area into the future.

Ensuring Good Governance

Council holds cash reserves as an alternative to (or to supplement) borrowing. As at June 2016, Council held \$214 million in cash and reserves. Predominantly, these reserves are all allocated for specific purposes, with 70% of these reserves legally only being able to be used for the purpose for which they were collected (for example for water and sewer). The remaining reserves are also predominantly held for specific purposes (for example, for the development of the Airport, or to fund projects which have already commenced). The balances of these reserves are audited annually and published in Council's financial statements.

The level of reserves held by Port Macquarie-Hastings Council is not disproportionate to other similar Councils, noting that different Councils provide different services. Not all Councils provide Water and Sewer services for example which require significant capital investment.

The balances of these reserves are invested until such time as they are required. This report details how Council invests these reserves to ensure the appropriate balance between risk and financial return (through interest).

Current Investments

Council is required to undertake investments in accordance with section 625 of the Local Government Act 1993. This report provides details of Council's investments, and certifies that all funds that Council has invested as at 31 January 2017, comply with this Act.

All investments have been made in accordance with the Act and Regulations, and Council's Investment Policy.

As at 31 January 2017, the investments held by Council totalled \$231,510,481 and were attributed to the following funds:

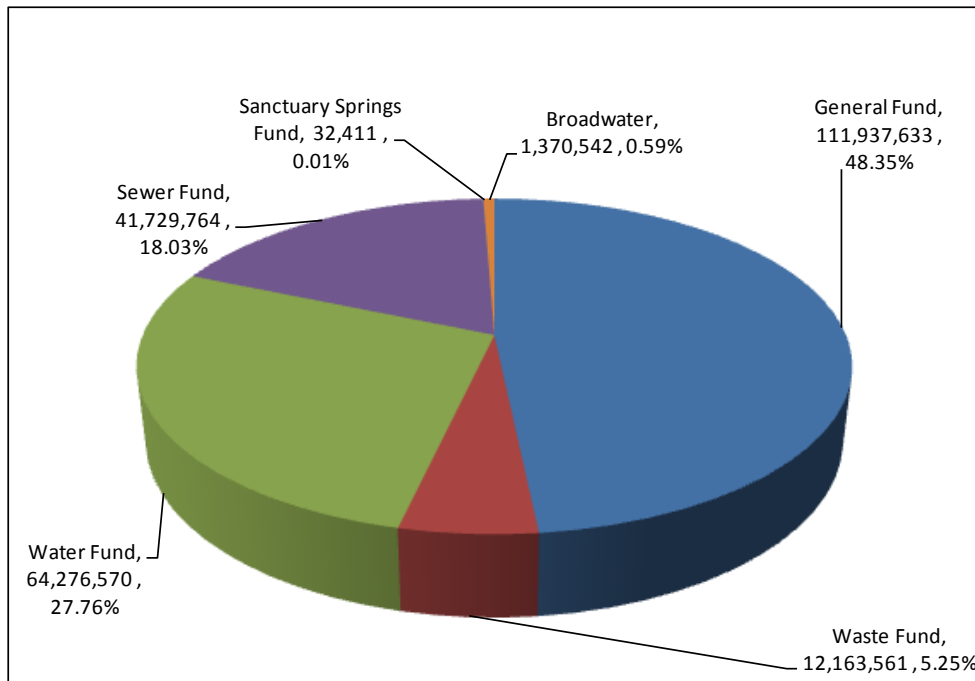
General Fund	111,937,633
Waste Fund	12,163,561
Water Fund	64,276,570
Sewer Fund	41,729,764
Sanctuary Springs Fund	32,411
Broadwater	1,370,542
	<hr/>
	231,510,481

Whilst the current level of investments remain high, these largely relate to funds which have legal restrictions (for example water and sewer), or for funds held for specific purposes.

These funds may be spent in the shorter or longer term depending on the required timing of future works. The totals will fluctuate dependent on the status of individual projects.

Ensuring Good Governance

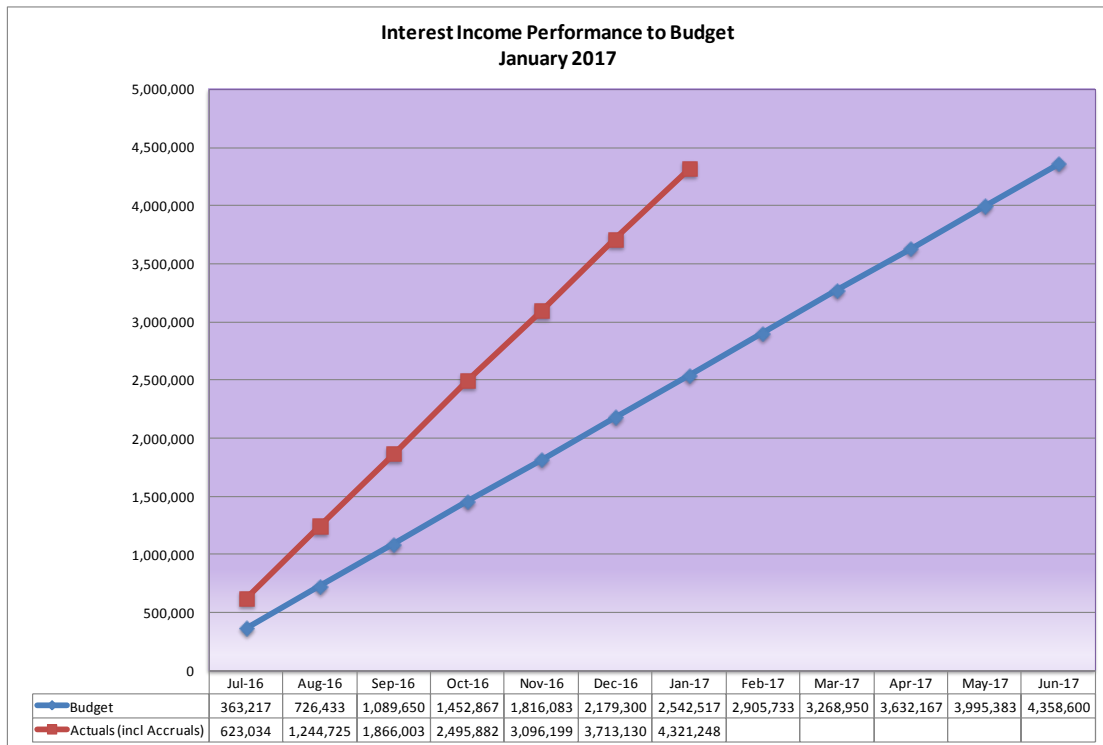
Investments by Fund - as at 31 January 2017



Portfolio Performance

- Council's total investment portfolio performance as at 31 January 2017 was 1.56% above the benchmark (3.18% against 1.62%). Benchmark being the Bank Bill reference rate as at 30 January 2017 in the Australian Financial Review published 1 February 2017.
- The total year-to-date investment income of \$4,321,248 is 99.14% of the total annual budget of \$4,358,600.

Ensuring Good Governance

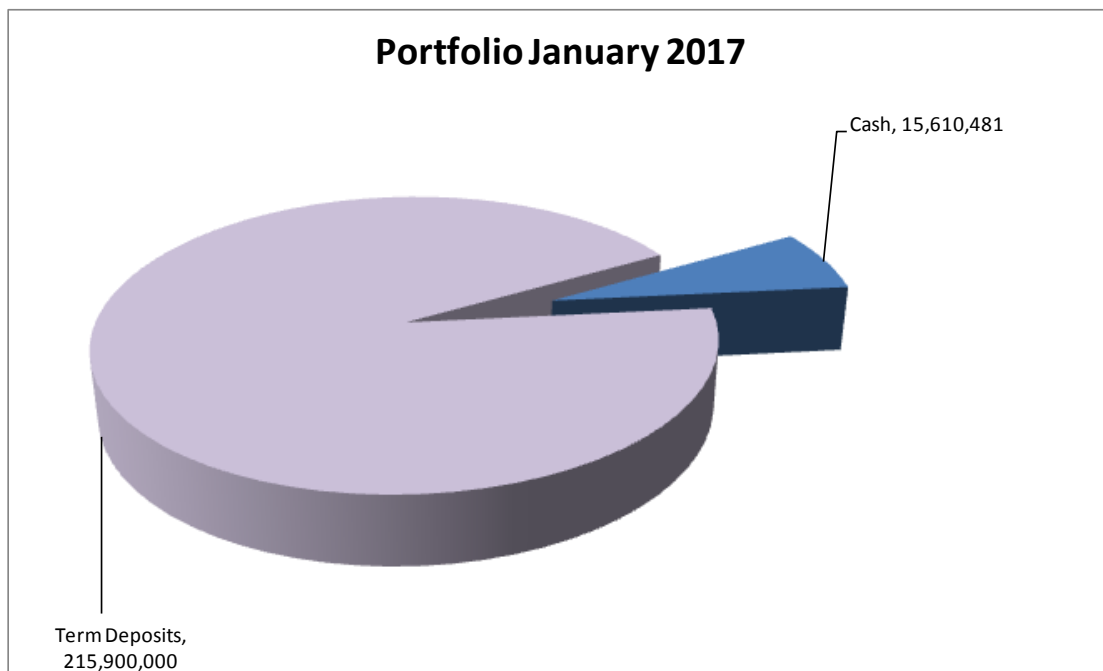


The year-to-date actual reflects total earning including both cash and accruals.

Investment Portfolio Mix

Council's current portfolio is made up of cash and term deposits. The total term deposits represent 93.26% of the total investment portfolio. As at 31 January 2017, the total investment portfolio was \$231,510,481 which is up from \$227,960,789 as at the end of December 2016. This consists of term deposits of \$215,900,000 and cash \$15,610,481.

Ensuring Good Governance



Term Deposits - Current month \$215,900,000 - Prior month \$199,900,000

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 31 January 2017 is as follows:

Table 1 - Term to Maturity

This table shows the amounts invested by various maturity profiles. These are in accordance with limits established by Council's Policy:

Term to Maturity	Balance \$	% Held	Policy Min	Policy Max
0 - 12 months	\$112,900,000	52.29%	40.00%	100.00%
1 - 3 years	\$96,000,000	44.47%	0.00%	60.00%
3 - 5 years	\$7,000,000	3.24%	0.00%	30.00%
Grand Total	\$215,900,000	100.00%		

Table 2 - Overall Portfolio Credit Framework

The institutions that Council invests with have credit ratings. Council policy specifies limits that can be invested within each rating band. These limits are to help avoid over exposure in any rating category. The table below groups the amounts held with various institutions based on their respective credit ratings, and compares the total to the maximum limit set for each credit rating category. Investments are within policy.

Ensuring Good Governance

Rating Frame	Total	% Held	Maximum % Policy	Variance
A	78,000,000	36.13%	60.00%	23.87%
AA	103,900,000	48.12%	100.00%	51.88%
BBB	28,000,000	12.97%	15.00%	2.03%
ADI/Unrated	6,000,000	2.78%	10.00%	7.22%
Grand Total	215,900,000	100%		

These tables show the total amount held for Council's term deposits as at 31 January 2017.

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 \$15,610,481 - Prior month \$28,060,789

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 full month of January, \$9 million in funds matured with \$25 million in funds reinvested into term deposits.

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 (1.62% 30 January 2017).

The largest sector of the portfolio is the term deposit allocation of \$215,900,000 (last month \$199,900,000) or 93.26% of the total.

Ensuring Good Governance

Investment Portfolio by Maturity Date - as at 31 January 2017

Inv Name	Type	Rating	Purchase Date	Maturity Date	Yield	Face Value
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
Bank of Queensland	TD	A-	19-Jan-17	19-Oct-17	2.80%	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
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
ME Bank	TD	BBB+	24-Jan-17	22-Dec-17	2.75%	2,000,000
Bendigo Bank	TD	A-	14-Jan-16	15-Jan-18	3.10%	2,000,000
Bank of Queensland	TD	A-	16-Nov-16	16-Jan-18	2.85%	2,000,000

Ensuring Good Governance

Inv Name	Type	Rating	Purchase Date	Maturity Date	Yield	Face Value
Westpac Banking Corporation	TD	AA-	19-Jan-17	19-Jan-18	3.01%	5,000,000
Westpac Banking Corporation	TD	AA-	24-Jan-17	24-Jan-18	3.00%	2,000,000
Police Credit Union SA	TD	ADI/Unrated	12-Feb-16	12-Feb-18	3.15%	2,000,000
Bank of Queensland	TD	A-	16-Nov-16	16-Feb-18	2.85%	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
Bank of Queensland	TD	A-	16-Nov-16	16-Jul-18	2.92%	3,000,000
Westpac Banking Corporation	TD	AA-	15-Aug-16	15-Aug-18	2.96%	3,000,000
Bank of Queensland	TD	A-	16-Nov-16	16-Aug-18	2.92%	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
Bendigo Bank	TD	A-	10-Nov-16	9-Nov-18	3.00%	4,000,000
Westpac Banking Corporation	TD	AA-	10-Nov-16	10-Nov-18	3.00%	4,000,000
ME Bank	TD	BBB+	14-Dec-15	14-Dec-18	3.33%	2,000,000
Westpac Banking Corporation	TD	AA-	19-Jan-17	21-Jan-19	3.17%	5,000,000
Rabobank	TD	Aa2	20-Jan-15	20-Jan-19	3.90%	2,000,000
Westpac Banking Corporation	TD	AA-	24-Jan-17	24-Jan-19	3.15%	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
ME Bank	TD	BBB+	24-Jan-17	24-Jan-20	3.26%	2,000,000
Newcastle Permanent	TD	BBB+	10-Mar-16	10-Mar-20	3.70%	2,000,000
Bank of Queensland	TD	A-	24-Jan-17	25-Jan-21	3.65%	2,000,000
Bank of Queensland	TD	A-	10-Mar-16	10-Mar-21	3.80%	3,000,000
Total TD's						215,900,000
Westpac Business Cash Reserve Account						
	CASH				2.20%	15,610,481
Total Portfolio						\$231,510,481

*The investments highlighted in yellow in the table above are new investments for January 2017.

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

Ensuring Good Governance

required. Council obtains regular updates regarding market activities positions from various institutions.

Planning & Policy Implications

There are no planning and policy implications.

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 31 January 2017 is 1.56% above the benchmark (3.18% against 1.62%) and year to-date income is 99.14% 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 \$29,783.63 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: 09.11

Subject: GLASSHOUSE QUARTERLY REPORT AND 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 And Update on Strategic Plan Recommendations 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 31 December 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 December review and attached report present the financial performance of the Glasshouse Venue for the second quarter of the 2016 - 2017 financial year (1 October 2016 to 31 December 2016) and the financial year to date (1 July 2016 to 31 December 2016).

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 financial year to date (before interest & depreciation) is \$1,160,057 against a budget of \$1,183,193, hence tracking within budget. Actual results for the same period in the prior year (1 July 2015 to 31 December 2015) was an operating deficit of \$1,216,232. Hence the Glasshouse operating position has improved by \$56,175 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 31 December 2016:

	Management	Back of House	Front of House	Community	Commercial	Cultural	Total
Operating Income	-	-	-	2,095	690,355	100,431	792,881
Operating Expenditure (Before Council Overheads)	102,223	541,876	285,526	29,897	428,152	372,374	1,760,048
Council Overheads	44,364	15,430	32,791	9,645	23,150	67,510	192,890
Net Operating Surplus (Deficit)	(146,587)	(557,306)	(318,317)	(37,447)	239,053	(339,453)	(1,160,057)

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

Ensuring Good Governance

community and cultural functions within the Glasshouse overall function. When the 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 31 December 2016:

	Management	Back of House	Front of House	Community	Commercial	Cultural	Total
Net Operating Deficit (from the above table)	(146,587)	(557,306)	(318,317)	(37,447)	239,053	(339,453)	(1,160,057)
Internal Overhead Distribution	146,587	557,306	318,317	(271,950)	97,244	(847,504)	-
Net Operating Surplus (Deficit) (after internal adjustments and transfers)	-	-	-	(309,397)	336,297	(1,186,957)	(1,160,057)

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, \$16,638,663 is the balance of the loans as at 31 December 2016. This demonstrates that over \$11 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 - February 2017* 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 31 December 2016):

Ensuring Good Governance

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-Dec
Visitation (Glasshouse)	234,526	250,000	146,025
Visitation (Gallery)	49,660	50,000	26,182
Visitation (website)	112,985	125,000	64,427
Utilisation (%) (theatre)	39%	> 40%	47%
Utilisation (%) (studio)	32%	> 35%	27%
Utilisation (%) (meeting rooms)	30%	> 40%	45%
Average attendance (%) (theatre)	71%	> 70%	66%
Average attendance (%) (studio)	64%	> 70%	75%
Number of tickets processed	61,940	65,000	34,644
Percentage of tickets sold online	25% / 30%*	> 30%	27%

* Note: The new ticketing system was introduced in December 2015.

Generally the July - December KPI results are on target and are consistent with the results for the corresponding period in 2015-16. Utilisation in hireable spaces can vary from year to year depending on the type and composition of hire.

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 (the 2017 launch is scheduled for 2 February 2017).

At the end of the 2016 Membership Season (30 November), there were 1275 Glasshouse Members - this represents an increase of 187 members over the number of members at 30 November 2015. This level of membership far exceeds the patron participation results achieved by other similar NSW venues (based on Australian Performing Arts Centre Association data).

As at 31 January 2017 there were already 815 Glasshouse Members registered for the 2017 Season.

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

Ensuring Good Governance

This work is continuing on an ongoing basis, including school holiday activities during January 2017.

Other actions

Further detail is provided in the attached *Update on Glasshouse Strategic Plan Recommendations - February 2017* 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.

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 - February 2017

2 [View](#). Glasshouse Financial Statements - December 2016

Ensuring Good Governance

Item: 09.12

Subject: 2016-2017 OPERATIONAL PLAN QUARTERLY PROGRESS REPORT
AS AT 31 DECEMBER 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 Council note the 2016-2017 Operational Plan Quarterly Progress Report as at 31 December 2016.

Executive Summary

This quarterly progress report assesses Council's delivery against the actions and performance measures adopted in the 2016-2017 Operational Plan as at 31 December 2016. It seeks to provide concise and accurate information on progress made in delivering the Operational Plan actions in the first two quarters of the financial year.

Meeting the targets and performance measures in the annual Operational Plan contributes to the overall achievement of the objectives outlined in the 2013-2017 four year Delivery Program. The Delivery Program is reviewed on a six-monthly basis and is next scheduled to be reported to Council in March 2017.

The overview section of the report provides a statistical snapshot of Operational Plan performance measurement data across the organisation. Analysis of performance achievements and actions that are behind target are detailed in each Focus Area.

The attachment provides the full 2016-2017 Operational Plan Performance Report, which includes a comprehensive listing of each individual action, performance measure, target and commentary on progress.

Major capital projects are incorporated into the body of the Operational Plan and as such are reported on as individual actions with performance measured against the adopted project plan.

Discussion

Overview: 2016-2017 Operational Plan - Quarterly Progress Report

The 2016-2017 Operational Plan contains 229 actions with the total number of performance measures being 320.

Ensuring Good Governance

As at 31 December 2016, 93% of Operational Plan actions are on target, with the remaining portion recorded as behind target or behind schedule.

Operational Plan Summary of Performance Measures by Focus Area					
Focus Area	Total	On target	Achieved	Behind	Overall delivery
Governance	67	54	13	0	100%
People	63	52	10	1	98%
Prosper	25	22	1	2	92%
Environment	23	19	2	2	91%
Infrastructure	142	114	10	18	87%
Totals	320	261	36	23	93%

Detailed Analysis by Focus Area

Achievement highlights and details of those actions behind target are summarised below according to each Focus Area within the Operational Plan.

Focus Area	Total measures	On target	Achieved	Behind
Ensuring good governance	67	54	13	0

Highlights

- The Legislative Compliance review for 2015-2016 was presented to the Audit Committee and the Ordinary Council Meeting in August 2016
- The Investment Report was tabled in accordance with required timelines
- Investment return to exceed Office of Local Government (OLG) benchmark target return was met and exceeded
- Financial Reports tabled in accordance with required timelines
- The 2015-2016 Annual Report presented to Council in November 2016 and a easy to read Community Report Card was also published
- The 2015-2016 Government Information Public Access (GIPA) Annual Report was complete
- The Annual Code of Conduct Complaints Report, Annual Disclosure of Interests and report on Public Interest Disclosures were all complete
- Compliments and complaints report presented to Council in August 2016
- A range of communication tools were used to keep community up to date with council activities including quarterly distribution of the Community Now Newsletter, use of consistent media channels such as social media, newspaper advertising and Weekly Mayoral messages
- Ongoing conversation with other levels of government including meetings with State and Federal members and participation in Mid North Coast Regional Organisations of Councils (MIDROC)
- Over 53,000 calls received through the customer call centre and over 48,000 counter enquires processed
- Over 600 Development Applications, 260 Construction Certificates and 60 Complying Development Certificates determined during July to December

Ensuring Good Governance

- Business improvement initiatives are in progress and ongoing

Operational Plan actions behind target

All actions are on target in this Focus Area

Focus Area	Total measures	On target	Achieved	Behind
Looking after our people	63	52	10	1

Highlights

- Over 300 pool inspections completed exceeding the set target of 250 with inspections continuing
- NAIDOC Week supported. Program of activities included the official flag raising Ceremony, NAIDOC Week School Holiday Program and collaboration with Glasshouse for exhibition opening BLAK Douglas and Milton Budge
- Annual review of grant compliance completed July 2016
- Youth Advisory Council have successfully completed two skills development courses as planned
- Annual Report of achievements against the Disability Discrimination Act action plan was presented to the October 2016 Ordinary Council Meeting
- Countdown to Christmas event held with over 8,000 people attending
- The Handa Sister City cultural exchange and been coordinated and held
- State Library reporting completed

Operational Plan actions behind target

- Slightly behind annual target for public health risk based audit inspections
-

Focus Area	Total measures	On target	Achieved	Behind
Helping our community prosper	25	22	1	2

Highlights

- Operating revenue from Glasshouse Commercial operations, Port Macquarie Airport and Innes Gardens Crematorium is 7% higher than the YTD data from the prior year
- Continued implementation of the Greater Port Macquarie Destination Management Plan
- Continued implementation of the Port Macquarie Airport Masterplan
- Continued implementation of the industry action plans for manufacturing, construction, and transport and warehousing industries
- Detailed design for the Port Macquarie Airport Terminal Building upgrade has tender documentation out to market
-

Operational Plan actions behind target

- Preparation of LEP and DCP amendments in relation to a business park near Port Macquarie Airport requires further investigation for transport infrastructure capacity to support rezoning
- Preparation of LEP amendments to facilitate development in the Major Innes Rd/Charles Sturt University precinct has the Orbital Road Study in

Ensuring Good Governance

preparation. A briefing to Council regarding the Urban Growth Management Strategy and precinct deferred to early 2017

Focus Area	Total measures	On target	Achieved	Behind
Looking after our environment	23	19	2	2

Highlights

- 20% of plant nurseries across the Local Government Area have been inspected for invasive weeds achieving the set target
- Control of feral animals on Council-controlled land has been undertaken on five sites
- Over 280ha of land have been treated for invasive weeds
- Over 1,300km of weed dispersal routes have been treated
- Over 600ha of bush regeneration has been undertaken
- Initial draft of the Biodiversity Strategy prepared

Operational Plan actions behind target

- Effluent quality was 98% compliant with Environmental Protection Authority licence discharge limits for the reporting period, slightly below the set target
- Providing advice on Council's Tree Management requirements is behind the set target. 852 requests received, made up of 611 (Public), 195 (Private) and 46 (Reported illegal actions). A number of additional phone enquiries were also received

Focus Area	Total measures	On target	Achieved	Behind
Planning and providing our infrastructure	142	114	10	18

Highlights

- Water supply operations complaints were responded to in accordance with service standards
- Water supply operations relating to all main breaks were attended within service standard
- Sewerage network operations complaints responded to in accordance with service standards
- Open drain reprofiling at Oleander Ave to Koala Street complete
- Hastings River Drive construction at Gordon St to Aston St complete
- Short Street drainage project complete
- Lake Rd/Blackbutt intersection improvements complete November 2016
- Westport Reserve Stage 2 boat ramp upgrade complete
- Town Beach (north) public amenities complete November 2016
- Small Town sewerage program for North Shore commissioned
- Ongoing construction of footpath across the region includes, Lord St, Port Macquarie (100m), Munster St, Port Macquarie (220m), Highfields Cct, Port Macquarie (20m), Orara St, Kendall (140m) and Bain St, Wauchope (110m).

Ensuring Good Governance

Operational Plan actions behind target

- Bonny Hills Reserve - upgrade to public amenities, options being considered in regards to funding with possible grant funding being sought by Bonny Hills Progress Association to allow for full renewal of amenities
- Port Macquarie Coastal Walk Masterplan development ongoing, site analysis has commence and consultancy brief for the signage strategy was finalised
- Review of the Neighbourhood planning for Thrumster (Area 13) has detailed project plan prepared, however is delayed due to KPOM taking priority
- The ongoing review of the Port Macquarie-Hastings Local Environmental Plan will have proposed amendments reported and presented to Council in Feb 2017
- Works Depot Relocation. Planning documentation has been finalised for submission for Council approval, based on completion of the following scopes of work: updated noise impact assessment; geotechnical testing; detailed site survey and design of civil infrastructure; structural and architectural design of office building; and updated cost estimate. Construction of the new works depot is dependent on the works depot relocation. This Operational Plan action can only progress once relocation details are finalised
- Design mid-block signal pedestrian crossing on Gordon Street. An investigations report has noted that lights at Horton Street intersection are more beneficial than a mid block crossing. Further discussions with RMS are proceeding
- Stormwater remediation - flood remediation Blackbutt Creek. Detailed designs complete. Property matters and negotiations are ongoing regarding acquisitions
- The Small Towns Sewerage Programs (3) for Comboyne, Long Flat and Telegraph Point have had further investigation completed by New England University to examine river impact study of proposed effluent discharge on the three river systems. Results of this currently being considered as part of review of environmental factors finalisation which will influence final decision on treatment systems to be adopted. Application for funding under the Small Towns Sewerage program has been successful and notification received from NSW Water. Resolution determined by Council at October Council meeting to proceed to tender early in 2017. Final review of environmental factors currently being prepared for review and incorporation into tender documents
- Kendall Booster Water Pump station is delayed due to potential change to disinfection methodology
- Camden Haven upgrade and upsize of mains and pump stations. Sewerpump station upgrade complete. Mains upgrade ongoing and in accordance with approved budget. Further investigation complete for pipeline connections to existing pipework. Final designs can now be completed
- Two reportable incidents relating to operation of the sewerage network have been recorded
- Beechwood Road upgrade for segments 20, 40 and 50 has concept design underway including consideration of flood levels, pedestrian traffic and pedestrian bridge(s)
- Stormwater remediation - Skyline Terrace Bonny Hills. Detailed design complete. Property matters are delaying commencement and negotiations underway with owner regarding acquisition
- Wauchope swimming pool is planned to have the opening in the late summer of 2016-2017

Ensuring Good Governance

- O’Neills Bridge Batar Creek Rd project planning ongoing. Commencement of works delayed to 2017 due to design changes identified during pre construction planning
- Albert Street Bridge project planning underway however works commencement delayed from Sept 2016 due to design finalisation.

Options

Seek further information on performance measures reflected in this report.

Community Engagement & Internal Consultation

The information contained in this report has been subject to consultation with the Executive, Senior Leadership Team, Integrated Planning and Reporting Development Officer and Staff.

Planning & Policy Implications

This report is consistent and aligned with the Integrated Planning and Reporting Framework provisions contained in the Local Government Act (1993).

Financial & Economic Implications

The Quarterly Budget Review Statement is tabled under separate cover and reflects the financial implications against the Operational Plan.

Attachments

1 [View](#). 2016 - 2017 Operational Plan progress report as at 31 December 2016

Ensuring Good Governance

Item: 09.13

Subject: ALTERNATE CHAIRS FOR COMMITTEES

Presented by: Corporate and Organisational Services, Rebecca Olsen

Alignment with Delivery Program

1.1.2 Support community involvement in decision making through education around Council matters and services.

RECOMMENDATION

That Council note the process to appoint Alternate Chairs to subcommittees, groups and boards.

Executive Summary

It is proposed that the process for determining Deputy Chairs for Committees shall be through the use of Section 5.3 of the adopted Committee charter template ("Chairperson and Deputy Chairperson"). This section of the template shall articulate the Chairperson and Deputy Chairperson (if required).

Where practicable, when the charters of subcommittees, groups and boards are reviewed and adopted by Council the Chairs of the portfolios will be assigned as Chairs in the charter that is aligned to the portfolio.

Where a Deputy Chair is required for a Committee, it is envisaged that the Alternate Chair of the portfolio that is aligned to the Committee, will be articulated as the Deputy Chair.

Discussion

At the 16 November 2016 Ordinary Council meeting, Council resolved recommendations relating to Councillor Membership to committees, Groups and Boards. An excerpt of the resolution specific to this report, action 8, is below:

*09.04 COUNCILLOR MEMBERSHIP TO COMMITTEES, GROUPS AND BOARDS
RESOLVED: Besseling/Intemann*

That Council:

8. Consider alternate Chairs for Committees to be brought to the February 2017 Council meeting.

CARRIED: 8/1

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

AGAINST: Griffiths

Ensuring Good Governance

This paper proposes the process for Deputy Chairs for Committees. It is noted that the resolution referred to Alternate Chair, which is equivalent of Deputy Chair in the case of committees.

Committees

In the current charter template that was adopted at the 20 April 2016 Ordinary Council meeting, section 5.3 ("Chairperson and Deputy Chairperson") articulates the Chairperson and Deputy Chairperson (if required).

Also within this section the Author of the charter will articulate the process to be followed to elect a Chair if the Chair is not present. Normally the group elects a member that is present to preside over the meeting; alternatively the process could be that the Deputy Chair becomes Chair of that meeting by default (if present).

All charters are progressively being reviewed and will use the adopted template. As the charters are reviewed and provided to Council for adoption, Council will adopt the Chairperson and Deputy Chairperson, if the Deputy Chairperson is required.

Portfolios

At the 16 November 2016 Ordinary Council meeting Council resolved Councillor representation to Portfolios, this included resolving Chairs and Alternate Chairs.

Most subcommittees, groups and boards align to a portfolio. To ensure consistent application of roles of the Portfolio Chair and Alternate/ Deputy Chair, where practicable, when the charters of subcommittees, groups and boards are reviewed and adopted by Council the Chairs of the portfolios are assigned as Chairs in the aligned charter. Also, where a Deputy Chair is required, the Alternate Chairs of the portfolio that is aligned to the charter are articulated as the Deputy Chair.

Mayor ex officio

Important to note is that the Mayor is also ex officio to the subcommittees, groups and boards. Therefore, by virtue of the Mayor's role, the Mayor would be a member of the subcommittee, group and board.

Options

The other option that Council has available is to directly appoint specific Councillors to subcommittees, groups and boards as Chairs and Deputy Chairs immediately, prior to a charter review.

Community Engagement & Internal Consultation

Internal consultation has taken place with the following:

- General Manager
- Group Manager Governance and Executive Services

Ensuring Good Governance

Planning & Policy Implications

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

Financial & Economic Implications

There are no financial and economic implications in relation to this report.

Attachments

Nil

Ensuring Good Governance

Item: 09.14

Subject: REVIEW OF SELECT COUNCIL COMMITTEES

Presented by: Community and Economic Growth, Liesa Davies

Alignment with Delivery Program

1.1.1 Use a variety of tools to engage with the community in a manner that is transparent, effective, relevant and inclusive.

RECOMMENDATION

That Council:

1. **Dissolve the following Committees of Council:**
 - a) **Heritage, Arts and Cultural Priorities Advisory Group;**
 - b) **Australia Day Sub Committee;**
 - c) **Handa Sister City Committee; and**
 - d) **Port Macquarie Hastings Youth Advisory Committee.**
2. **Request the General Manager to thank, in writing, each independent member of the Committees for their support and contribution.**
3. **Establish a new Steering Group called the 'Cultural Steering Group'.**
4. **Adopt the Cultural Steering Group Charter as included in this Review of Select Council Committees report.**
5. **Seek Expressions of Interest (EOI) for members of the Cultural Steering Group, with the results of the EOI to be reported to the 19 April Ordinary Meeting of Council.**
6. **Replace quarterly Glasshouse reporting to Council with six monthly reporting in February and August each year detailing key performance measures and financial information for the previous financial year period.**

Executive Summary

At the Ordinary Council Meeting held on 16 November 2016, Council resolved to appoint Councillor representation to a number of Advisory Groups, Committees and Steering Groups.

Council also resolved the following (in part):

Ensuring Good Governance

09.04 COUNCILLOR MEMBERSHIP TO COMMITTEES, GROUPS AND BOARDS *RESOLVED: Besseling/Intemann*

That Council:

2. *Dissolve the Glasshouse Sub-Committee and request that the General Manager thank in writing, each of the independent members of the Sub-Committee for their support and contributions.*
3. *Request the General Manager table a report at the 15 February 2017 Council meeting providing a review and future options for:*
 - a) *Heritage, Arts and Cultural Priorities Advisory Group*
 - b) *Aboriginal Advisory Committee*
 - c) *Implementation and monitoring of the Glasshouse Strategic Plan, particularly in relation to the objectives of the Cultural Plan.*
 - d) *PMHC Youth Advisory Committee*
 - e) *Mid North Coast Co-operative Library Committee*

CARRIED: 8/1

FOR: Besseling, Alley, Cusato, Dixon, Hawkins, Intemann, Levdo, and Turner

AGAINST: Griffiths

Action associated with Resolution 2 has been finalised and consideration has been given to the ongoing implementation and monitoring of the Glasshouse Strategic Plan and in particular, the nexus to the objectives of the Cultural Plan (Resolution 3c). It is recommended that Council receive 6 monthly reporting, detailing key performance measures and financial information for the previous financial year.

As per Resolution 3, a review has now been undertaken of the following groups:

- Heritage, Arts and Cultural Priorities Advisory Group
- Aboriginal Advisory Committee
- Australia Day Committee
- Handa Sister City Committee
- Port Macquarie Hastings Youth Advisory Committee, and
- Mid North Coast Co-operative Library Committee.

In light of the above-mentioned review, it is recommended that Council establish a Cultural Steering Group to provide a forum in which Council and the community can discuss and debate, plan and progress local and regionally significant cultural, creative outcomes that continue the growth of our people in the Local Government Area. It is proposed that the Steering Group would effectively oversee the strategic planning and activities undertaken by the aforementioned art, cultural and community committees.

Discussion

Glasshouse

As per Resolution 2 above, the Glasshouse Sub-Committee is now dissolved and all independent members of the Sub-Committee have been thanked in writing.

The Glasshouse Strategic Business Plan 2014-2017 aims to provide a greater commercial focus in the future operation of the Glasshouse to achieve Council's strategic vision of the venue. At the Ordinary Council Meeting held on 19 June 2013, Council resolved to endorse the following strategic vision for the Glasshouse:

Ensuring Good Governance

“The Glasshouse is a unique, nationally recognised and highly awarded multi-purpose facility. It contributes significantly to the economic benefit, place-making, lifestyle and marketing of the Port Macquarie-Hastings region. It is and will continue to be a key centre for high quality cultural, community and commercial activities on the Mid North Coast”.

A number of key outcomes and recommendations were developed as a result of the strategic plan. These have been continued to be monitored through the Glasshouse Sub-Committee and through quarterly reporting to Council.

With regard to Resolution 3(c), the following implementation and monitoring of the Glasshouse Strategic Plan is proposed:-

1. The ongoing implementation of the Glasshouse Strategic Plan and operational management of the Glasshouse as a venue will continue to occur as per other business units of Council, overseen by the Venue Manager, Group Manager Commercial & Business Services, Director Corporate and Organisational Services and the General Manager.
2. That the current quarterly report to Council be replaced by six monthly reporting to Council in February and August of each year to include relevant KPI's and financial information for the previous financial year period.
3. That a review of the Glasshouse Strategic Plan be undertaken during 2017-2018 with input to be sought from a new Council Cultural Steering Group
4. That the Glasshouse Venue Manager be a member of the Cultural Steering Group to ensure linkage between the Glasshouse as a venue and provider of performing arts and gallery programs to Council's Cultural Plan.

Status and way forward for other Select Committees

Council currently has a number of Committees that relate to art, culture and community. These include:

- a) Heritage, Arts and Cultural Priorities Advisory Group;
- b) Aboriginal Advisory Committee;
- c) Port Macquarie Hastings Youth Advisory Committee;
- d) Mid North Coast Cooperative Library Committee;
- e) Australia Day Committee;
- f) Handa Sister City Committee.

The function and status of these groups is as follows:

Heritage, Arts and Cultural Priorities Advisory Group

Function: *To support the development of a Cultural plan and provide advice on arts and cultural activities in the region.*

Status: In recess.

Aboriginal Advisory Committee:

Function: The Aboriginal Advisory Committee (AAC) was established in 1996. The objective of this Committee is “to advise Council and consult with

Ensuring Good Governance

Council regarding issues involving the Aboriginal community in the area”.

Status: In 2011 the AAC was community was incorporate into Bearlay Aboriginal Interagency meetings and no longer functioned as a Council committee. For the development of Council’s Aboriginal Awareness and Understanding Strategy, a working group was established.

Port Macquarie-Hastings Youth Advisory Committee

Function: The role of the Port Macquarie Hastings Youth Advisory Council (YAC) is to represent local young people and raise issues that are important to them, both locally and state-wide. The Youth Advisory Council also works to create, promote and encourage activities for young people living in the Hastings.

Status: YAC continues to be a functioning committee with fortnightly meetings, skills building and a minimum of three youth events each year.

Mid North Coast Cooperative Library Committee

Function: To keep councillors abreast of the running of the Mid North Coast Library Cooperative.

Status: The Committee was disbanded in 1999 as it was no longer viewed as necessary for Councillors to be providing oversight of the Cooperative. The Cooperative Agreement continues to be managed at an operational level and was last reviewed by the Library Managers and General Managers in 2012.

Australia Day Committee

Function: To assist with the determination of Australia Day Award recipients and assist Council in delivering and promoting Australia Day events and activities across the region.

Status: The committee meets for a minimum of 7 meetings per year from September to February. The membership includes Tacking Point Lions Club, Wauchope Rotary Club and Laurieton Rotary Club representatives.

Handa Sister City Committee

Function: To promote and support mutual relationships with Handa, Japan, under our Sister City Agreement; including economic, cultural, sporting and educational exchanges and exchanges in technology for the benefit of both cities.

Status: The focus over the past 7 years has been on educational exchanges with an annual visit of students from Handa to Port Macquarie. On the 25th Anniversary (2015), Port Macquarie Councillors with a local business contingent visited Handa and this was reciprocated with the

Ensuring Good Governance

Mayor of Handa and a delegation visiting Port Macquarie. The economic possibilities have now come to a forefront with an additional exchange planned with a stronger business focus.

Proposed Steering Group and Responsibilities

It is proposed that a single Cultural Steering Group (the Steering Group) could effectively oversee the planning and activities undertaken by the aforementioned art, cultural and community committees.

As is noted in the draft Charter attached to this report, the Steering Group is proposed as an interactive group to provide a forum for developing the strategic community arts and culture direction for the Local Government Area. The Steering Group will focus on collaboration, innovation and the development of a 'whole-of-place' approach for the purpose of promoting community capacity building to assist in creating a vibrant future for our community and a clear sense/connection of/to place.

It is recommended that the Australia Day Committee, Handa Sister City Committee, Aboriginal Advisory Committee, the Heritage, Arts and Cultural Priorities Advisory Group and Port Macquarie Hastings Youth Advisory Committee be dissolved.

In place of the above-mentioned committees, it is recommended that Working Groups be established for Australia Day, Handa Sister City, Aboriginal Advisory and Port Macquarie-Hastings Youth. These Working Groups will effectively sit under and report to the Cultural Steering Group, noting their close alignment with Councils broader cultural focus.

These Committees are recognised as having contributed significantly to our local cultural development and civic celebrations and there is an on-going need for community input on such matters. Recommendations made be made by Working Groups on arts, culture and heritage related issues, however those recommendations will be made by the Steering Group, who are the group who can make recommendations to Council for consideration.

The Mid North Coast Co-operative Library Committee was disbanded in 1999, however activities and projects within the Libraries have been included in the Cultural plan and updates on action and proposed projects will be directed through the Cultural Steering Group.

Membership of the Cultural Steering Group

In establishing the Cultural Steering Group, it is considered appropriate that the group be made up of Council representatives plus community members representing relevant interests as follows (shown in no particular order):

- Arts (visual or performing arts);
- Culture;
- Heritage;
- Tourism;
- Youth;
- Events.

Ensuring Good Governance

PMHC representatives will be:

- Councillors from the Economic and Cultural Development Portfolio;
- Relevant Council Director;
- Relevant Council Group Manager;
- Glasshouse Venue Manager;
- Other senior Council staff as required.

Options

Council could choose to retain the existing Committee and Group structure, or resolve to amend in another way.

Community Engagement & Internal Consultation

Internal consultation has taken place with the following:

- General Manager;
- Director Corporate and Organisational Services;
- Acting Director Community and Economic Growth;
- Group Manager Commercial and Business Services;
- Group Manager Community Participation;
- Glasshouse Venue Manager.

Planning & Policy Implications

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

Financial & Economic Implications

There are no financial or economic implications in relation to this report.

Attachments

1 [View](#). Cultural Steering Group Charter - Draft

Ensuring Good Governance

Item: 09.15

Subject: REVISED ECONOMIC DEVELOPMENT STEERING GROUP CHARTER AND NEW MEMBERSHIP

Presented by: Community and Economic Growth, Liesa Davies

Alignment with Delivery Program

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

RECOMMENDATION

That Council

1. **Adopt the revised Economic Development Steering Group Charter.**
2. **Note expressions of interest for members of the Group will be undertaken in late February, with recommended membership to be reported to the 19 April Ordinary Meeting of Council.**

Executive Summary

The adoption of an updated draft Charter for the Economic Development Steering Group will allow for continued oversight of the Port Macquarie-Hastings Economic Development Strategy as well as further collaboration on a range of other local economic development matters. The proposed amendments to the Charter relate to alignment to other recently established Council Steering Groups and the inclusion of specific detail on the formation of working groups. As the Group's existing membership term will come to an end on 30 April 2017, an expression of interest process will be undertaken to invite new/renewed membership.

Discussion

Council's Economic Development Steering Group was formed at the February 2013 Ordinary Meeting and is nearing the completion of its second two year term. The Group has provided a strong forum for strategic leadership and engagement in local economic development, and collaboration with local business and industry in an open, transparent and meaningful way.

The Group has been very engaged, collaborative and supportive and has had good representation from a broad range of industry sectors. It successfully steered the development and delivery of the 2013-2016 Port Macquarie-Hastings Economic Development Strategy and engages and provides valuable input to Council on a range of other economic development matters relevant to the Local Government Area. The Group is currently working with staff in developing the 2017-2021 Port Macquarie-Hastings Economic Development Strategy.

Ensuring Good Governance

It is proposed that prior to seeking expressions of interest for members for a third term of the Group, the Charter be updated to:

- ensure governance consistency with other recently established Council Steering Groups;
- include details regarding the Councillor appointment to the Steering Group as being the Economic and Cultural Development Portfolio Councillors; and
- allow for the formation of working groups to consider specific matters of interest to the Group.

The draft Charter will allow for continued oversight of Council's Economic Development Strategy implementation and review, as well as collaboration on a range of other local economic development matters. The draft Charter continues to set a two year term for membership, however allows existing members to re-apply for a position and for new members to nominate, when the current Steering Group term concludes on 30 April 2017.

Attachments

- 1 [View](#). Economic Development Steering Group Charter - Revised 20170215

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: CONTAMINATED LAND POLICY - DRAFT

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

1. **Place the draft Contaminated Land Policy and Guidelines on public exhibition between 16 February 2017 and 17 March 2017.**
2. **Note that further report to be tabled at the May 2017 meeting of Council, detailing the submissions received from the public during the exhibition period.**

Executive Summary

Contaminated land matters are inherently complex, often requiring a high level of technical expertise and knowledge to appropriately assess and manage. Councils have a key role in protecting and restoring the quality of the environment through informed planning decisions and effective land management and the assessment and management of contaminated land is an important function of local government.

A MIDROC Contaminated Land Program (the 'Program') was established with assistance from the NSW Environmental Protection Authority (EPA) and the NSW Environmental Trust to improve the capacity of MIDROC councils to manage contaminated land.

As part of the Program a draft Contaminated Land Policy (the Policy) and Guidelines (the Guidelines) have been developed in addition to a suite of contaminated land resources which aim to provide a legally compliant framework for managing contaminated land in a responsible and regionally consistent manner. An aim of the Program and Policy is to improve regional development standards and outcomes.

The attached draft Policy and Guidelines outline Council's role and considerations in dealing with land contamination matters and will be consistent with other MIDROC councils.

Discussion

What is land contamination?

Land contamination is a condition where either directly or indirectly human activities have caused a substance to be incorporated into the landscape at concentrations that have the potential to harm human health or the environment. This is typically

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found on sites where hazardous substances have been used, stored or manufactured over prolonged periods of time, or where pathways exist between a contamination source and another part of the environment.

In the our region this typically includes land uses such as:

- Existing or former service stations
- Factories, storage yards and other industrial sites
- Timber treatment facilities
- Tick dip sites
- Legacy mine sites and processing plants

- Intensive agriculture sites

- Lands where unclassified fill materials have been used or dumped

The presence of contamination can often have significant economic, planning and legal implications for a site and how it is used. Depending on its nature, land contamination can present a substantial risk of harm to human health and other aspects of the environment if not identified and managed early enough.

Why have a contaminated land policy?

When carrying out planning functions a council must consider whether contamination may make a site unsuitable for its proposed uses. In instances where a council does not suitably consider land contamination and inappropriate land uses are approved on a site, council can be held legally liable for costly site remediation and management activities.

Part 7A of the *Environmental Planning and Assessment Act 1979 (EP&A Act)* provides councils with an exemption from liability for planning decisions performed substantially in accordance with the SEPP55 Planning Guidelines (the Planning Guidelines). The Planning Guidelines strongly recommend that councils adopt a formal contaminated land policy that outlines the commitments and processes that council will use to meet the requirements of the Planning Guidelines, as well as other relevant laws, standards and guidelines.

All planning functions performed in accordance with the Policy should be considered to be performed in good faith and will qualify council for exemptions from liability under Part 7A of the *EP&A Act*.

What are the main aspects of the policy?

The draft Policy and Guidelines closely follow the format and principles of the Planning Guidelines with standards added to reflect local needs and context. The draft Policy and Guidelines aims to provide a framework for the assessment and management of land contamination issues within the region.

The draft Policy and Guidelines are targeted at staff, contaminated land management practitioners, property developers, land managers, and the general public.

Focussed guidance is provided on:

1. Council's commitment to considering contaminated land issues
2. Site investigation, remediation and management triggers and standards

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3. Contaminated land management practitioner standards
4. Contaminated land reporting standards
5. Triggers for requiring a site audit
6. Council record management standards
7. Information to be included on Section 149 Planning Certificates
8. Standards for preventing land contamination

How does this Policy differ from Council's existing contaminated land policy?

Whilst Council's existing contaminated land policy follows the Planning Guidelines the proposed Policy is more comprehensive, and will provide a regionally consistent approach to contaminated land management.

What are the benefits of a regionally consistent approach for dealing with contaminated land issues?

By dealing with contaminated land issues in a regionally manner councils support:

- A consistent approach to manage the development of lands where contamination may be a factor
- An opportunity for shared learning and better coordination of contaminated land practices as a group
- A regionally consistent approach for land managers, property developers and contaminated land practitioners which reduces confusion amongst stakeholder groups that work between LGA's
- Increased quality of outputs through improved processes and standards
- Regional collaboration and coordination between stakeholders

Key legal requirements

The draft Policy and Guidelines aim to provide a legally compliant framework for managing contaminated land matters in a responsible manner. Key documents that make up the contaminated land planning and legislative framework are:

- *Environmental Planning and Assessment Act 1979 (EP&A Act)*
- *Contaminated Land Management Act 1997 (CLM Act)*
- *Protection of Environmental Operations Act 1997 (POEO Act)*
- SEPP 55 – Remediation of Lands (SEPP 55)
- Managing Land Contamination - Planning Guidelines for SEPP 55 (Planning Guidelines)

Clause 6 of SEPP 55 requires a planning authority to consider whether land is contaminated during the preparation of an environmental planning instrument. This

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includes the consideration of planning proposals and the preparation of LEP's and DCP's.

Similarly, Clause 7 of SEPP55 requires that a consent authority must not consent to development on land unless contamination has been considered. If contaminated then the site must be remediated to a state that makes it suitable for its intended uses.

Section 145B of the *EP&A Act* 'Exemptions from Liability – Contaminated Land', states:

- (1) A planning authority does not incur any liability in respect of anything done or omitted to be done in good faith by the authority in duly exercising any planning function of the authority to which this section applies in so far as it relates to contaminated land (including the likelihood of land being contaminated land) or to the nature or extent of contamination of land.
- (2) Without limiting any other circumstance in which a planning authority may have acted in good faith, a planning authority is (unless the contrary is proved) taken to have acted in good faith if the thing was done or omitted to be done substantially in accordance with the contaminated land planning guidelines in force at the time the thing was done or omitted to be done.

In regards to exemptions from liability the Planning Guidelines states the following:

Part 7A of the *EP&A Act* provides that planning authorities who act substantially in accordance with these Guidelines are taken to have acted in good faith. This means that before an authority can be found negligent of an act or omission related to a particular planning function, it must be shown that they did not substantially comply with the Guidelines.

The planning functions covered by this statutory protection are:

- a) the preparation or making of an environmental planning instrument
- b) the preparation or making of a development control plan
- c) the processing and determination of a development application
- d) the modification of a development consent
- e) the furnishing of advice in a planning certificate under s. 149 of the Act
- f) anything incidental or ancillary to the carrying out of any function listed in paragraphs (a)–(e).

The Planning Guidelines also state:

To supplement these Guidelines, it is strongly recommended that each local council develop and adopt a formal policy for managing land contamination to provide a local context for decision making. The policy should be consistent with these Guidelines and either adopt or be based on them, with variations based on local conditions and procedures.

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Section 149 Planning Certificates

Information regarding land contamination must be included on a planning certificate issued under Section 149 of the *EP&A Act*. The information and certificate are specific to a certain property and provide information about how the site may be used and if land use restrictions apply. Information on land contamination must be included in Section 149 planning certificates in line with the requirements of Section 59(2) of the *CLM Act* and the Policy Guidelines. If land use restrictions are placed on the land due to contamination this will be reflected within Section 149 planning certificates.

Options

Council could opt to:

1. Retain the existing PMHC Contaminated Land Policy; or
2. Proceed to place the draft Policy and Guidelines on public exhibition;

Following the conclusion of the proposed public exhibition phase, any relevant changes will be made to the draft Policy and reported back to Council for further consideration.

Community Engagement & Internal Consultation

The draft Policy and Guidelines have been developed in consultation with MIDROC councils and the EPA.

There has been internal consultation with staff from Geographical Information Services, the Infrastructure Division and the Development and Environment Division.

If approved by Council the draft Policy and Guidelines will be placed on public exhibition for 28 days commencing 16 February 2017. Exhibition will be promoted by advertisements in local newspapers, Council's website and through Council's construction industry e-Newsletter.

Planning & Policy Implications

Part 7A of the *Environmental Planning and Assessment Act 1979* provides councils with an exemption from liability for planning decisions preformed substantially in accordance with the Planning Guidelines. The Planning Guidelines strongly recommend that councils adopt a formal contaminated land policy that outlines the commitments and processes that a council will use to meet the requirements of the Planning Guidelines, as well as other relevant laws, standards and guidelines.

The draft Policy and Guidelines closely follow the Planning Guidelines and provides for clear guidance to council staff regarding contaminated land issues. The Policy contains additional guidance for contaminated land management than Council's current policy and information and will be an improvement to the current policy position.

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Financial & Economic Implications

The development of the draft Policy and Guidelines has been funded by the EPA's Regional Capacity Building Program.

It is not expected that the draft Policy and Guidelines will have any significant adverse financial implications for Council or any broader economic implications.

Attachments

1[View](#). Draft Contaminated Land Policy

2[View](#). Draft_Contaminated Land Policy Guidelines PMHC V1

Looking After Our People

Item: 10.02

Subject: COMMUNITY EVENTS PROGRAM TO END OF APRIL 2017

Presented by: Community and Economic Growth, Liesa Davies

Alignment with Delivery Program

2.7.1 Encourage and build capacity for community groups to be active, successful and sustainable and support growth of volunteer base.

RECOMMENDATION

That Council note the Community events program for the period March- April 2017.

Executive Summary

Each year Council runs a number of government legislated activities, events and programs for which we receive funding or subsidised salaries. These include Seniors Week, the Creative Aging Festival and Youth Week. A number of additional activities are also run to celebrate other national programs including Heritage Week and ANZAC Commemorations. Council is also currently planning for 'Artwalk' and a Mayors Sporting Fund fundraising event. These activities and programs aim to support social inclusion and bring our community together to create a more vibrant and connected place. The government programmed weeks are used to highlight social inclusion, participation in community life, and encourage community capacity building.

The upcoming program of activities and events are aligned with the Port Macquarie Hastings Towards 2030 Community Strategic Plan and will support local social infrastructure and create a healthy, inclusive and vibrant community.

Discussion

During March and April 2017 Council will run a number of socially targeted events that bring our community together. The events are designed to thank, celebrate and recognise our community members for the role they play and the contributions they make to the community.

This year with all the events happening in March and April, it is an opportunity to combine our efforts and have a program of events that ensures social inclusion, promoting health, happiness and that will bring all areas of our community together.

These events, activities and programs include:

Seniors Week (6-12 March 2017)

Council's Seniors Week Program delivers outcomes against our Service Agreement with the Department of Family and Community Services. The Service Objectives

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focus on providing information about services to seniors (so they are better informed and engaged), facilitating activities for older people (so that they participate in community life), and sharing good practice initiatives and research for the development of industry workers in the aged & disability sector.

This year the popular PMHC Sensational Seniors Expo is back with an expected audience of 1200 seniors. The expo targets newly retired and newly arrived seniors to access a wide range of information under one roof. This year's expo will include some 70 health, travel, services, volunteer/interest groups and community stalls including Council, the Library and Glasshouse. It is free and open from 9am to 2pm on 6 March 2017.

Grant funding for our 2016 Creative Ageing Festival paid for the purchase of a set of iPads and workshops by Adriane Boag, Access Coordinator from the National Gallery in Canberra. Building on this project, a series of 'Digital Art for Seniors' workshops will be run throughout February. The created artworks will then be displayed in the Glasshouse Foyer from 2 March 2017.

The Creative Ageing-Big Chat forum is back for the third year at the Glasshouse in partnership with the Australian Centre for Arts & Health. This is targeted at industry workers with a presentation from council about our services and programs.

The Library will deliver a 'Weird Techie Stuff for Seniors' workshop and Wauchope Library will feature a 'Laugh yourself healthy for Seniors' workshop, focusing on Laughter Yoga which is now a worldwide social movement.

Outcomes:

- Acknowledge the important role that seniors play in our community;
- Training for Industry workers;
- Opportunities for Seniors to engage with Libraries and the Glasshouse;
- Opportunities for seniors to participate in the arts - via workshops, exhibitions, performances, film screening, discussion groups and networking; and
- Remove barriers for older people to access cultural activities and events.

Proposed measure:

- Number of seniors attending programs and workshops; and
- Number of industry workers attending The Big Chat.

Mayor's Sporting Fund - Golden Thong Bowls Day (1 April 2017)

The Annual Mayors Golden Thong Bowls Day to raise funds for the Mayor's Sporting Fund at Port City Bowling Club.

Outcome:

- Funds raised to be distributed to young local athletes who apply for financial assistance to compete at an elite level.

Proposed measure:

- To raise more money than that raised in 2015/2016.

Youth Week (7-10 April)

This year's focus will be the Youth Week Skill Building Festival. The event has been developed around key themes that will assist Council, the Port Macquarie Hastings

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Youth Advisory Council and the Hastings Youth Network, to develop a Youth Action Plan for the next four years. The key themes include music, sports, creativity and wellbeing.

The festival will be supported via a NSW Youth Opportunities grant (\$11,700). The activities cover the diverse interests of our 12 to 25 year old and include:

- A Regional Youth Music Conference at the Glasshouse;
- A music festival - showcasing local youth bands and musicians and a headlining act (potentially from outside the region);
- Youth Marker Markets - stalls run by young people selling their own wares;
- Art activities - opportunities for young people to show their own work and to learn from professionals in workshops and live demonstrations;
- Outdoor movie - a movie night in a public setting;
- Gamers activities - an opportunity for local gamers to get together and have a competition in a public setting;
- Sporting activities - both competitive and just for fun;
- Skate competition - at the local skate park;
- Outdoor games and activities;
- Photo competition with an exhibition at Sunset Gallery;
- Careers market - local training providers, Charles Sturt University (CSU), North Coast TAFE etc;
- Health expo - mental health / physical health / drug awareness / youth homelessness / bullying / personal development; and
- Local volunteering opportunities.

There will be a precinct on Town beach for the extent of the Festival with a number of satellite activities happening in other locations across the region.

Outcomes:

- Provide skills building opportunities and encouraging young people to take leadership roles through involvement in all elements of the event organisation and presentation and mentoring and capacity building, particularly with YAC to provide firsthand experience in event planning and management; and
- Surveys will be presented to the young people at the commencement of the project. Providing our young people with the opportunity to have a say about what a youth friendly place looks like and what barriers existing in the LGA for young people today.
- The engagement that is undertaken throughout the festival will provide key information the assist in the development of a Youth Action Plan and future social strategies.

Proposed measure:

- Number of attendees.
- Number of participants in each activity.
- Youth Action Plan developed.

Artwalk 2017 (20 April 2017)

The 2016 ArtWalk Port Macquarie in the Port Macquarie CBD attracted around 3000 people. The intent of ArtWalk 2017 is to again be a free family-friendly evening event that encourages our community to explore, experience and participate in our local arts and culture in the centre of Port Macquarie.

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The following key elements will be included in this year's event:

- Temporary Public Art Digital Projections;
- Artbites restaurant experiences;
- A heritage feature exhibition (Artwalk will be held during Heritage Week)
- Exhibitions in cultural organisations and local businesses; and
- Live Art Activation - performers, musicians and artists.

Outcome:

- Increased awareness of our arts and cultural businesses in the CBD;
- Local artist work is exhibited and promoted to the general public;
- Increased visitation to local arts and cultural business and commercial businesses and cultural sites;
- Activation of the CBD during the evening;
- A unique experience that encourages community engagement and participation with art.

Proposed Measure

- Survey businesses before and after;
- Number of attendees to each venue and overall;
- Survey on the night from participants/ consumers measuring; and
- Survey of artists.

Heritage Week (16-29 April)

The Heritage Festival is celebrated annually across Australia with local Councils coordinating programs to promote, protect and celebrate Australia's historic, natural and Aboriginal heritage.

The PMHC Heritage Festival will be in its 20th year in 2017 and has become the biggest heritage festival on the Mid-North Coast, with over 4,000 participants last year. In recent years, the Festival has grown from a small multi-day event featuring a handful of our local museums with a small number of typically passive activities to a month long event featuring over 30 local community groups, schools, museums, galleries and businesses providing upwards of 100 active, engaging, informative and entertaining activities.

This year's festival will continue the strong collaboration between PMHC and many local community heritage, museum, gallery and school groups. A recent focus has also been on fostering activities for children and families with events including outdoor exhibitions, kids art workshops, a 'Relics, Rocks and Remnants Exhibition', moonlight movies.

The 2017 event will run along similar line to last year's event, and include many community events and activities. The heritage event will run from the 16 to 29 April inclusive. Activities will include:

- Douglas Vale Historic Winery, Port Macquarie;
- Wauchope CBD Heritage tours;
- Historic Roto House Port Macquarie;
- Innes Ruins archaeological tours;
- Camden Haven History Walks;
- Port Macquarie archaeology tours;

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- Historic Cemetery guided walks;
- Museum lectures and exhibitions; and
- Family History workshops at the Port Macquarie library.

Outcomes:

- To conserve, protect and celebrate our local heritage;
- Promote the heritage of our region;
- Build capacity and capability in our local heritage and museum groups; and
- Encourage young people to become involved with our local heritage.

Proposed Measure:

- Number of attendees to each venue; and
- Number of community activities.

Options

Council may choose to:

1. Note the information contained in the report; or
2. Request further information about the planned events program.

Community Engagement & Internal Consultation

The events and activities are only made possible through the support of local community groups, working parties and key partners. These include:

Seniors Week

A Seniors Working Group including representatives from U3A, Hastings Combined Seniors, Sing Australia and the Residents Action Network participate in the planning and delivery of the program. It is also supported by Arts Mid North Coast and Australian Centre for Arts & Health.

Youth Week

Stakeholders in Youth Week events include all services with a youth focus:

- Council, Hastings Youth Worker Network, Charles Sturt University, TAFE, Headspace, Hastings Youth Advisory Council, local schools, libraries, Green Triangle, Girls Space, the Port Collective.

Artwalk 2017

An ArtWalk Working Group has been established including representatives from:

- Arts Mid North Coast, Port Macquarie Museum, Charles Sturt University, local artists, Port Macquarie High School, Sunset Gallery.

Other key collaborators include;

- Port Macquarie Performing Arts, Conservatory Mid-North Coast, Port Macquarie Local Area Command and TAFE.

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Heritage Week

Supported by:

- Local museums, heritage and community groups, schools and local businesses.

Mayors Sporting Fund:

- Mayors Sporting Fund Committee, local businesses, sponsors.

Planning & Policy Implications

These community events and activities are consistent with the 2016-2017 Operational Plan objectives to:

2.4.1.3 Undertake programs, activities and events utilising a Place Making approach that focus on better outcomes for the aged and disabled in the LGA. [(3). Seniors Week program developed and implemented.]

2.5.2 Facilitate, support and/or advocate for cultural and heritage education within the community.

2.8.1.6 Work with community groups involved in arts and culture to deliver a wide range of inclusive cultural experiences across the LGA.

2.2.1 Build Capacity in the community to support young people

2.2.1.1 Provide opportunities for young people to learn and develop through 'youth focused' initiatives.

2.8.1 Support, facilitate and advocate for arts and cultural programs that engage the community and deliver a range of high quality performing, visual arts and cultural development services.

2.8.1.6 Work with community groups involved in arts and culture to deliver a wide range of inclusive cultural experiences across the LGA.

These activities are consistent with 2016-2019 Cultural Plan actions:

- Encourage programs that target our ageing population;
- Ensuring festivals and events programming has appeal throughout our community through diverse programming and ensuring accessibility through low cost and free programming options;
- Facilitate programs that encourage community participation in Cultural Activities;
- Foster partnerships and collaboration between other government, corporate, education, community and not for profit agencies to further build capacity and identity; and
- Facilitate a program of activation within our town centres that celebrate and promote arts culture and heritage.
- Ensure that our heritage is recognised, valued and maintained.
- Develop initiatives and programs that acknowledge and celebrate our Aboriginal heritage.
- Continually look for ways to interpret the cultural heritage of the Port Macquarie-Hastings region, through the development of programs and partnerships with our local heritage sector.
- Work collaboratively with our museums and heritage sector to promote our local heritage.

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Financial & Economic Implications

Community events and activities are funded from Council's Community Place Budget, grants as well as partnerships and sponsors:

The Seniors Week program budget is \$2,500 (Community Place budget).

Youth Week is funded by a \$11,700 NSW Youth Opportunities grant; a Youth Week grant of approximately \$1,800 by the NSW National Youth Committee; Council's budget as part of the ongoing Youth Strategy of a \$5,000. Council is also seeking additional sponsorship support from the local business community for competitions, prizes and collateral of approximately \$5,000 of in-kind support.

The Artwalk program budget is \$15,000 (Community Place budget).

The Heritage Festival budget is \$7,500 (Community Place budget).

Attachments

Nil

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: CHANGES TO THE NSW CROWN LAND MANAGEMENT ACT 2016

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 note the information provided regarding changes to the NSW Crown Land Management Act 2016.

Executive Summary

On 9 November 2016, the NSW Parliament passed the Crown Land Management Bill 2016 which consolidates eight previous pieces of legislation into a single Act. The new *Crown Land Management Act 2016* is intended to deliver modern, streamlined and transparent management of the state's Crown lands. The introduction of the Bill follows a review of Crown land management and legislation that commenced in 2012 (see Summary brochure Crown Land Management Bill 2016 attached).

The majority of the new *Crown Land Management Act 2016* provisions are not yet in effect (see Correspondence from Department of Industry Lands 25 November 2016 attached). However provisions regarding the vesting of Crown lands in local councils took effect on 14 November 2016. Advice received from Crown Lands suggests that it is not expecting any commencement on the transfer process until 2018.

A key provision of the new Act ensures that Crown land can only be vested in councils where this is agreed by the councils - there will be no forced transfers. Vesting of land in a council will also be subject to any native title interests.

Any Crown land vested in a council will generally be transferred as "community" land and managed in accordance with the *Local Government Act 1993*.

It is anticipated that the majority of the new legislation will commence in early 2018 with further information to be provided by the State Government to local councils during 2017.

The new legislation has a number of potential implications for local councils and this report provides an overview of the proposed changes.

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Discussion

Key elements of the *Crown Land Management Act 2016* relating to local government, as summarised by the Local Government NSW (LGNSW), include:

Councils managing Crown reserves

- The Act will enable councils to manage their Crown land reserves as if they were council-owned land under the *Local Government Act 1993* (LGA).
- Councils will not generally be required to seek the Minister for Lands' approval for dealings. Instead, in most cases councils will manage these reserves as if they were community land.
- There will be the ability to manage land as operational land in appropriate circumstances.
- The requirement to have plans of management for each reserve that is classified as community land will be phased in over time and councils will not have to go through the full LGA process for initial plans. To address initial costs, some financial assistance from the Government will be available.
- Councils will continue to be eligible to apply for grants from the Public Reserve Management Fund Program to support their management and up-keep of Crown reserves.

Local ownership

- The Act allows land identified as being of local significance to be vested in councils where this is agreed by the councils.
- The rationale is that councils are best placed to make decisions on land of local significance and that ownership will reduce the council's cost of managing land, simplify the approval and decision making and enhance benefits to local communities.
- There will be no forced transfers - the Act explicitly requires agreement to any vesting.
- While land will generally be transferred as community land, the Act provides for pragmatic exceptions to this in cases where operational classification is appropriate.
- Once land is transferred, income generated by that land will be retained by the council.

Native Title

- Councils as Crown land managers already are responsible for complying with the Commonwealth *Native Title Act 1993* in all their dealings and activities.
- The Act recognises this and clarifies responsibilities where native title has not been extinguished or determined.
- The Act includes provisions requiring councils to appoint trained native title managers to ensure compliance with their obligations under the Commonwealth *Native Title Act 1993*. This will ensure that councils have the ability to meet their native title obligations.
- The State will pay for initial training for native title managers for all councils.
- The new vesting provisions will also allow land to be transferred to council ownership where native title has not been extinguished. All transfers will be voluntary.

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In its January 2017 update, Lindsay Taylor Lawyers provided an overview of the new Act and the vesting of Crown Lands in councils. A copy of the overview is attached to this report.

As outlined above, Crown land will only be vested in councils where this is explicitly agreed by the councils. The land will generally be transferred as “community” land, and local councils wishing to reclassify the land as “operational” land (where permitted) allowing it to be sold will be required to undertake detailed community consultation, including public hearings, as required under the *Local Government Act 1993*.

It is also noted that the new Act requires plans of management for each reserve that is classified as “community” land - the requirement for these plans will be phased in over time and councils will not have to go through the full LGA process for initial plans. To address initial costs, some financial assistance from the State Government will be available.

Another key provision of the new Act requires councils to appoint trained native title managers to ensure compliance with their obligations under the Commonwealth *Native Title Act 1993*. It is understood that the State Government will pay for initial training for native title managers for all councils.

Council’s Land Register currently identifies:

- 197 lots of Crown land of which Council is the Trustee or land has been vested in or devolved to Council;
- 26 lots of Crown land involving Licences and Occupation Permits - some with Council as Trust Manager; and
- 241 lots of Crown land not vested in Council.

Council’s Property staff have requested a list of all Crown land in the Port Macquarie - Hastings local government area from the Crown Lands Regional Office to verify this data. Once received, a review will be able to be undertaken of the various Crown land parcels to determine the extent of Crown land that Council may wish to consider for possible transfer under the new Act.

Options

This report is provided for information purposes.

Community Engagement & Internal Consultation

There has been internal consultation with Council’s Property and GIS sections. As further information is made available by the State Government / Crown Lands further internal consultation will be undertaken with relevant staff.

Planning & Policy Implications

At this stage it is unclear as to the extent of any planning and policy implications pending further information from the State Government.

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Financial & Economic Implications

At this stage it is unclear as to the extent of the financial implications pending further information from the State Government. There is the potential for cost and responsibility shifting from the State Government to local councils under the provisions of the new Act noting that any transfer of land must be agreed to by the council. Potential cost implications include additional maintenance obligations, the requirement to prepare plans of management for the transferred land, and the requirement to employ / engage trained native title managers, noting that some financial assistance is proposed from the State Government to assist with the initial costs.

Attachments

- 1 [View](#). Summary brochure Crown Land Management Bill 2016
- 2 [View](#). Correspondence from Department of Industry Lands 25 November 2016
- 3 [View](#). Vesting of Crown Lands in Councils - Lindsay Taylor Lawyers

Helping Our Community Prosper

Item: 11.02

Subject: CONSTRUCTION INDUSTRY ACTION PLAN

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

3.2.1 Identify, support and advocate for effective programs that assist the growth of appropriate business and industry.

RECOMMENDATION

That Council note:

1. **The completion of actions identified within the Construction Industry Action Plan.**
2. **The ongoing role for the Construction Industry Action Group as a means for Council and industry engagement.**

Executive Summary

As an element of the Economic Development Strategy, Council and industry representatives developed and implemented the Construction Industry Action Plan. This report provides information on the implementation of the Plan and the ongoing forum established between Council and industry through the Construction Industry Action Group.

Discussion

In 2013 Council adopted its Economic Development Strategy 2013-2016, with a coordinated approach between Port Macquarie-Hastings Council and representatives from local business and industry groups. One of the key outcomes identified in the Economic Development Strategy was “Partnering for Success”, which meant becoming a Council that works alongside key stakeholders in business, government and the community with a focus on maximising economic return and an efficient and effective business environment.

The local construction industry has the largest number of registered businesses by industry in the region and is our fourth largest industry sector in terms of output, with the industry recognised for its high expenditure on local supply chains. This means it has high multipliers across our economy and that provides a broad boost to local economic activity as output increases.

Given this, the local construction industry was identified in the Economic Development Strategy as an “actionable industry” and an Action Plan was developed, with input from industry representatives, to support the industry into the future. The Construction Industry Action Plan is attached.

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Following the finalisation of the Plan, a Construction Industry Action Group was formed to oversee the implementation of the Plan and to provide for an ongoing forum for strategic engagement between industry and Council. This Group currently consists of the following members:

- | | |
|--------------------|---|
| - Brad Maggs | <i>Master Builders Association</i> |
| - Adam Sutor | <i>Master Builders Association</i> |
| - Michelle Love | <i>Planning Institute of Australia</i> |
| - Geraldine Haigh | <i>Planning Institute of Australia</i> |
| - Ian Bassett | <i>Building Designers Association</i> |
| - George Watt | <i>Building Designers Association</i> |
| - Malcolm McNeil | <i>Australian Institute of Architects</i> |
| - Michael Mowle | <i>Engineers Australia</i> |
| - Graeme Roberts | <i>Engineers Australia</i> |
| - Tony Thorne | <i>Hastings Construction Industry Association</i> |
| - Jim Newton | <i>Hastings Construction Industry Association</i> |
| - Michael Summers | <i>Hastings Construction Industry Association</i> |
| - Andrew Briscoe | <i>Hastings Construction Industry Association</i> |
| - Matt Rogers | <i>Director, Development & Environment</i> |
| - Dan Croft | <i>Development Assessment</i> |
| - Liesa Davies | <i>Economic Development</i> |
| - David Archer | <i>Economic Development</i> |
| - Cr Lisa Intemann | <i>Councillor</i> |

The Construction Industry Action Group has met regularly since the finalisation of the Plan in early 2015 and worked through the actions identified in the Plan.

At its meeting in December 2016, the Group carried out a review and agreed that the Plan has been successfully implemented. Attached to this report is a table listing each of the actions within the Plan and the status of those actions.

While it is difficult to measure the success of the Plan in a quantitative fashion given the various external factors that affect the construction industry, it is apparent that local construction activity is currently at record levels with the value of construction work approved increasing annually in recent years. The value of work approved was \$229M in 2013-2014, increasing to \$280M in 2014-2015 and to \$364M in 2015-2016. This has certainly created a climate of opportunity for the local industry.

Conservative estimates indicate the Port Macquarie-Hastings construction sector has increased output from \$568m to \$731m between 2013 and 2016 - a 28.7% increase in annual output (Remplan).

In terms of engagement, the following benefits have been identified as a result of the implementation of the Plan:

- Establishment of a more representative forum between the industry and Council.
- A shift in the engagement focus toward strategic and policy matters when compared to previous engagement approaches.
- Improved communication and understanding of factors affecting industry and Council.

Helping Our Community Prosper

A particular highlight of the work undertaken by the Group has been associated with the implementation of actions within the Plan that address future employment opportunities with the construction industry. Led by a subgroup comprising, David Archer, George Watt, Brad Maggs and Ian Bassett, the Group effectively engaged with various stakeholders including high school careers advisors, TAFE and vocational organisation to promote the industry as a worthwhile career path of local young people. This work culminated in the attendance by many members of the Group at a Careers Market held in Port Macquarie in May 2016.

The Construction Industry Action Group has identified the following as priorities for 2017:

- Continued advocacy to encourage young people into the construction industry.
- Input into the review of the Urban Growth Management Strategy.
- Land Development Approvals Review Implementation.
- Industry input into informing Council on infrastructure priorities.
- Advice on relevant policy matters.
- Review of the S.68, S.307, S.138 & water meter hire application processes.

Options

This report is for noting.

Community Engagement & Internal Consultation

The development and implementation of the Construction Industry Action Plan included specific engagement with industry representatives initially through an industry workshop and working group and then through the Construction Industry Action Group.

Internal consultation on various matters relating to the Plan has occurred throughout its implementation. Key internal consultation has occurred between staff of the Development & Environment, Infrastructure & Asset Management and Community and Economic Growth Divisions.

As noted earlier in the report, it is proposed to continue with the forum established through the Construction Industry Action Group as an important means of ongoing Council and industry engagement.

Planning & Policy Implications

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

Financial & Economic Implications

There are no specific financial and economic implications identified in relation to this report. However, the implementation of the Plan and the ongoing engagement proposed through the Construction Industry Action Group are both expected to contribute to positive economic outcomes.

Helping Our Community Prosper

Attachments

- 1 [View](#). Construction Industry Action Plan
- 2 [View](#). Plan Action Status Table

Helping Our Community Prosper

Item: 11.03

Subject: COMMERCIAL ACTIVITIES ON COUNCIL-MANAGED LAND POLICY

Presented by: Community and Economic Growth, Liesa Davies

Alignment with Delivery Program

3.2.1 Identify, support and advocate for effective programs that assist the growth of appropriate business and industry.

RECOMMENDATION

That Council:

- 1. Note the recent review of the Commercial Activities on Council-managed Land Policy.**
- 2. Place on public exhibition Commercial Activities on Council-managed Land Policy commencing from 24 February 2017 to 23 March 2017 for a minimum of 28 days.**
- 3. Note that a further report is planned to be tabled at the 19 April 2017 meeting of Council, detailing the submissions received from the public during the exhibition period.**

Executive Summary

The Commercial Activities on Council-managed Land Policy was adopted by Council on 16 December 2015 and came into effect on 1 July 2016.

The Policy was developed to support and encourage the sustainable use of Council-managed land for commercial purposes. The aim was to develop a Policy which balances the interests of local business, the community and Council.

The adopted Policy contained a commitment to undertake a review in December 2016, 12 months after adoption, which has now been completed. This review has highlighted a number of improvements could be made to the existing Policy. The proposed changes are considered to be low impact and are principally administrative in nature.

Discussion

The Commercial Activities on Council-managed Land Policy has now been in effect for six months. During this time the number of temporary licences issued by Council for commercial activity on council managed land has risen from 12 to 27. The implementation of the Policy has gone relatively smoothly but there is still work to be done to capture all commercial operators using Council-managed land particularly in the fitness category (personal and group trainers, boot camps etc). Rangers have commenced and will continue to address this in coming months.

Helping Our Community Prosper

The Policy has generally been well received in the community and by affected businesses. Staff assess the policy and associated initiatives, including the Approved Operator signs, are helping to address community concerns around illegitimate operators and excessive use of some locations, although it is still 'early days'. Staff expect the on-going implementation of the Policy will continue to see improvements in this area and a reduction in the numbers of complaints relating to commercial activity in public spaces over the medium-long term.

The Temporary Licence Review Panel structure (which liaises with the community, operators and assesses applications) has been working well with new applications being processed in a timely manner and considered well within the 30 day guideline. The broad based representation on the Panel has enabled a whole-of-Council approach to the implementation of the Policy.

In reviewing the Policy, the Temporary Licence Review Panel sought feedback from existing Temporary Licence holders. Six responses were received with the following feedback as summarised:

- Council staff have been helpful through the application process.
- 'Approved Operator' signs issued by Council have been well received.
- There is some desire by operators for exclusive use of locations.
- Operators advocated for a renewal process involving less paperwork and a fee reduction.
- There is a need for Council to better communicate events which may impact on operators.
- There are still unlicensed operators (mostly fitness trainers) conducting activities - a greater focus on enforcement is required.
- The temporary licence provides peace of mind for the operator and their clients.
- Fees and charges are still considered high, particularly for fledgling businesses, but competitive when compared to other Local Government Areas.

The major proposed changes to the Policy following the recent review are summarised below:

- Mobile food vendors may fall under the Policy if operating in a semi-permanent capacity
- Additional considerations have been added to the Assessment Criteria to ensure proposals are professional and add value to the location.
- Composition of the Temporary Licence Review Panel has been expanded based on operational experience.
- The Policy now references the proposed new fee structure which includes a streamlined Temporary Licence renewal process.
- Activities which temporarily pass through multiple locations are charged on an "up to 2 nominated locations" basis.
- Authorised Operators may use the "Approved Operator" logo in their advertising.

Options

Council may choose to:

1. Retain the existing Policy unchanged.

Helping Our Community Prosper

2. Request that further work be undertaken on the Policy review in conjunction with key stakeholders.
3. Choose to place the draft amended Policy on exhibition to allow for public review and comment.

Community Engagement & Internal Consultation

The Policy review was undertaken by the Temporary Licence Review Panel, proactively seeking feedback from operators and considering any community feedback received by Council over the previous 12 months. All existing Temporary Licence holders were given the opportunity to provide feedback as part of the Policy review.

Planning & Policy Implications

It is proposed that the Policy adopted on 15 December 2015 be replaced with an amended Commercial Activities on Council-managed Land Policy following an exhibition and further consideration by Council at the 19 April 2017 meeting.

Financial & Economic Implications

The implementation of the Commercial Activities on Council-managed Land Policy, if adopted as reviewed, will continue to be managed within existing staff resource levels.

Based on feedback received during the implementation and review consultation phases there are some proposed changes to the Temporary Licence fee structure in 2017/18 as outlined below. These will be presented as part of the 2017/18 budget process.

Fee Description	2016/17	2017/18
New Application Fee per annum	\$ 115.00	\$ 140.00
Application Renewal Fee per annum (minimal change)	Not Offered	\$ 70.00
Temporary Licence per annum (up to 2 nominated locations)	\$ 460.00	\$ 460.00
Temporary Licence per annum (per additional location)	\$ 100.00	\$ 100.00
Applies if the applicant does not pay a business rate directly related to the Temporary Licence activity.		
Temporary Licence per annum (per additional location)	\$ 50.00	\$ 50.00
Applies if the applicant pays a business rate directly related to the Temporary Licence activity.		

Attachments

- 1 [View](#). Amended Draft Commercial Activities on Council Managed Land Policy

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: DA2013 - 625.4 - MODIFICATION TO DESIGN OF PREVIOUS APPROVED MEDICAL CENTRE INCLUDING CLAUSE 4.6 OBJECTION TO CLAUSE 4.3 (HEIGHT OF BUILDINGS) OF THE PORT MACQUARIE-HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 - LOT 180 DP 1197447, 8 HIGHFIELDS CIRCUIT, PORT MACQUARIE

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

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

RECOMMENDATION

That the determination of DA2013 - 625.4 for a modification to design of previous approved medical centre including Clause 4.6 variation to Clause 4.3 (height of buildings) of the Port Macquarie Hastings Local Environmental Plan 2011 at Lot 180 DP 1197447, 8 Highfields Circuit, Port Macquarie, be noted.

Executive Summary

This report is for Council's information and relates to the approval of the subject Modification Application under delegation. Granting consent involved use of Clause 4.6 of Port Macquarie-Hastings Local Environmental Plan 2011 (LEP) to vary Clause 4.3 (height of buildings) by not more than 10% of the standard.

The proposed development exceeds the 8.5m building height by 0.85m, which represents a variation of 10.0%. The variation was considered to be minor and not to result in any significant adverse planning impacts. The height variation is limited to the rear section of the building primarily due to slope and 90% of the roof area is compliant. From the street perspective, the building will appear compliant due to the slope of the land falling away from the road. Internal functional planning relating to disabled access compliance has also contributed to this height exception request.

The Department of Planning and Infrastructure circular PS 08-003 provides for the Director General's assumed concurrence.

The Department's circular PS08-014 further reminds councils of their assumed concurrence role in relation to SEPP 1 and Clause 4.6 LEP variations. The circular advises that where Clause 4.6 variations are approved under delegated authority that Council be advised of the decision made and it be appropriately recorded. This report is to ensure compliance with the subject circular.

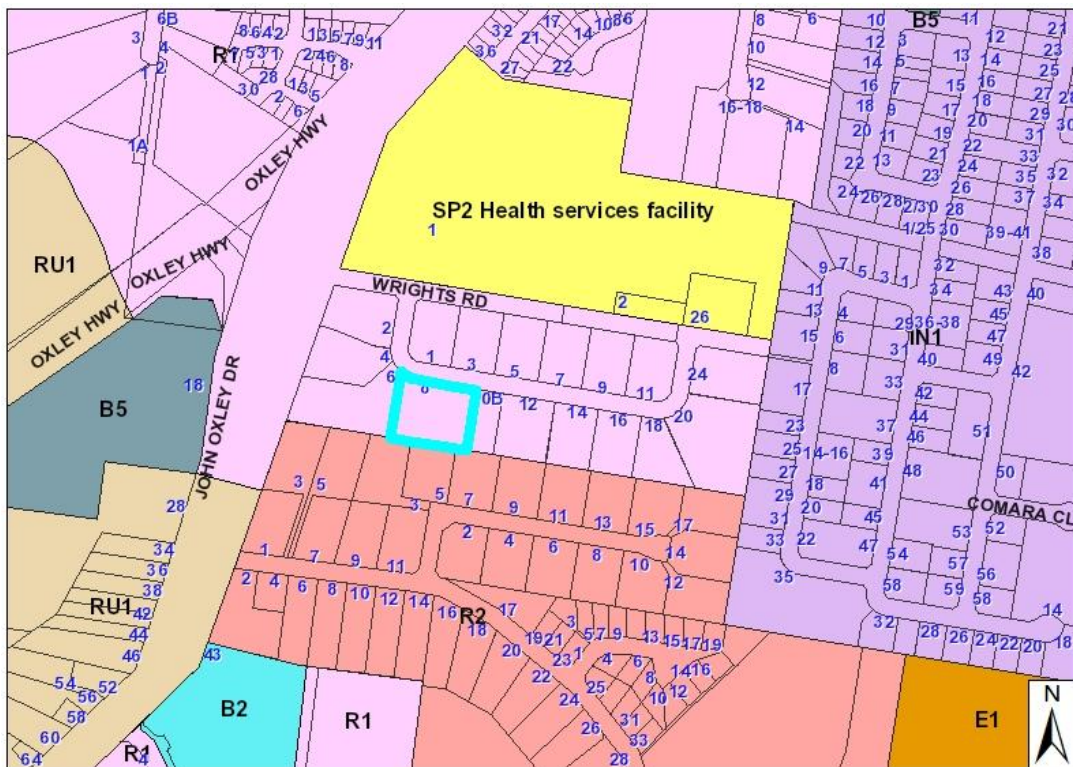
Looking After Our Environment

1. BACKGROUND

Existing sites features and Surrounding development

The site has an area of 6297m².

The site is zoned R1 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 (2012):

Looking After Our Environment



2. DESCRIPTION OF DEVELOPMENT

Key aspects of the proposal include the following:

- Modification to design of a previous medical centre which has included and increase in height above the 8.5m building height standard under Port Macquarie-Hastings Local Environmental Plan 2011.
- Reconfiguration of off-street parking areas.

Refer to attachments at the end of this report.

Attachments

1 [View](#). DA2013 - 625.4 Modification of Consent

2 [View](#). DA2013 - 625.4 Stamped Approved Plans

Looking After Our Environment

Item: 12.02

Subject: DA2016 - 0657.1 - RESIDENTIAL FLAT BUILDING WITH STRATA SUBDIVISION INCLUDING CLAUSE 4.6 VARIATION TO CLAUSE 4.3 (HEIGHT OF BUILDINGS) OF THE PORT MACQUARIE HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 AT LOT 2 & 3 DP 18259 AND LOT 1 & 2 DP 1454, 52-58 CHURCH STREET, PORT MACQUARIE

Report Author: Matt Rogers

Applicant: Don Pitkin Nominees Pty Ltd
Owner: Don Pitkin Nominees Pty Ltd
Estimated Cost: \$10,400,000
Parcel no: 4427-4430

Alignment with Delivery Program

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

RECOMMENDATION

That the determination of DA2016 - 657.1 for a residential flat building with strata subdivision including Clause 4.6 variation to Clause 4.3 (height of buildings) of the Port Macquarie Hastings Local Environmental Plan 2011 at Lot 2 & 3 DP 1454 and Lot 1 & 2 DP 1454, No. 52-58 Church Street, Port Macquarie, be noted.

Executive Summary

This report is for Council's information and relates to the approval of the subject Development Application under delegated authority by the Group Manager Development Assessment. Granting consent involved use of Clause 4.6 of Port Macquarie-Hastings Local Environmental Plan 2011 (LEP) to vary Clause 4.3 (height of buildings) by not more than 10%.

- In this case, the maximum overall height of the proposed building above ground level (existing) is 20.89, which does not comply with the standard height limit of 19m applying to the site. The variation equates to 9.99% of the standard (less than 10%).

-

- The objectives of Clause 4.3 are as follows:

- (a) to ensure that buildings are compatible with the height, bulk and scale of the existing and desired future character of the locality,
- (b) to minimise visual impact, disruption of views, loss of privacy and loss of solar access to existing development,

Looking After Our Environment

- (c) to minimise the adverse impact of development on heritage conservation areas and heritage items,
- (d) to nominate heights that will provide a transition in built form and land use intensity within the area covered by this Plan.

Pursuant to Clause 4.6, 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 and/or unnecessary and that there are sufficient environmental planning grounds to justify the contravening of the standard without compromising the public interest.

As a result of the above, the applicant submitted a Clause 4.6 variation to the standard based on the following reasons:

- The design intent to respect the street front levels combined with the cross fall of the site has resulted in minor variations to the building height. It is considered important to maintain the building relationship with street levels, consistent with the desired future character for the area.
- The variation to the height does not exponentially increase overshadowing.
- The proposal complies on FSR and seeks minor height variations to accommodate site slope characteristics and respond appropriate to the levels at the street frontage.
- The plans demonstrate the proposed built form from the Church Street elevation is consistent with the future character based on current height controls.
- The visual impact of the roof line is minimal from the street front and is lessened by the down slope of the site.
- There are no water views or other vistas available to adjacent properties.
- Internal privacy, amenity and solar access are acceptable. External privacy and amenity has been addressed in the design and by additional screening elements.
- The residential unit designs incorporate a mixture of housing needs that produce comfortable internal and external amenity by linking indoor and outdoor areas. All apartments have been designed to maximise opportunities for solar access and to allow living areas to enjoy views to the north. The floor design encompasses adequate privacy and spatial separation between adjoining balconies and terraces. The access points are well defined and there is a clear distinction between public and private spaces.
- The height variation does not alter the number of apartments proposed or permitted.
- The public benefit of the standard is not compromised or eroded.

Having considered the application and Clause 4.6 variation, Council staff supported the reasons provided by the applicant. In addition, Council staff also supported the variation for the following additional reasons:

Looking After Our Environment

- Variation will not be readily visible due to the minor nature of the variation. In addition, the bulk of the variation occurs at the lift area, which is central to the site (hidden by the facades).
- There are similar sized and even higher buildings within 500m of the site. As a result, the proposed height and minor variation is not unreasonable within the context of the area.
- The development complies with the FSR requirement, which is an indicator of bulk and scale.
- There will be negligible public domain impact.
- The development provides greater setbacks, which further reduces the bulk of the building. It also aids in more of the units achieving solar access, natural ventilation and views.
- The development is well articulated which further reduces the bulk of the building.
- The height helps achieve better designed units.
- Trees are proposed onsite that will further help reduce the scale of the development.
- Due to the slope of the land and location to the CBD, no significant views will be impacted.
- Through the use of screening and separation, there will be no loss of privacy.
- The development contains sections of compliance with the 19m standard.
- Compliance with the standard would be unreasonable in this case given the minor nature of the variations proposed and compliance with the FSR.
- The development is consistent with the zoning and height objectives of the LEP 2011 and is unlikely to have any implications on State related issues or the broader public interest.
- The floor to ceiling heights are not excessive.
- There is public interest in the efficient use of land within proximity to existing services and infrastructure. Such development encourages walking, cycling and use of public transport and decreases ongoing maintenance costs for public infrastructure compared to lower density residential development. The height of the building has helped maximise the FSR and true development potential of the property.

The Department of Planning and Infrastructure circular PS 08-003 provides for the Director General's assumed concurrence where such a variation is not more than 10% of the standard.

The Department's circular PS08-014 also further reminds councils of their assumed concurrence role in relation to SEPP 1 and Clause 4.6 LEP variations. The circular advises that where Clause 4.6 variations are approved under delegated authority that Council be advised of the decision made and it be appropriately recorded.

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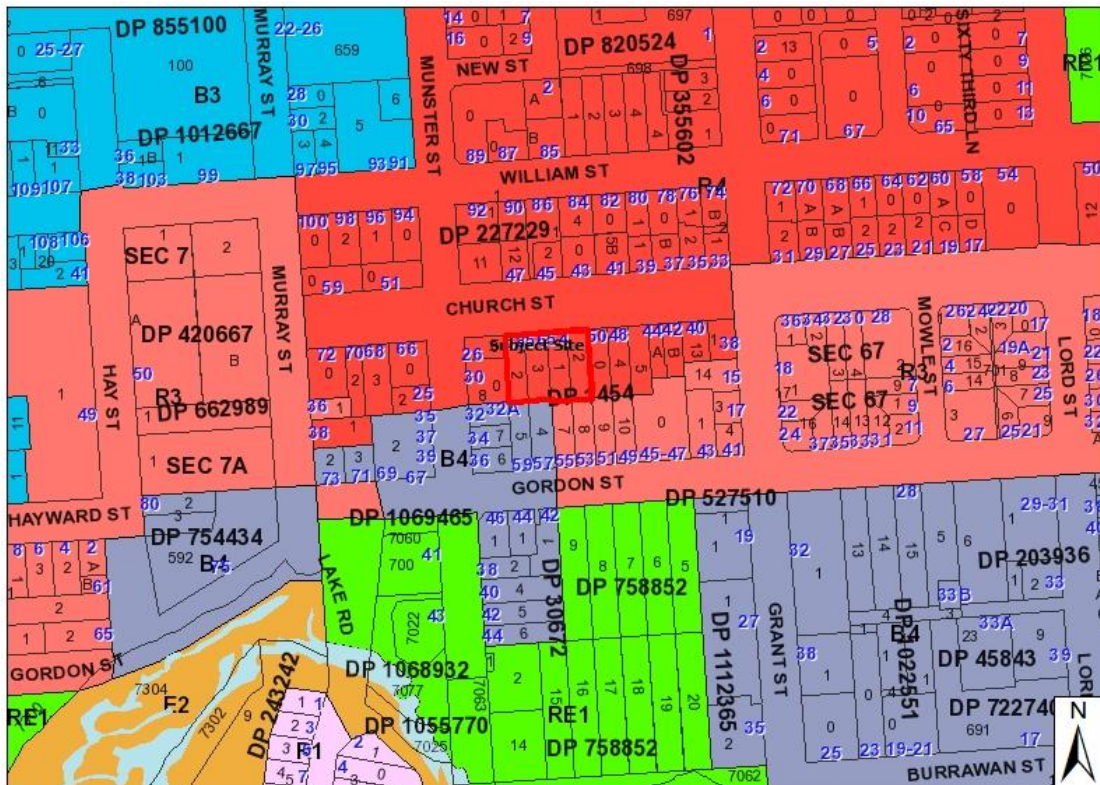
Following exhibition of the application, no submissions were received.

1. BACKGROUND

Existing sites features and Surrounding development

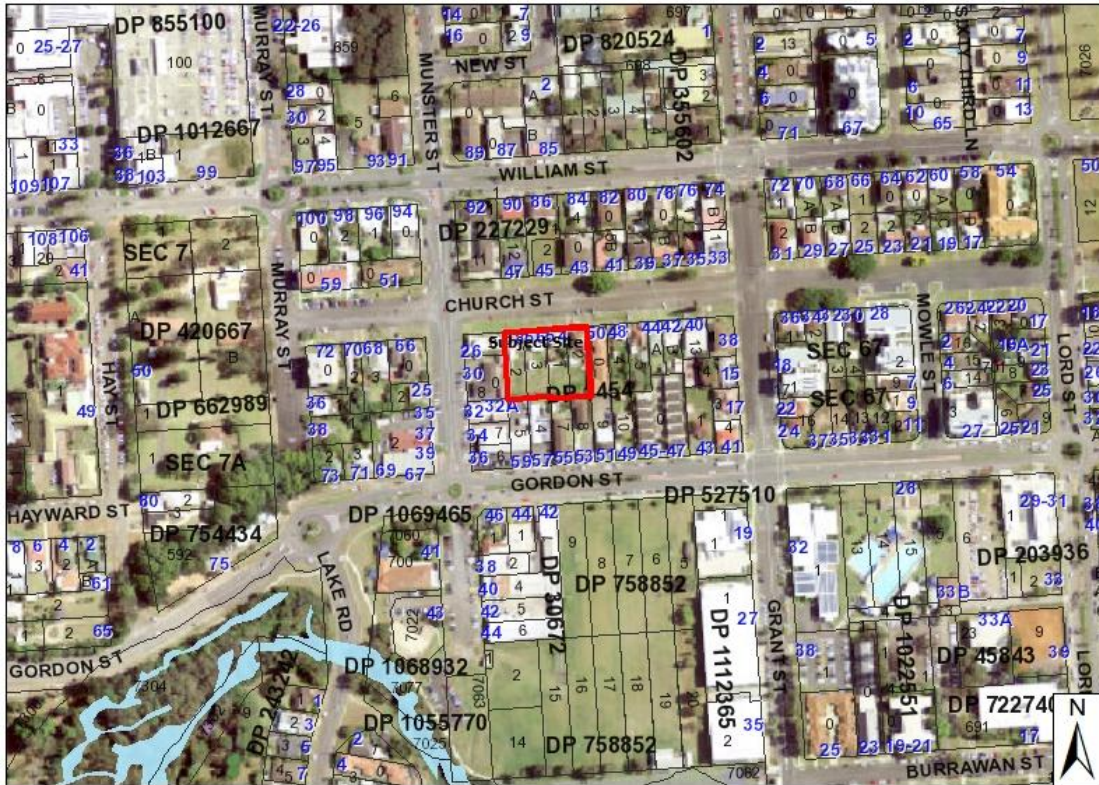
The site has an area of approximately 3062m².

The site is zoned R4 High Density Residential 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:

Looking After Our Environment



2. DESCRIPTION OF DEVELOPMENT

Key aspects of the proposal include the following:

- Demolition of four existing dwellings and erection of a six storey residential flat building comprising 44 units.
- The residential flat building will be strata subdivided.
- Clause 4.6 variation to Clause 4.3 (height of building) Port Macquarie Hastings Local Environmental Plan 2011.

Refer to attachments at the end of this report.

Attachments

- 1 [View](#). DA2016 - 657.1 Approved Stamped Plans
- 2 [View](#). DA 2016 - 657.1 Consent Approval

Looking After Our Environment

Item: 12.03

Subject: DA2016 - 774.1 MULTI DWELLING HOUSING AND 1 INTO 13 LOT STRATA SUBDIVISION AT LOT 3 DP 634929, NO. 1096 OCEAN DRIVE, BONNY HILLS

Report Author: Matt Rogers

Applicant: Land Dynamics Australia

Owner: St Lucia Rise Pty Ltd

Estimated Cost: \$3,420,000

Parcel no: 15412

Alignment with Delivery Program

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

RECOMMENDATION

That DA 2016 - 774.1 for Multi Dwelling Housing and 1 into 13 Lot Strata Subdivision at Lot 3, DP 634929, No. 1096 Ocean Drive, Bonny Hills, be determined by Council.

Executive Summary

This report considers a development application for multi dwelling housing and a 1 into 13 lot strata subdivision at the subject site and provides an assessment of the application in accordance with the Environmental Planning and Assessment Act 1979.

Following exhibition of the application, 13 submissions have been received.

The proposal was considered by the Development Assessment Panel at its meeting on 14 December 2016. Consensus could not be reached.

Dan Croft and David Troemel voted: 'That DA 2016 - 774.1 for Multi Dwelling Housing and 1 into 13 Lot Strata Subdivision at Lot 3, DP 634929, No. 1096 Ocean Drive, Bonny Hills, be determined by granting consent subject to the recommended conditions of consent with the following change:

- New condition in Section B of the consent to read: 'Prior to issue of the construction certificate dwelling number 8 architectural plans are to be amended to be consistent with the overall site plan and provide for a minimum 1.9m setback to the north western corner of the patio from the northern boundary.'

Looking After Our Environment

The dissenting recommendation from Paul Drake was;
'That DA 2016 - 774.1 for Multi Dwelling Housing and 1 into 13 Lot Strata Subdivision at Lot 3, DP 634929, No. 1096 Ocean Drive, Bonny Hills, be determined by refusing consent for the following reasons:

1. The proposal is inconsistent with the building setback provisions of the Port Macquarie-Hastings Development Control Plan 2013.
2. The plans for the development have significant inconsistencies relating to building setbacks to boundaries.'

1. BACKGROUND

Existing sites features and Surrounding development

The site has an area of 6736m².

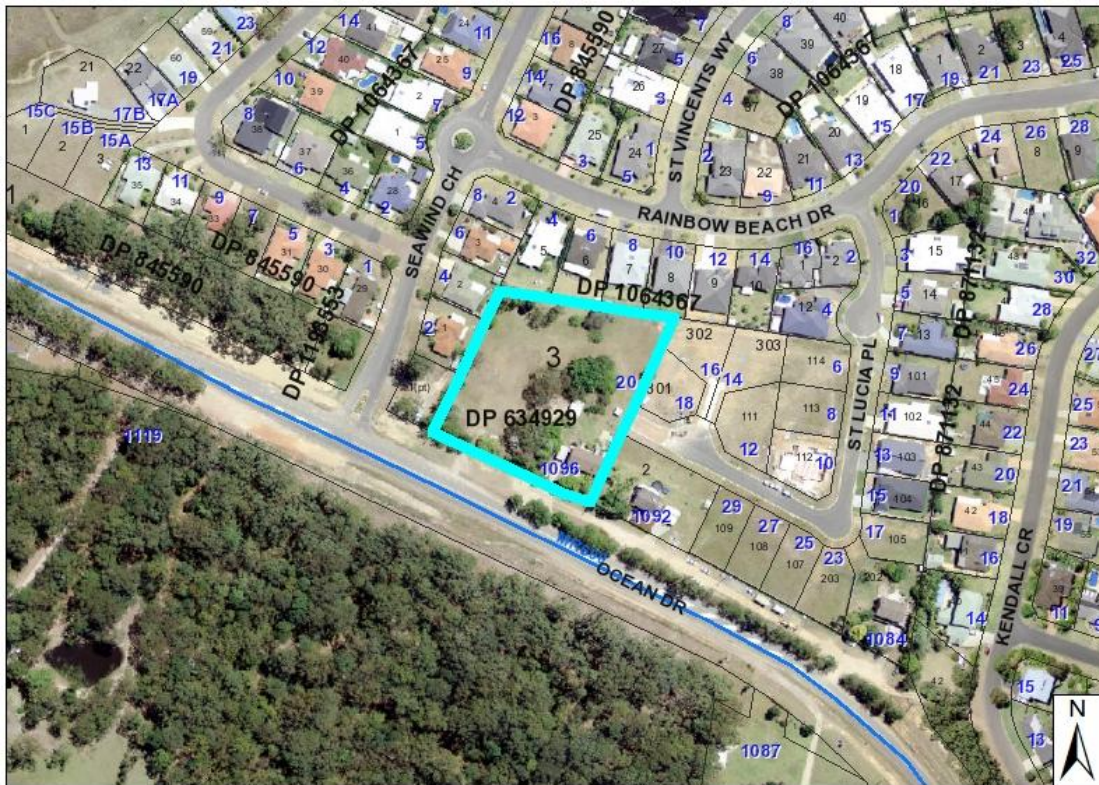
The site is zoned partly R1 General Residential and partly RU1 Primary Production in accordance with the Port Macquarie-Hastings Local Environmental Plan 2011, as shown in the following zoning plan:



The RU1 Primary Production zone extends only to a 10 metre wide strip along the Ocean Drive frontage of the site.

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

Looking After Our Environment



2. DESCRIPTION OF DEVELOPMENT

Key aspects of the proposal include the following:

- Removal of all existing trees;
- Construction of 15 additional single storey dwellings;
- 1 into 13 lot strata subdivision.

Development consent has previously been granted by Council under DA2016 - 616.1 for demolition of the existing dwelling and construction of a single dwelling on the subject site. This dwelling has been incorporated into the layout of the multi dwelling housing proposal and would part of the proposed strata subdivision.

Refer to attachments at the end of this report.

Application Chronology

- 7 October 2016 - Application lodged.
- 14 October 2016 to 27 October 2016 - Application notified to neighbours.
- 20 October 2016 - Additional information requested from Applicant.
- 9 November 2016 - Response from Applicant received in relation to matters raised in the submissions.
- 10 November 2016 - Further additional information requested from Applicant.
- 10 November 2016 - Bush Fire Safety Authority issued by NSW Rural Fire Service.
- 16 November 2016 - Additional information received from Applicant.
- 14 December 2016 - Proposal considered by Development Assessment Panel.

Looking After Our Environment

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 No. 44 - Koala Habitat Protection

The land has an area of less than 1 hectare and the SEPP does not apply.

State Environmental Planning Policy No. 55 – Remediation of Land

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.

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

BASIX certificates (numbers 768307M, 769319M, 769320M, and 769321M) have 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

Clause 101 - The site has frontage to Ocean Drive, which is a classified road. The proposal is consistent with the provisions in Clause 101(2) for the following reasons:

- Vehicular access to the land is proposed to be obtained from St Lucia Place, rather than Ocean Drive.
- The development is not expected to adversely affect the safety, efficiency, or ongoing operation of the classified road due to the design of the access, or the nature, volume or frequency of vehicles accessing the site from the classified road.
- The development has been designed to include appropriate measures to mitigate the impacts of road traffic noise. This issue is discussed in more detail later in this report.

State Environmental Planning Policy (Rural Lands) 2008

The following assessment table provides an assessment against specific requirements of this SEPP:

Looking After Our Environment

Applicable clauses for consideration	Comments	Satisfactory
The existing uses and approved uses of land in the vicinity of the development - 10(3)(a)	Existing development to the north, east and west of the site is urban residential development. Land to the south is zoned RU1 Primary Production, but the part of the site adjacent to Ocean Drive is not currently used for agricultural purposes due to existing vegetation.	Yes
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 – 10(3)(b)	Urban residential development is the preferred and predominant land use north of Ocean Drive. The proposal would not have a significant impact on this land use.	Yes
Whether or not the development is likely to be incompatible with a use referred to in paragraph (a) or (b) – 10(3)(c)	The development would be compatible with urban residential development north of Ocean Drive, but is potentially incompatible with primary production on the southern side of Ocean Drive.	Yes
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 – 10(3)(d)	n/a	n/a
Any measures proposed by the applicant to avoid or minimise any incompatibility referred to in paragraph (c) or (d) – 10(3)(e).	The buffer provided by Ocean Drive and the existing vegetation on the southern side of the road are considered sufficient to minimise any conflict between the uses.	Yes

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 predominantly R1 General Residential, with a 10m wide strip adjacent to Ocean Drive being zoned RU1 Primary Production. In accordance with clause 2.3(1) and the R1 zone landuse table, the proposed development for multi dwelling housing is a permissible landuse with consent.

Looking After Our Environment

Multi dwelling housing is prohibited in the RU1 zone landuse table, but is permissible in this instance under the provisions of clause 5.3 for development near zone boundaries. See comments later under clause 5.3.

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.

The objectives of the R1 zone are as follows:

- To provide for the housing needs of the community.
- To provide for a variety of housing types and densities.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.

In accordance with Clause 2.3(2), the proposal is not inconsistent with the zone objectives for both zones having regard to the following:

- The proposal would provide a variety of housing types and densities to meet the housing needs of the community.
 - The part of the site within the RU1 zone is not currently used (or capable of being used) for a sustainable primary industry.
 - The RU1 land is already fragmented by Ocean Drive and previous residential subdivision of zoned land to the west.
 - There is minimal potential for conflict between land uses.
- Clause 4.1, Minimum lot sizes for strata subdivision in the R1 zone are not applicable. See comments under clauses 4.1B and 4.2B below regarding strata subdivision of land in the RU1 zone.
 - Clause 4.1B, the proposal is consistent with the provisions for subdivision in split zones. Proposed Lot 4 in the draft Strata Plan has an area of 1329.4m² and includes all the land in the RU1 zone (approx. 800m²) and more than 450m² of the land within the R1 General Residential zone. All other lots in the proposed strata subdivision comply with the lot sizes permitted by the LEP.
 - Clause 4.2B, the part of the development located within the RU1 Primary Production zone cannot be subdivided by strata subdivision unless it meets the minimum Lot size shown on the Lot Size Map. The minimum lot size for the RU1 land is 40 hectares in this instance. The existing lot has an area less than 40 hectares and the land is subject to split zoning (R1 and RU1). See comments under clause 4.1B above regarding subdivision lot size for split zones.
 - Clause 4.3, the maximum overall height of the buildings above ground level (existing) is 5.48m which complies with the standard height limit of 8.5m applying to the site.

Looking After Our Environment

- Clause 4.4, the floor space ratio of the proposal is 0.35:1 which complies with the maximum 0.65:1 floor space ratio applying to the part of the site within the R1 zone. There is no maximum FSR applicable to the RU1 zoned land.
- Clause 5.3, the proposal involves development near the zone boundaries of the R1 General Residential and RU1 Primary Production zones. In this instance the RU1 zoned land is within the 20m of the boundary of the R1 zone and consent could be granted for a use that is permitted with consent in the R1 zone in accordance with clause 5.3(2). Clause 5.3(4) requires the consent authority to be satisfied as to the following matters before granting consent under this clause:

- (a) the development is not inconsistent with the objectives for development in both zones, and*
- (b) the carrying out of the development is desirable due to compatible land use planning, infrastructure capacity and other planning principles relating to the efficient and timely development of land.*

The proposal is considered to satisfy clause 5.3(4) for the following reasons:

- The development is not inconsistent with the objectives for both zones, as discussed under clause 2.2 above.
- The land is surrounded by urban residential development to the north, east, and west, and urban development of the site is considered logical in terms of potential land use conflict and provision of services.
- Primary production or primary industries are not considered desirable on the land due to the proximity to residential uses.
- The RU1 land is fragmented and isolated by Ocean Drive and previous residential subdivision of land to the east, and is considered to have limited potential for primary production.
- Clause 5.9 - The proposal includes removal of all existing vegetation within the site. See comments under Development Control Plan 2013 regarding proposed tree removal.
- Clause 5.10 – Heritage. The site does not contain or adjoin any known heritage items or sites of significance.
- Clause 7.13, satisfactory arrangements are in place for provision of essential services including water supply, electricity supply, sewer infrastructure, stormwater drainage and suitable road access to service the development. Provision of electricity will be subject to obtaining satisfactory arrangements certification prior to the issue of a Subdivision Certificate as recommended by a condition of consent.

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

No draft instruments apply to the site.

(iii) any Development Control Plan in force:

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Port Macquarie-Hastings Development Control Plan 2013

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

DCP Objective	Development Provisions	Proposed	Complies
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 	No works in articulation zone proposed.	Yes
	Front setback (Residential not R5 zone): <ul style="list-style-type: none"> Min. 6.0m classified road Min. 4.5m local road Min. 3.0m secondary road Min. 2.0m Laneway 	0.9m setback to Ocean Drive and 4m setback to St Lucia Place (secondary road).	No*
3.2.2.3	Garage minimum 5.5m front setback and garage door recessed behind building line at least 1m or eaves/overhangs provided	All garages at least 5.5m from public road frontage and 1m behind front building line.	Yes
	6m max. width of garage door/s and 50% max. width of building	Garage doors maximum 5.0m wide and less than 50% of building width for all units.	Yes
	Driveway crossover 1/3 max. of site frontage and max. 5.0m width	Driveway 6.5m wide and 43% of site frontage to St Lucia Place.	No*
3.2.2.5	Side setbacks: <ul style="list-style-type: none"> Ground floor min. 0.9m First floors & above min. 3m setback, unless demonstrated that adjoining property primary 	All dwellings are single storey and have a ground floor side setback greater than 0.9m.	Yes

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	<p>living areas & POS unaffected.</p> <ul style="list-style-type: none"> Building wall set in and out every 12m by 0.5m. 		
3.2.2.6	<p>35m² min. private open space area including a useable 4x4m min. area which has 5% max. grade and is directly accessible from a ground floor living area.</p>	<p>All units propose minimum 35m² private open space. Decks and patios of Units 2, 6, 9, 11, 14, 15 and 16 are slightly below the minimum 4m x 4m dimensions, but are considered to be of adequate and useable dimensions. The majority of these spaces are connected with level rear yard spaces of larger dimensions.</p>	No, but acceptable
3.2.2.7	<p>Front fences:</p> <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 (Fig 3.3 of AS2890.1 2004 overrides this standard by requiring a min 2.5x2m splay for driveway entrances) See David Troemel for info. 	<p>1.8m high solid timber fence to Ocean Drive frontage. Fencing is necessary as an acoustic barrier for road traffic noise in Ocean Drive and is consistent with existing solid fencing to Ocean Drive for other properties in St Lucia.</p> <p>The Applicant has proposed to provide a low maintenance planting of callistemon trees in Ocean Drive for the length of the fence, consistent with work provided as part of a recent approval of a nearby subdivision at 995 Ocean Drive.</p>	No, but acceptable
3.2.2.8	<ul style="list-style-type: none"> Front fences and walls to have complimentary materials to context No chain wire, solid timber, masonry or solid steel 	<p>Proposal is for solid timber, which is necessary to achieve satisfactory noise levels for dwellings. Landscaping in front of the fence would reduce the potential for graffiti and vandalism.</p>	No, but acceptable
3.2.2.10	<p>Privacy:</p> <ul style="list-style-type: none"> Direct views between living areas of adjacent dwellings 	<p>Privacy generally addressed through building design and fencing.</p>	Yes

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	<p>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</p> <ul style="list-style-type: none"> • Privacy screen required if 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/verandas etc which have <3m side/rear setback and floor level height >1m 	<p>A condition is recommended requiring the fence height on the northern boundary adjacent to House 9 and House 16 to be increase from 1.5m to 1.8m to provide adequate privacy to existing dwellings in Rainbow Beach Drive.</p>	
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DCP 2013: Chapter 3.6 Subdivision

DCP Objective	Development Provisions	Proposed	Complies
3.6.3.50	Where, for the subdivision of approved buildings yet to be constructed, the subdivision is consistent with the development approval/s.	The constructions of dwellings and strata subdivision are part of a single application.	Yes

DCP 2013: General Provisions

DCP Objective	Development Provisions	Proposed	Complies
2.7.2.2	<p>Design addresses generic principles of Crime Prevention Through Environmental Design guideline:</p> <ul style="list-style-type: none"> • Casual surveillance and sightlines • Land use mix and activity generators • Definition of use and ownership 	<p>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 increase in housing density will improve natural surveillance within the</p>	Yes

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	<ul style="list-style-type: none"> • Lighting • Way finding • Predictable routes and entrapment locations 	locality and openings from each dwelling overlook common and private areas.	
2.3.3.1	Cut and fill 1.0m max. 1m outside the perimeter of the external building walls	Maximum 1m of cut and fill proposed.	Yes
2.3.3.2	1m max. height retaining walls along road frontages	Maximum 1m high.	Yes
2.3.3.8 onwards	Removal of hollow bearing trees	No hollow bearing trees proposed to be removed.	Yes
2.6.3.1	Tree removal (3m or higher with 100mm diameter trunk and 3m outside dwelling footprint	<p>The proposal involves removal of all existing vegetation on the site. A Statutory Ecological Assessment prepared by Naturecall Environmental and dated 28 July 2016 has been submitted with the application. The assessment identifies one koala food tree (Swamp Mahogany) listed in Table 2.5.1.</p> <p>The author of the report has recommended that offset planting at a ratio of 2:1 in accordance with the DCP should not be required for the following reasons:</p> <ul style="list-style-type: none"> • The KFT to be removed is currently isolated from any other listed food trees or nearby habitat by roads, tall fences and residential yards. • The tree showed no signs of usage by Koalas. • The development design does not contain any suitable residual land for replacement plantings. If Koala food trees were planted on site they would be isolated and contained within a high threat environment. 	Yes

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		<ul style="list-style-type: none"> Replanting trees along the southern boundary of the site may encourage Koalas to cross Ocean Drive which would increase vehicle strike risk. <p>Council's ecologist has recommended that as an alternative, the required offset planting be provided at a secure location off-site. A condition is recommended requiring the proponent to engage a qualified bush regenerator to plant and maintain for 1 year, 45L NATSPEC koala food trees in the Council reserve at the Bonny Hills Sewer Treatment Plant with appropriate deer protection fencing, at the developer's expense.</p>	
2.4.3	Bushfire risk, Acid sulphate soils, Flooding, Contamination, Airspace protection, Noise and Stormwater	Refer to main body of report.	
2.5.3.2	New accesses not permitted from arterial or distributor roads. Existing accesses rationalised or removed where practical	Access from St Lucia Place. The existing access from Ocean Drive will be closed off and the southern boundary fully fenced.	Yes
	Driveway crossing/s minimal in number and width including maximising street parking	Single driveway from end of St Lucia Place.	Yes
2.5.3.3	Off-street parking in accordance with Table 2.5.1: <ul style="list-style-type: none"> 1 space = single dwelling (behind building line) and dual occupancy Medium density – 1 per 1 or 2 bed dwelling or 1.5 per 3-4 bed dwelling + 1 visitor/4 dwellings 	<p><u>Required:</u> 16 x 1.5 = 24 spaces, plus; 16/4 = 4 visitor spaces.</p> <p><u>Proposed:</u> 29 spaces, plus 4 designated visitor parking spaces.</p> <p>Additional stacked visitor car parking is available within the driveways of House 6, 7, 10, and 11.</p>	Yes

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2.5.3.7	Visitor parking to be easily accessible	One visitor parking space within each 'leg' of the internal roads.	Yes
	Parking in accordance with AS 2890.1	Capable of complying. Conditions recommended requiring certification at the Construction Certificate and Subdivision stages.	Yes
2.5.3.11	Section 94 contributions	Refer to main body of report.	
2.5.3.14	Sealed driveway surfaces unless justified	Condition recommended requiring sealed driveway surfaces.	Yes
2.5.3.17	No direct discharge to K&G or swale drain	Concept servicing plan identifies stormwater being drained to interallotment drainage system in the north-east corner of the site.	Yes

The proposal seeks to vary Development Provision 3.2.2.2 in relation to the minimum front setback to Ocean Drive.

The relevant objective is that front setbacks should support an attractive streetscape.

Having regard for the development provisions and relevant objectives, the variation is considered acceptable for the following reasons:

- The Ocean Drive frontage adjoins a classified road and no direct vehicular access is permitted. This frontage acts as a side or rear boundary to development in the locality and includes solid 1.8m high fencing for access control, privacy, and acoustic purposes. A traditional 'streetscape' therefore does not exist in this frontage.
- Low maintenance landscaping has been proposed to reduce the visual impact of the fencing.
- The dwellings are single storey and have floor levels lower than the adjoining ground level in Ocean Drive. The buildings would therefore not be highly visible in the streetscape.

The proposal seeks to vary Development Provision 3.2.2.3 in relation to the width and proportion of the site frontage occupied by the driveway access from St Lucia Place.

The relevant objective is:

- To minimise the impact of garages and driveways on the streetscape, on street parking and amenity.

Having regard for the development provisions and relevant objectives, the variation is considered acceptable for the following reasons:

- The driveway width is necessary to provide access to fire fighting and private garbage collection.

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- The access is from a 'dead end' section of St Lucia Place and is generally consistent with the width of the public road.
- There is no existing on street parking in St Lucia Place in the site frontage that would be compromised by the driveway width.

Based on the above assessment, the variations proposed to the provisions of the DCP are considered acceptable and the relevant objectives have been satisfied. Cumulatively, the variations do not amount to an adverse impact of a significance that would justify refusal of the application.

(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:

No planning agreement has been offered or entered into relating to the site.

iv) any matters prescribed by the Regulations:

No provisions of the regulations are applicable to the proposal.

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:

No Coastal Zone Management Plan applies to the subject site.

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

The site has a general southerly street frontage orientation to Ocean Drive and an easterly orientation to the 'dead end' of St Lucia Place.

Adjoining the site to the north, east, and west are residential dwellings on Torrens title lots.

Adjoining the site to the south is rural land on the southern side of Ocean Drive.

The proposal is considered to be compatible with other residential development in the locality and adequately addresses planning controls for the area.

The proposal does not have a significant adverse impact on existing view sharing.

The proposal does not have significant adverse lighting impacts.

There are no adverse overshadowing impacts. The proposal does not prevent adjoining properties from receiving 3 hours of sunlight to private open space and primary living areas on 21 June.

Roads

The site has road frontage to St Lucia Place.

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Adjacent to the site, St Lucia Pl is a sealed public road under the care and control of Council Crown. St Lucia Place is a local road with a 7m road formation within a 15m road reserve.

Traffic and Transport

The site is currently approved for residential use. While the proposed development will increase traffic movements in St Lucia Place and the surrounding road network, the network has been designed to cater for the expected increase in traffic and no significant adverse impacts are expected.

Site Frontage & Access

Vehicle access to the site is proposed through one access driveway to St Lucia Place. Access shall comply with Council AUSPEC and Australian Standards, and conditions have been imposed to reflect these requirements.

It will be necessary to dedicate a 3m wide pathway and road extension to allow pedestrian traffic from Ocean Drive to St Lucia Place.

Parking and Manoeuvring

A total of 33 parking spaces have been provided on-site within garages with additional parking provided available within the driveway of House 6, 7, 10, and 11. Parking and driveway widths on site can comply with relevant Australian Standards (AS 2890) and conditions have been imposed to reflect these requirements.

Water Supply Connection

Council records indicate that the development site has an existing 20mm metered water service.

Final water service sizing will need to be determined by a hydraulic consultant to suit the domestic and commercial components of the development, as well as fire service and backflow protection requirements. Each unit is to be individually metered with a master meter located at the road frontage and internal meters located in easily accessible locations.

A water main extension is required from St Lucia Place to Ocean Drive in 150mm diameter pipe. Water mains are to be wholly located in public land and not in easements across private property.

Sewer Connection

Council records indicate that the development site is currently connected to sewer via a junction to the sewer manhole in the north eastern corner of the lot. The proposed development is to discharge sewage to the existing point of connection to Councils sewer infrastructure. The engineering plans supplied are acceptable for Sewer Section.

Stormwater

The site naturally grades towards the northern corner of the site and is currently serviced via an existing interallotment drainage system in the north-eastern corner of the site.

The legal point of discharge for the proposed development is defined as a direct connection to the existing interallotment drainage system servicing the site.

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Stormwater from the proposed development is planned to be disposed via the existing interallotment stormwater system which is consistent with the above requirements.

A detailed site stormwater management plan will be required to be submitted for assessment with the S.68 application and prior to the issue of a Construction Certificate. The design shall be accompanied by detailed modelling to demonstrate that the existing downstream interallotment and public drainage system has capacity to convey design stormwater discharge from the proposed development. Where the existing downstream system is found to have insufficient capacity to drain the proposed development in accordance with AUSPEC Standards, on-site stormwater detention facilities shall be incorporated into the design to limit site stormwater discharge to flow rates and / or volumes compatible with the available capacity within the downstream drainage system.

Other Utilities

Telecommunication and electricity services are available to the site.

Evidence of satisfactory arrangements with the relevant utility authorities for provision to each proposed lot will be required prior to Subdivision Certificate approval.

Heritage

No known items of Aboriginal or European heritage significance exist on the property. No adverse impacts anticipated.

Other land resources

The site is within an established urban 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 construction and/or operations of the proposed development will be unlikely to result in any adverse impacts on the existing air quality or result in any pollution. Standard precautionary site management condition recommended.

Flora and fauna

The applicant has submitted a flora and fauna impact assessment report prepared by Naturecall Environmental dated 28 July 2016, which details the following impact that the proposal is likely to have:

- Loss of all of the site's habitat comprising gardens around the existing dwellings and planted exotic and native species around the site boundary.
- Loss of 1 Swamp Mahogany (preferred Koala food tree).
- Permanent prevention of recovery of native vegetation.

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- Minor drainage modification via expansion of hard surface cover.

The report addresses the requirements of the '7 part test' under Section 5A of the Act. The Naturecall Environmental report concludes that the proposal is unlikely to have any significant adverse impacts on flora and fauna subject to the following recommended conditions which are recommended to form part of the consent:

- Pre-clearing survey by a qualified ecologist, with report to Council within 14 days of completion.
- Donation of foliage from the Swamp Mahogany and Narrow-leaved Black Peppermint to the Port Macquarie Koala Hospital.

See additional comments in DCP section regarding recommended offsets for the Swamp Mahogany proposed to be removed.

Waste

The subject site has limited frontage to St Lucia Place, and the proposed development includes a total of 16 units (including the dwelling previously approved under DA2016 - 616.1). Placement of bins for kerbside collection in St Lucia Place is expected to adversely affect the amenity of adjoining properties.

It is recommended that a private waste collection service be required for the development. A condition has been recommended requiring confirmation of satisfactory arrangements with a waste contractor prior to the issue of an Occupation Certificate.

Standard precautionary site management condition also recommended for construction activities.

Energy

The proposal includes measures to address energy efficiency and will be required to comply with the requirements of BASIX. No adverse impacts anticipated.

Noise and vibration

A Traffic Noise Intrusion report prepared by Matrix Industries and dated 13 September 2016 has been submitted with the application. The traffic noise impacts on the proposed development were modelled assuming noise mitigation from a 1.8m high Colorbond or lapped and capped timber fence along the full Ocean Drive frontage of the site.

The report makes the following recommendations for building construction:

- All ground floor rooms in all dwellings have no acoustic requirements. Category 1 construction will be satisfactory and mechanical ventilation is not needed.
- For the row of residences facing Ocean Drive, if they are two storey dwellings the upper floor should be constructed of Category 2 constructions. Any living rooms on the upper floor with windows facing Ocean Drive will require mechanical ventilation.

As the development only involves single storey dwellings, normal construction (Category 1 construction) will achieve satisfactory internal noise levels.

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The submitted plans show a 1.8m high timber fence along the full Ocean Drive frontage. Condition recommended requiring the fence to be Colorbond or lapped and capped timber construction, consistent with the modelled noise mitigation in the Traffic Noise Intrusion report.

Condition also recommended restricting construction to standard construction hours.

Bushfire

The site is identified as being bushfire prone.

In accordance with Section 100B - *Rural Fires Act 1997* - the application proposes subdivision of bush fire prone land that could lawfully be used for residential or rural residential purposes.

The applicant has submitted a bushfire report prepared by David Pensini Building Certification and Environmental Services and dated September 2016.

The Commissioner of the NSW Rural Fire Service (RFS) has assessed the development and has issued a Bushfire Safety Authority subject to conditions, dated 10 November 2016. It is recommended that the RFS requirements be incorporated into the conditions.

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 increase in housing density will improve natural surveillance within the locality and openings from each dwelling overlook common and private areas.

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. A likely positive impact is that the development will maintain employment in the construction industry, which will lead to flow impacts such as 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.

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

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

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

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

13 written submissions have been received following public exhibition of the application. One submission indicates that it is made on behalf of the St Lucia Place group, comprising more than 30 residents.

Key issues raised in the submissions received and comments in response to these issues are provided as follows:

Submission Issue/Summary	Planning Comment/Response
Rainbow Beach Estate covenants should apply to the development.	The covenants referenced were imposed by the developer of the previous subdivision in the area and are not applicable to the subject site.
Access for emergency vehicles would be restricted due to narrow internal roads. May impact on people evacuating the site.	The main east-west access road has been designed to allow an emergency vehicle to stand within the site, with a traffic lane free for vehicles evacuating the site. Emergency vehicles are able to turn at the T-intersection with Driveway Access 4 & 5. The NSW Rural Fire Service have reviewed the proposal and considered the access arrangements satisfactory.
Is the water main adequate for the development and any emergency use?	Sufficient capacity exists in the water supply network. The water main extension will be subject to detailed design at the Construction Certificate stage and will be required to comply with Council's AUSPEC requirements. Conditions have been recommended in this regard.
Internal roads are not wide enough for garbage trucks and other large vehicles to manoeuvre.	Driveway widths on site can comply with relevant Australian Standards (AS 2890) and conditions have been imposed to reflect these requirements.
Visitor parking is not adequate and does not comply with DCP 2013.	The design has been amended to provide the minimum 4 designated visitor parking spaces in accordance with DCP 2013.
There is no access to the open space to the south-west of the development.	The development would provide a public footpath connection to Ocean Drive, which would allow pedestrian access to the RE1 land adjoining the south-west corner of the development site. Having regard to the

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	location and limited size of the RE1 land, a direct connection from the development is not considered necessary.
The development would close off access to the bus stop on Ocean Drive.	Existing access from St Lucia Place to Ocean Drive is over private property and not a public access. The development is required to provide a public footpath connection to Ocean Drive, and this will improve the current access arrangements.
Increased traffic and risk to pedestrians.	Traffic from the development is within the capacity of the road.
The rezoning of the RU1 land should not be approved.	Any rezoning of the RU1 land will be subject to a separate process and is not part of the development application. The LEP allows for flexible zone boundary application subject to criteria as assessed in this report.
Placement of garbage bins in St Lucia Place will affect adjoining property owners. Garbage trucks will not be able to access the development.	A condition is recommended requiring the development to have a private waste collection service. Bins will therefore not be place in St Lucia Place.
The development is out of character with existing development in the locality.	It is noted that the proposed development is not the same as existing detached dwellings on Torrens title lots in the locality. However, a key objective for the R1 General Residential zone in the LEP is “to provide for a variety of housing types and densities”. Similar development existing across the local government area in the R1 zone. The proposal is of a satisfactory residential character in this regard.
Increased traffic will impact on road pavement in Ocean Drive.	The development will have no direct vehicular access to Ocean Drive. The developer will be required to make a Section 94 Development Contribution towards the future upgrading of major roads (including Ocean Drive).
Retaining wall on the common boundary with 8 Rainbow Beach Drive should be contained entirely within the development site.	The Applicant has indicated that retaining walls can be built entirely within the development site where agreements cannot be reached with adjoining property owners for structures on the common boundary.
Lack of setback from northern boundary of the site will impact on privacy of existing dwellings in	Privacy has been addressed through building design and fencing. House 1 and House 8 designs have been amended to

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Rainbow Beach Drive.	provide minimum 1.5m sill height for north-facing living room windows. House 8 also includes a 1.7m high privacy screen to the northern side of the deck. A condition has also been recommended requiring the fence on the northern boundary adjacent to House 9 and House 16 to be increased in height to 1.8m.
Development should have direct access to Ocean Drive.	State Environmental Planning Policy (Infrastructure) 2007 does not permit direct access to a classified road where an alternative access to a local road is available.
All residents of St Lucia Place should have been notified of the development proposal.	The development proposal was notified to adjoining property owners in accordance with DCP 2013.
The volume of additional residents would put a strain on Police presence in the area.	The site is in an area zoned for residential purposes and population growth in the Bonny Hills area is anticipated in Council's planning strategies. Police resourcing for a growing population is a matter for the NSW Police Force, and is not relevant to the consideration of the development application.
The removal of trees will impact on fauna in the area.	See comments earlier in this report under Flora and Fauna.
Development should be changed from strata to Torrens title subdivision.	This is a matter of choice for the Applicant. Both forms of subdivision are permissible for the site.
Dwellings should be of comparable floor area to other dwellings in St Lucia Place.	The applicable development controls do not require this.
Some dwellings do not comply with the minimum parking requirements in DCP 2013.	The overall development requires a total of 24 parking spaces for the 16 units (including one previously approved dwelling). 29 parking spaces are available within the garages of the dwellings in the development, which exceeds the minimum DCP requirement.
Request confirmation that stormwater design is adequate.	The stormwater drainage design would be subject to detailed design at the Construction Certificate stage and will be required to comply with Council's AUSPEC requirements. Conditions have been recommended in this regard.
Request confirmation that sewer design is adequate.	See comments earlier under Sewer Connection.

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Existing trees in the Ocean Drive verge should be retained to provide an acoustic and visual barrier, shade, and habitat for fauna.	The existing trees in Ocean Drive are not identified as being proposed to be removed on the Site Analysis Plan.
Construction access should not be permitted from St Lucia Place.	<p>A condition is recommended requiring construction access from Ocean Drive where practical.</p> <p>After construction commences on Houses 4, 5, 12, and 13 and the acoustic fence is installed along the Ocean Drive frontage, it is expected that some construction access would still be necessary from St Lucia Place.</p>
Conditions need to restrict the days and times of construction.	Condition has been recommended restricting construction hours.
Proposed rezoning should not be considered as a miscellaneous amendment to the LEP. Opportunity for the public to comment should be provided.	Any rezoning of the RU1 land will be subject to a separate process and is not part of the development application.
Roadways, nature strip and turning circles should be consistent with existing Torrens title subdivision in St Lucia Place.	There is no requirement in the applicable development controls for private roads to be constructed to the same standard as public roads.
Existing mature trees should be retained or replaced.	<p>All existing trees on the site are proposed to be removed. The Applicant has submitted an ecological assessment, which concludes that the tree removal is acceptable subject to the recommendations in the report.</p> <p>Offset planting of two Swamp Mahogany trees will be required at the developer's expense in the Bonny Hills Sewer Treatment Plant site to enhance koala habitat within the locality. Within the development, the Applicant has also proposed to provide nine small canopy trees.</p>
Support Council's pre-lodgement comments that a public footpath connection to Ocean Drive be provided.	Noted.
Open space areas should be similar in size to existing dwellings in the locality.	Open space areas for all of the proposed dwellings exceed the minimum 35m ² required by DCP 2013.
The developer should be responsible for the cost of retaining walls and boundary fencing.	Any costs associated with fencing and retaining walls on the common boundary between properties would need to be

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	determined in accordance with the Dividing Fences Act 1991.
The Statement of Environmental Effects does not address pedestrian travel and access to public transport.	Pedestrian access to the bus stop in Ocean Drive would be provided via the public footpath connection between St Lucia Place and Ocean Drive required for the development.
Alternative parking could be provided on the vacant Council land at the intersection of Seawind Chase and Ocean Drive.	This land is not owned by Council.

(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 towards augmentation of town water supply and sewerage system head works under Section 64 of the Local Government Act 1993.
- 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.

Issues raised during assessment and public exhibition of the application have been considered in the assessment of the application. 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.

Attachments

- 1 [View](#). DA2016 - 774.1 Plans
- 2 [View](#). DA2016 - 774.1 Recommended Conditions
- 3 [View](#). DA2016 - 774.1 Submission - Bulley
- 4 [View](#). DA2016 - 774.1 Submission - Crawford
- 5 [View](#). DA2016 - 774.1 Submission - Downing
- 6 [View](#). DA2016 - 774.1 Submission - Gray
- 7 [View](#). DA2016 - 774.1 Submission - King
- 8 [View](#). DA2016 - 774.1 Submission - King for St Lucia Place Group
- 9 [View](#). DA2016 - 774.1 Submission - Meyers
- 10 [View](#). DA2016 - 774.1 Submission - Muller
- 11 [View](#). DA2016 - 774.1 Submission - Putnins
- 12 [View](#). DA2016 - 774.1 Submission - Richards
- 13 [View](#). DA2016 - 774.1 Submission - Slade
- 14 [View](#). DA2016 - 774.1 Submission - Stace

Looking After Our Environment

Item: 12.04

Subject: DA2016 - 0798.1 - DEMOLITION OF EXISTING DWELLING AND CONSTRUCTION OF NEW DWELLING INCLUDING CLAUSE 4.6 VARIATION TO CLAUSE 4.3 (HEIGHT OF BUILDINGS) AND CLAUSE 4.4 (FLOOR SPACE RATIO) OF THE PORT MACQUARIE HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 AT LOT 78 DP 232885, 28 DENT CRESCENT, PORT MACQUARIE.

Report Author: Matt Rogers

Applicant: L J Perkins
Owner: L J Perkins
Estimated Cost: \$1,000,000
Parcel no: 5713

Alignment with Delivery Program

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

RECOMMENDATION

That the determination of DA2016 - 798.1 for demolition of existing dwelling and construction of new dwelling including Clause 4.6 variation to Clause 4.3 (height of building) and Clause 4.4 (floor space ratio) of the Port Macquarie Hastings Local Environmental Plan 2011 at Lot 78 DP 232885, 28 Dent Crescent, Port Macquarie, be noted.

Executive Summary

This report is for Council's information and relates to the approval of the subject Development Application under delegated authority by the Group Manager Development Assessment. Granting consent involved use of Clause 4.6 of Port Macquarie-Hastings Local Environmental Plan 2011 (LEP) to vary Clause 4.3 (height of buildings) and Clause 4.4 (floor space ratio) by not more than 10%.

1. The maximum overall height of the proposed building above ground level (existing) is 9.318m, which does not comply with the standard height limit of 8.5m applying to the site. The variation equates to 9.6% of the standard (less than 10%).
2. Having considered the application and Clause 4.6 variation to Clause 4.4 of the LEP, the variation was considered acceptable as it only related to a small portion of the building where the land slopes away at the rear of the site. The portion of the dwelling exceeding the height standard is not readily visible from the public domain.

Looking After Our Environment

The scale of the building is consistent with other dwellings in the locality and the proposal does not result in any adverse privacy, view loss or overshadowing impacts.

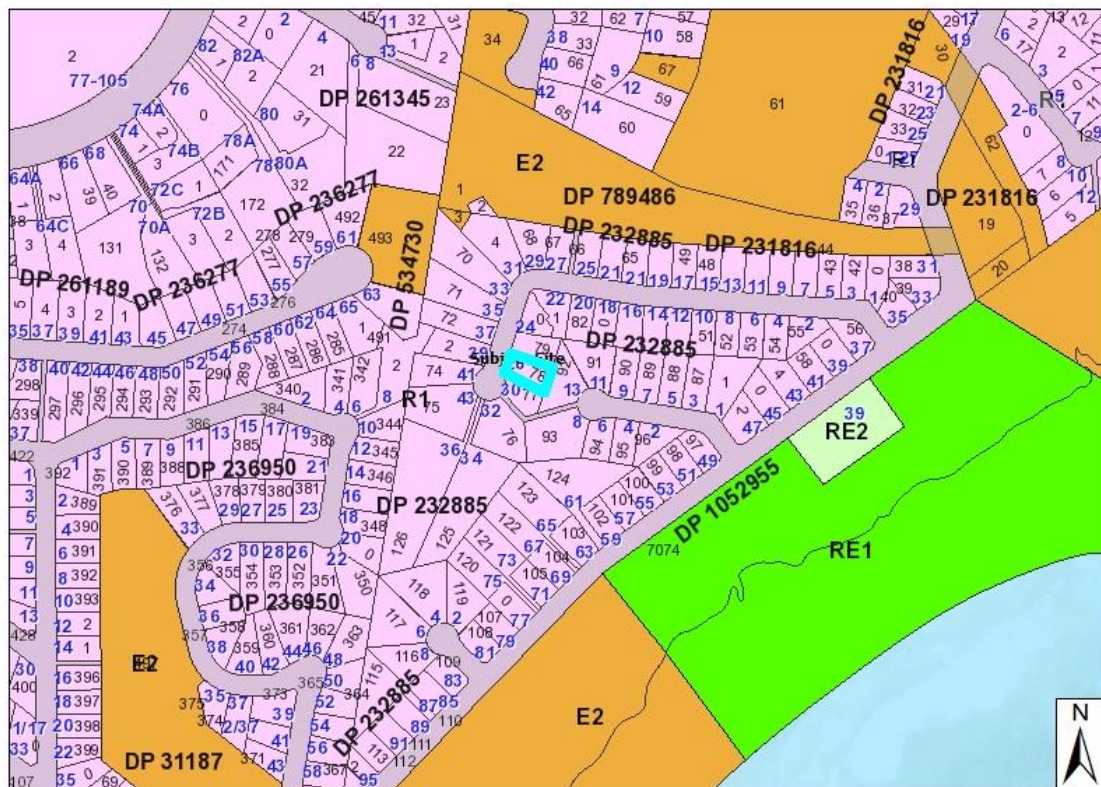
The Department of Planning and Environment's circular PS 08-003 provides for the Director General's assumed concurrence where a variation is not more than 10% of the standard. The circular advises that where Clause 4.6 variations are approved under delegated authority that Council be advised of the decision made and it be appropriately recorded.

1. BACKGROUND

Existing sites features and Surrounding development

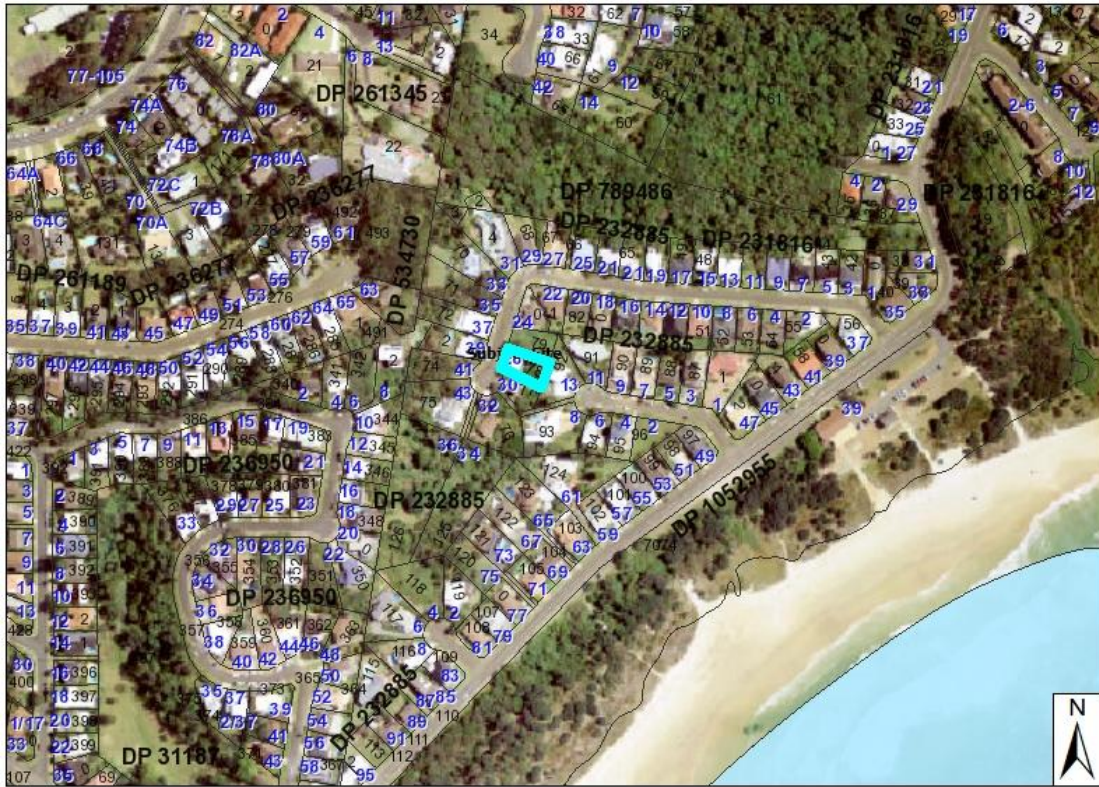
The site has an area of approximately 594.4m².

The site is zoned R1 General Residential 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:

Looking After Our Environment



2. DESCRIPTION OF DEVELOPMENT

Key aspects of the proposal include the following:

- Demolition of the existing dwelling and erection of a new dwelling.
- Clause 4.6 variation to Clause 4.3 (height of building) and Clause 4.4 (floor space ratio) of the Port Macquarie Hastings Local Environmental Plan 2011.

Refer to attachments at the end of this report.

Attachments

1 [View](#). DA2016 - 798.1 Approved Stamped Plans

2 [View](#). DA2016 - 798.1 DA Consent Approval

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: BUILDING BETTER REGIONS FUND - ROUND 1 FUNDING APPLICATIONS

Presented by: General Manager, Craig Swift-McNair

Alignment with Delivery Program

5.1.1 Plan, investigate, design and construct road and transport assets which include pedestrian, cyclist and vehicular needs.

RECOMMENDATION

That Council submit the following applications for Round 1 of the Building Better Regions Fund:

Infrastructure Projects Stream:

1. Lake Rd duplication from Toorak Court to the Oxley Highway;
2. Upgrade of the Coastal Walkway from Town Beach Port Macquarie to Windmill Hill (including wayfinding signage).

Community Investments Stream:

1. Expansion of the Creative Summer Program at the Glasshouse.
2. Local skills audit as included in the Port Macquarie-Hastings Economic Development Strategy.

Executive Summary

In November 2016, the Australian Government released details of the Building Better Regions Fund (BBRF). The \$297.7 million Building Better Regions Fund supports the Australian Government's commitment to create jobs, drive economic growth and build stronger regional communities into the future.

The program will run over four years from 2016-17 to 2019-20 and has been designed to achieve the following outcomes in regional and remote communities:

- Create jobs ;
- Have a positive impact on economic activity, including Indigenous economic participation through employment and supplier-use outcomes;
- Enhance community facilities;
- Enhance leadership capacity;
- Encourage community cohesion and sense of identity.

Planning and Providing Our Infrastructure

The program will fund projects in regional Australia outside the major capital cities of Sydney, Melbourne, Brisbane, Perth, Adelaide, and Canberra. There are two streams of funding available under the program as follows:

- The *Infrastructure Projects Stream* will support projects which involve the construction of new infrastructure, or the upgrade or extension of existing infrastructure that provide economic and social benefits to regional and remote areas.
- The *Community Investments Stream* will fund community building activities including, but not limited to, new or expanded local events, strategic regional plans, and leadership and capability building activities. These projects will deliver economic and social benefits to regional and remote communities

The purpose of this report is to put forward projects for consideration by Council for round 1 of the BBRF.

Discussion

The \$297.7 million Building Better Regions Fund supports the Australian Government's commitment to create jobs, drive economic growth and build stronger regional communities into the future and will be run over four years from 2016-17 to 2019-20.

As an eligible body who can apply for funding under the BBRF, Council are able to submit up to two applications per funding stream i.e. the *Infrastructure Projects Stream* and the *Community Investments Stream*.

As with all funding programs there are a range of evaluation criteria that each project must meet, plus there are tight guidelines around co-funding requirements. For the *Infrastructure Projects Stream* funding is available from \$20,000 up to \$10 million, with projects requiring completion by 31 December 2019. There is a co-funding requirement of dollar for dollar for this stream of the BBRF i.e. for every dollar of grant funding requested, Council must contribute at least one dollar, with the government funding up to 50% of the eligible project cost.

For the *Community Investments Stream* funding is available from \$5,000 up to \$10 million; however given the nature of eligible projects under this stream, the government expects most grants will be under \$100,000. If projects under this stream have a total project value of less than \$20,000, then there is no co-funding requirement, noting that co-funding is encouraged and will be looked on more favourably than those applications with no co-funding.

The BBRF guidelines for each of the above-mentioned funding streams are attached to this report for information.

With a view to the co-funding requirements and the evaluation criteria for each funding stream, Council management has reviewed a range of projects already in the planning stages in an effort to find suitable projects that would be suitable for applications under round 1 of the BBRF as follows:

Infrastructure Projects Stream

- Lake Rd duplication from Toorak Court to the Oxley Highway;

Planning and Providing Our Infrastructure

The overall objective of this project is to increase the network capacity (as a key east-west link) and efficiency for travel to and from the industrial area.

Lake Road is a critical east-west link in the Port Macquarie road network, linking two of the primary accesses into Port Macquarie, the Oxley Highway and Ocean Drive. It also provides connections to other parts of Port Macquarie east of Ocean Drive and north via Central Road and Fernhill Road.

Lake Road provides access to a busy industrial area in Port Macquarie, with numerous closely spaced intersections and relatively high traffic volumes. It currently carries approximately 22,000 vehicles per day and is congested at a number of times during weekdays and weekends. It has a poor crash history and numerous property driveway accesses, and in places is deficient in terms of cross-section (only single lane), pedestrian safety and intersection capacity.

Traffic volumes on Lake Road have increased with the completion of the Oxley Highway upgrade and continuing development in the area. It is anticipated that volumes will continue to grow as new development and redevelopment takes place.

The scope of works for this project is the duplication of both the east and west bound lanes incorporating the construction of a central median for the length of works from Toorak Court to the Oxley Highway, modification of the Toorak Court intersections to left-in/left-out only, water main upgrade/relocation, street lighting improvements and provision of a shared path on the southern side of the road. Please see the attached document titled 'Design (Display Plan) - Lake Rd Duplication Toorak Court to Oxley Highway RU-PM8-071'.

The design estimate for this project is \$2.4 million with \$1.8 million included in the draft 2017-18 Operational Plan and \$600,000 to be included in the draft 2018-19 Operational Plan. It is intended to apply under the BBRF program for \$1.2 million, being 50% of the estimated cost of this project.

This project is what is often termed 'shovel ready' with 'For Construction' designs approved at the end of 2016.

- Upgrade of the Coastal Walkway from Town Beach Port Macquarie to Windmill Hill (including wayfinding signage).

The project focuses on the development of a Port Macquarie Coastal Walk Master Plan and initial stages of implementation.

The Walk is rated on TripAdvisor as Number 1 of 63 things to do in Port Macquarie by visitors, with 729 reviews, very high levels of satisfaction and some social media engagement. The walk also contributed to Port Macquarie being ranked in the top ten best Australian walking destinations by national health magazine, Prevention Australia.

With nature based experiences an identified strength of the Greater Port Macquarie destination, a masterplanned approach to further development of the walk will ensure the preservation of our beautiful natural environment

Planning and Providing Our Infrastructure

while enhancing the visitor experience and adding value to our visitor economy by creating an asset that truly showcases our place.

The Port Macquarie Coastal Walk is also featuring prominently in a number of locally owned events which have the potential to drive significant out of region visitation as they grow, in particular the Beach to Brother Marathon and Sandmudder events.

Items already identified for inclusion in the Masterplan cover a wide range of enhancements that will improve accessibility in some key areas of the walk (particularly close to Town Beach); undertake vegetation management to enhance views from the walk; develop new interpretive signage and digital content to maximize interest and engagement in key natural, historical and cultural sites along the walk and link to other experiences in the region, encouraging visitors to explore other local attractions.

The project is in direct alignment with the priority actions in the Greater Port Macquarie Destination Management Plan and the NSW Visitor Economy Action Plan.

Council currently has a budget allocation in the 2016-2017 budget of \$218,000 for upgrades to the Coastal Walk, with that same amount being recommended to be applied for under the BBRF program.

Community Investments Stream

- Expansion of the Creative Summer Program at the Glasshouse.

The Creative Summer Program was trialled over the December 2016 and January 2017 period at the Glasshouse. The program was specifically aimed at supporting the outcomes of the Glasshouse Strategic Plan and delivering on Glasshouse Key Performance Indicator (KPI) targets during a period that is traditionally quiet, outside of the Visitor Information Centre. The aims of the program included:

- Driving visitation to the Glasshouse and the Port Macquarie Regional Gallery;
- Increasing the flexibility of the Glasshouse footprint by activating the bar foyer space on a daily basis, which also discourages anti-social behaviour in this area (historically an issue in school holidays);
- Generating income through ticket sales;
- Increasing participation in cultural activity and reaching new audiences;
- Providing activities at a range of price points (including free options) designed to engage diverse audiences (children to seniors) and providing access to cultural activity for locals and visitors.

Initial results from this program are very positive as follows:

- Gallery visitation increased by 24% during the dates of the event;
- 225 tickets were sold;
- 5 local artists were employed;

Planning and Providing Our Infrastructure

- Ticketed programs achieved 84% occupancy;
- Participants who used the space over the total period were 3,809.

After the success of the 2017 Creative Summer Program, the Glasshouse Regional Gallery is planning to present *Neon Summer* (noting that this is a working title only) a program of events, activities and workshops for all ages centred around the contemporary art exhibition *Neon Summer*.

The program will feature a three week program of events centred on a family festival day / weekend. The aims of the project will be to build on the success of Creative Summer and the delivery of sound cultural and economic outcomes in-line with the Glasshouse Strategic Plan. If successful the grant will allow the program to expand to include a main family orientated event / performance, Friday evening craft workshops, a number of weekend master classes, children's and family activities during weekdays and a family festival weekend.

It is intended to apply for funding of \$20,000 as this would enable Council to deliver the program and would not require the 50:50 co-funding component in line with the funding guidelines for the Community Investments Stream.

- Local skills audit as included in the Port Macquarie-Hastings Economic Development Strategy.

This project aims to get a better understanding of the current skills gaps and future skill requirements within the Port Macquarie-Hastings local government area to enable more strategic discussion and planning on how to develop and / or attract the necessary skills to the region.

The data and information gathered will be of benefit to the education sector (secondary, tertiary and adult education), the employment network and training providers, governments, local employers and employees. The project objectives would be to:

- 1) Assess the current and future skills needs within the LGA;
- 2) Provide a brief overview of the constraints and opportunities that influence the skills mix within our LGA;
- 3) Provide a baseline of local evidence to complement existing state and federal research regarding current and future skills needs so that strategies can be developed to meet these needs.

It is estimated that a skills audit as described above will cost approximately \$50,000. It is intended to apply for funding of \$25,000 from the first round of the BBRF, being 50% of the total estimated cost.

It should be noted that there is no guarantee that any of the above-mentioned applications will be successful under round 1 of the BBRF. It is understood that there will be future rounds of the BBRF at timelines that are yet to be confirmed. Further reports on what projects might be suitable for future BBRF rounds will be tabled at future Council meetings at the appropriate time.

Planning and Providing Our Infrastructure

Options

Council has the following options in relation to this report:

- Adopt the projects for round 1 of the BBRF as recommended in this report;
- Resolve to adopt other projects for round 1 of the BBRF, noting the timelines for applications;
- Resolve to apply for a less number of or no projects for round 1 of the BBRF.

Community Engagement & Internal Consultation

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

- General Manager;
- Directors;
- Group Managers.

Planning & Policy Implications

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

Financial & Economic Implications

The financial and economic implications are detailed earlier in this report; however the following is provided by way of summary:

Lake Rd duplication from Toorak Court to the Oxley Highway;

The design estimate for this project is \$2.4 million with \$1.8 million included in the draft 2017-18 Operational Plan and \$600,000 to be included in the draft 2018-19 Operational Plan. It is intended to apply under the BBRF program for \$1.2 million, being 50% of the estimated cost of this project.

Upgrade of the Coastal Walkway from Town Beach Port Macquarie to Windmill Hill (including wayfinding signage).

Council currently has a budget allocation in the 2016-2017 budget of \$218,000 for upgrades to the Coastal Walk. It is intended to apply under the BBRF program for \$218,000, which would allow Council to undertake further works included in the Port Macquarie Coastal Walk Master Plan.

Expansion of the Creative Summer Program at the Glasshouse.

It is intended to apply for funding of \$20,000 as this would enable Council to deliver the program and would not require the 50:50 co-funding component in line with the funding guidelines for the Community Investments Stream under the BBRF.

Local skills audit as included in the Port Macquarie-Hastings Economic Development Strategy.

It is estimated that a skills audit as described above will cost approximately \$50,000. It is intended to apply for funding of \$25,000 from the first round of the BBRF, being

Planning and Providing Our Infrastructure

50% of the total estimated cost. The Council contribution of \$25,000 is available from the Economic Development reserve.

Attachments

- 1 [View](#). BBRF Guidelines - Community Investments Stream
- 2 [View](#). BBRF Guidelines - Infrastructure Projects Stream
- 3 [View](#). Design (Display Plan) - Lake Rd Duplication Toorak Court to Oxley Highway
RU-PM8-071.pdf

Planning and Providing Our Infrastructure

Item: 13.02

Subject: ASSET MANAGEMENT POLICY

Presented by: Infrastructure and Asset Management, Jeffery Sharp

Alignment with Delivery Program

1.5.5 Ensure there is appropriate management of risk for Council and the community.

RECOMMENDATION

That Council:

- 1. Place on public exhibition from 24 February 2017 until 25 March 2017 (28 days) the draft Asset Management Policy.**
- 2. Note that a further report will be tabled at the April 2017 meeting of Council, detailing the submissions received from the public during this exhibition period.**

Executive Summary

Council's Asset Management Policy establishes the framework that determines the nature and direction of Asset Management within Council, and guides the strategic management of all of Council's assets. Under this Policy, Council recognises that infrastructure assets are critical in supporting the services that Council deliver to the community.

Council has undertaken a review of its existing Asset Management Policy, to ensure that the Policy is comprehensive and relevant. The Policy in its updated form continues to reflect the existing organisational vision for asset management as detailed in Council's Resourcing Strategy.

Discussion

Council's Asset Management Policy establishes the framework for determining the nature and direction of asset management within Council. Council's existing Asset Management Policy was updated in 2011 to compliment the NSW State Government's Integrated Planning and Reporting framework, and was adopted as at 25 May 2011.

This Policy is supported by Council's Asset Management Strategy (which identifies the way Council currently looks after its assets, where Council wants to be in 2030 and how Council intends to get there), and a number of Asset Management Plans (which detail community levels of service provided by Council's assets, forecast asset related resource requirements, and set timeframes for key asset maintenance, replacement and renewal activities).

Planning and Providing Our Infrastructure

Options

Council may either choose to adopt the updated Policy or to retain the existing Policy.

Community Engagement & Internal Consultation

Community Engagement

There has been no community engagement in relation to the draft Asset Management Policy, as yet. Publically exhibiting the draft Policy will initiate the community engagement process.

Internal Consultation

- Asset Management Team
- Senior Leadership Team
- Executive Team.
- Group Manager Assets & Systems

Planning & Policy Implications

Planning Implications

Under the Policy, Council will continue to undertake the following actions:

1. Recognise that infrastructure assets are critical in supporting the services that Council deliver to the community;
2. Focus on continually improving the overall condition and management of its assets through the implementation of a long term Asset Management Strategy, Asset Management Plans and Service Plans;
3. Take into account the impact of asset acquisition and whole of life costs in making resource allocation decisions

Policy Implication

Council will continue to have in place a relevant and appropriate Asset Management Policy, which guides the strategic management of all of Council's assets, and is consistent with the requirements of the NSW State Government's Integrated Planning and Reporting framework.

Council's 2017 - 2021 Resourcing Strategy, which is currently under development, will directly reference the draft Asset Management Policy.

Financial & Economic Implications

Under the Policy, Council will continue to ensure that adequate provision is made for the long-term management and replacement of major Council assets.

Attachments

1 [View](#). DRAFT Asset Management Policy

Planning and Providing Our Infrastructure

Item: 13.03

Subject: STORMWATER DRAINAGE - RISKS AND OPPORTUNITIES

Presented by: Infrastructure and Asset Management, Jeffery Sharp

Alignment with Delivery Program

5.5.6 Plan, investigate, design and construct stormwater assets.

RECOMMENDATION

That Council:

1. Note the documented significant risks associated with the maintenance and management of the Public Stormwater Drainage Network.
2. Give consideration to an annual allocation of \$215,000 as part of the Operational Budget commencing in 2017/18 for the establishment of a Stormwater Cleaning, CCTV and Condition Assessment Team, including 2 new staff and specialist plant and equipment to enable the expansion and continuation of the CCTV and Condition Assessment program commenced in 2015/16.
3. Give consideration to an annual allocation of \$1,000,000 as part of the Operational Budget towards the commencement of a stormwater renewals program commencing 2017/18. This allocation includes the creation of a new Stormwater Renewals Operational Crew consisting of a Team Leader, Plant Operator and Labourer and associated plant and equipment to facilitate the physical stormwater renewal works.
4. Request the General Manager develop and implement a proactive maintenance program for the maintenance of Open Drains and Gross Pollution Traps,
5. Give consideration to an annual allocation of \$60,000 as part of the Operational Budget and commencing in 2017/18 towards the development and implementation of a proactive maintenance plan for Council's Drainage Reserves and Stormwater Basins.
6. Request the Water, Sewer and Stormwater Portfolio to continue to investigate a revised funding model for stormwater capital works for consideration as part of the 2018/19 and future Operational Plans to address the risks associated with the management of Council's Stormwater Network.
7. Request the General Manager make a further detailed submission to the Minister for Local Government for a 100% increase to the current stormwater levy, levied pursuant to Local Government Amendment (Stormwater) Act, 2005.

Planning and Providing Our Infrastructure

Executive Summary

This report is prepared in response to the following Council Resolution from the Ordinary Meeting on 19 October 2016:

13.01 NOTICE OF MOTION - STORMWATER NETWORK

RESOLVED: *Levido / Griffiths*

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.*

CARRIED: 9/0

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

AGAINST: Nil

The report summarises the current status of stormwater management within Port Macquarie-Hastings, with particular reference to the services provided, resourcing, asset management, the backlog of known outstanding works and current funding mechanisms.

The report attempts to quantify the extent of the current risk to Council associated with the management of the public stormwater network and presents a range of options to allow Council to determine an appropriate course of action to effectively manage Council's public stormwater network and associated infrastructure, moving forward.

Whilst this report is based on the current known situation, it should be noted that only 6% of the underground network has been assessed to date.

This report is a detailed summary of the PMHC Stormwater Drainage - Risks and Opportunities Working Paper February 2017 attached to this report.

Discussion

Stormwater Management

The provision of a safe and effective stormwater drainage network is a core service. Council's Transport and Stormwater Network Department are responsible for the maintenance, management and effective planning for a wide range of infrastructure and operations including:

- The *public stormwater drainage network* including all associated pits, pipes, culverts, channels and water quality control assets.
- The Settlement Shores and Broadwater *Canal estates*.
- A range of *flood mitigation assets* including levy's, flood mitigation drains, culverts, bridges and backflow protection structures / devices.

The following is a summary of the range of stormwater assets managed:

Planning and Providing Our Infrastructure

Assets - Public Stormwater Drainage Network

Council is currently responsible for the maintenance and management of approximately \$170M worth of stormwater drainage assets (30 June 2016). A summary of the stormwater drainage network is outlined within the table below:

Asset Category	Dimension	Replacement Value
Pipes	317.7 km length	\$ 124,317,040
Pits	14,267 Pits	\$ 33,880,105
Box Culverts	99 Culverts	\$ 2,602,598
Gross Pollutant Traps	41 Units	\$ 1703,578
End Structures	1,801 Headwalls	\$ 1,742,073
Ponds/Basins/Wetlands	80 Basins	\$ 5,020,311
Open Drainage Channels	39 km length	\$ 1,244,853
Total		\$ 170,510,558

Table 1 - Stormwater Asset Summary

It should be noted that this is the public network only and does not include the significant inter allotment drainage network which remains owned and operated by private landowners.

In addition to the above, the quantity of Council's stormwater assets is continually increasing. An 11.9km increase in new stormwater pipelines, associated pits and culverts and 6 new stormwater water quality treatment basis were dedicated during 2015/16 as a consequence of land development and new works.

This 11.9km represents a 3.7% increase in the size of the overall public stormwater network.

This asset base is managed by Council's Transport and Stormwater Network Department, with funding provided predominantly from the Stormwater Levy, grant funds and/or general revenue.

For the 2016/17 financial year, this breakup is as follows;

Stormwater Levy	\$ 784,401
Grant funds	\$ 0
General Revenue	\$ 1,119,582
Total Allocation	\$ 1,903,983

Assets - Canal Estates

The Settlement Shores and Broadwater Canals are also managed as stormwater assets by Council's Transport and Stormwater Network Department. The value of assets managed by Council within these two canals is approximately \$16M.

The canals themselves are classified as Drainage Reserves in a similar manner to a stormwater basin or open drain. As such, all associated infrastructure within those reserves are designated as stormwater assets.

Planning and Providing Our Infrastructure

The Broadwater Canals are managed and maintained in accordance with an adopted Maintenance Plan, with funding provided via a special levy that forms part of the residential rates of the estate. The Broadwater Special Rate Reserve currently has a balance of approximately \$1,300,000, with funding permitted only to be spent on actives as specified in the Canal Maintenance Plan.

The Settlement Shores Canal Estate is also subject to an adopted Maintenance Plan; however, funding is not assured as no special rate levy applies to this area. Works have historically been funded from the monies collected annually via the Boating Structure Licence Fees for the occupation of a private boat ramp or jetty within any of Council's drainage reserves (canals). These fees are allocated to a special reserve fund, quarantined for canal maintenance. This fund has a balance of approximately \$574,312.

A summary of the canal assets maintained by Council is outlined in the table below:

Asset	Type	Replacement Value
Southern Harbour 32012	Canal	\$ 542,888
North Harbour 32011	Canal	\$ 459,842
The Broadwater 32010	Canal	\$ 1,953,276
Regatta Point Canal 32009	Canal	\$ 1,269,690
Lachlan Bay 32008	Canal	\$ 448,023
Blue Bay 32007	Canal	\$ 413,021
Crescent Arm 32006	Canal	\$ 533,777
Southern Cove 32005	Canal	\$ 510,151
South West Passage 32004	Canal	\$ 1,239,938
Newport Canal 32003	Canal	\$ 900,421
Ballina Canal 32002	Canal	\$ 1,016,802
Dolphin Keys 32001	Canal	\$ 783,165
Governors Way 32000	Canal	\$ 2,113,233
Flow Deflector 32029	Structure	\$ 308,818
Flow Deflector 32028	Structure	\$ 473,521
Wier 32018	Structure	\$ 1,681,793
Wier 32017	Structure	\$ 1,512,724
Total		\$ 16,181,081

Table 2 - Canal Estates Asset Summary

The Canal Maintenance Plans outline the condition of and maintenance requirements for the infrastructure within the canal systems. As such, the risks associated with the maintenance and management of Council's Canal Estates is largely understood and managed in accordance with these plans.

The Broadwater special rate levy covers all currently anticipated maintenance costs within this estate.

Funding for remedial works identified in the Settlement Shores Canal Maintenance Plan is subject to available funding. There are currently insufficient funds available for the completion of all identified works. A risk based approach to the funding of works within this canal is currently being developed.

Planning and Providing Our Infrastructure

Assets - Flood Mitigation Structures

Flood mitigation assets generally include levees, flood gates, flood mitigation drains and culverts. Some of these assets are located on Council owned and managed land, however many others are located on private property, usually only benefiting the private land owner, however are managed and maintained by Council through implied obligation as they were constructed by the State Government with assistance by Council. This is potentially a risk and liability to Council requiring further detailed investigations.

The majority of these structures were constructed during the 1960's when the NSW Department of Public Works and the now Port Macquarie-Hastings Council jointly constructed earthen flood mitigation drains and associated structures as a measure to control flooding and improve the agricultural productivity of private rural land.

Council's Transport and Stormwater Network Department, with limited funding assistance from the NSW State Government, maintains these key structures and drains, however for practical reasons landowners often maintains the open drains located on private property.

A summary of flood mitigation assets maintained by Council is outlined in the table below:

Asset	Quantity	Replacement Value
Acid Sulfate Soil Mitigation Weirs	3 Weirs	\$ 321,600
Bank Protection Works	34 riverbank locations	\$ 8,419,702
Flood Mitigation Drains	9 flood mitigation drains	\$ 7,549,016
Flood Levees	3 Levees	\$ 49,000
Total		\$ 16,339,318

Table 3 - Flood Mitigation Asset Summary

The risks associated with the maintenance and management of Flood Mitigation Assets has not been considered further in this report.

Condition of the Public Stormwater Drainage Network

Prior to 2016 the condition of this asset database was largely unknown. This lack of condition data has led to a range of issues complicating the effective management of the risks associated with the stormwater drainage network, being:

- Informed and accurate stormwater renewal planning has not been possible. As a consequence the structural degradation of assets over time has not been addressed and the risks associated with the structural failure have not been quantified.
- No renewal planning has meant that minimal stormwater renewals have been undertaken and the condition of Council's aging stormwater network has continued to steadily decay.
- Maintenance is only able to be undertaken in an inefficient reactionary manner, in response to Customer Requests or blockage / inundation events observed by staff.
- Financial forecasts / modelling as contained within the Stormwater Asset Management Plan were based upon assumptions which could not be verified.

Planning and Providing Our Infrastructure

During 2016, Council undertook a program of cleaning, CCTV inspecting and condition assessment on a sample of 713 segments of stormwater pipeline, with a total length of 19,327m at a cost of approximately \$340,000. This program resulted in complete condition assessments for approximately 6% of the Council's underground piped stormwater network.

A range of areas were selected for the pilot program in order to provide a level of diversity in the asset age, construction method and operating environment and ensure an accurate snapshot of the condition and serviceability of the network.

The 2016 program assigned both a *Structural Grade* and a *Service Grade* in order to provide a more in-depth understanding of the assets and network operation as a whole.

This condition assessment was undertaken as per current industry best practice and in accordance with the Water Services Association of Australia's *Conduit Inspection Reporting Code* and the Institute of Public Works Engineering Australia (IPWEA) *Condition Assessment & Asset Performance Guidelines - Practice Note 5: Stormwater Drainage*.

A description of the condition assessment undertaken is as follows:

Structural Grade

The structural grade of the pipeline reflects the physical condition of the pipeline itself. Stormwater pipelines were given a numerical rating of 1 to 5, with 1 being a minor defect and 5 being a severe defect with failure occurring or being imminent.

Service Grade

The service grade of the pipeline relates to the ability of the pipeline to serve its intended purpose - i.e. to what extent can water be safely conveyed through the pipeline. Pipelines were again given a numerical ranking of 1 to 5, with 1 being clear and 5 being a severe blockage or bypass of flows.

Council was provided with the location and characteristics of all reportable features of the surveyed pipelines including photographic and video records of the survey, defects and features of interest.

The findings of this condition assessment indicated the network is in a significantly worse structural condition than was initially anticipated.

Of the 19km of stormwater pipelines surveyed, in excess of 2,500 individual defects were noted with 58% of the sample having severe defects with failure occurring or being imminent.

Sample images of some of the more severe defects found within newly constructed works as well as images of typical structural failures present across the older surveyed network are as follows:

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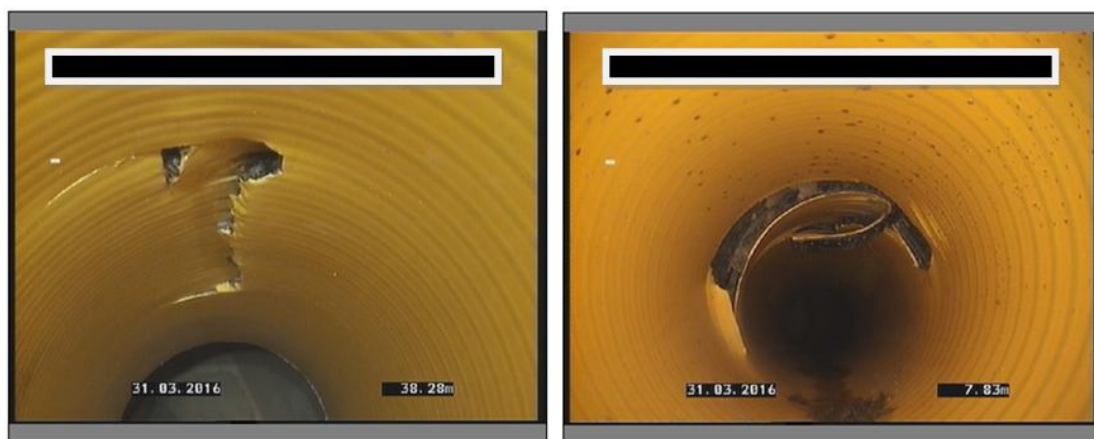


Figure 1 - Sample Images of Significant Structural Defects Within New Construction Works



Figure 2 - Sample Images of Significant Structural Defects Within Older Piped Network

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While the structural condition of the above sample is very poor, the pipelines themselves are largely open and capable of conveying high volumes of stormwater relatively unrestricted.

Historically, without the benefit of a CCTV condition assessment; these defects would not have been identified until a system failure occurred.

These findings highlight the need to advance the collection of additional data to provide an improved understanding of the network condition and enable the preparation and implementation of a stormwater renewal plan to address those significant risks identified to date.

The 2016 inspection program included recommendations relating to the scale and type of rectification works required to address the 2,500 defects found.

Action	Quantity	Anticipated Cost
Reline pipeline	7500m various diameters	\$400/m = \$3M
Patch defect	150 various sizes	\$1500/patch = \$225,000
SUM		\$3,225,000
Contingency		30%
TOTAL		\$4,192,500

Table 4 - Key Remedial Actions Identified by 2016 CCTV and Condition Assessment

Whilst currently not funded, extrapolating the time and cost associated with this pilot program, it would take 17 years at a cost of \$5.78M to clean, CCTV and condition assess the entire public drainage network (2016 dollars). Such a timeline is not considered to address the clear risks associated with this Council owned asset.

Options for an expansion of this program are presented later for consideration.

Identified Risks of the Overall Network

In general, the risks associated with the management of the Council's stormwater drainage network can be generally defined as follows:

- Risk of asset failure and the associated impacts. This risk can generally be defined as either a financial risk associated with the unknown and unallocated funds associated with affecting a repair, or a safety related risk related to the physical consequences of the failure (sinkhole, collapse, property damage etc.).

As outlined above, the structural condition of 94% of the Council's stormwater drainage network is unknown and of the 6% that is known, 58% has a condition rating of 5 indicating severe defects with a very high risk of imminent structural failure.

Risks associated with asset failure are ideally addressed via the implementation of a condition assessment and proactive renewal program to find and mitigate the risks before they spread.

- Risk to life and property as a consequence of flooding. Due to the significant backlog of unfunded stormwater drainage improvement works, the capacity of

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a number of aged stormwater drainage systems does not comply with current standards and industry specifications. Further, the lack of maintenance of key systems adds to the already high flood risk.

Stormwater drainage paths and overflow routes present an ongoing risk to public safety and without intervention private property will continue to be susceptible to overland flooding.

Council is therefore exposed to a multitude of direct (clean-up, asset repair and upgrade) and indirect (insurance claims, residential amenity) financial and reputational risks in addition to the obvious safety risks associated with floodwater.

Risks associated with flooding are generally addressed via system upgrades and improvements.

- Risk of environmental degradation via stormwater pollution - Council is responsible for the maintenance and management of 41 Gross Pollutant Traps and 80 Stormwater Basins, which serve to protect the quality of downstream waterways.

These systems are largely unmaintained at present due to a lack of funding and resources. The risk associated with a lack of maintenance at each specific facility has never been quantified; however the overarching risk of a pollution event occurring as a consequence of a system failure has the potential to lead to environmental degradation, significant fines or prosecution and reputational damage.

Under the current funding applied to stormwater and drainage management, many of these risks are realised on a frequent basis, causing considerable ongoing disruption to the affected community.

Current Resourcing

Council's Transport and Stormwater Network Department is responsible for the management of these assets. Within this department, asset planning is coordinated by the Engineering Planning Manager and Senior Stormwater Engineer and operational maintenance is coordinated by the Transport and Stormwater Operations Manager with input from the Planning Section.

Until recently, the Senior Stormwater Engineer has been the sole dedicated engineering resource for stormwater within Council. During late 2016, a restructure allowed for a new position to support the Senior Stormwater Engineer.

The new Stormwater Engineer role was created with the overarching aim of assisting in the delivery of all stormwater functions undertaken by Council. This role is currently in the process of being filled.

Stormwater maintenance is currently delivered through Council's Transport and Stormwater Network operational maintenance staff. Typically, one full time maintenance team is allocated to stormwater maintenance, consisting of 2-3 full time employees, supplemented via contract plant as required.

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Construction of any new or upgraded stormwater infrastructure is undertaken via the Infrastructure Delivery Group and is subject to the availability of specific capital works funding.

The range of functions performed by Council in managing the stormwater asset base can be summarised as Planning, Design, Construction and Maintenance related activities. The following sections of this report will summarise these functions to provide a summary of the activities, strengths and weaknesses of Council's current approach.

Stormwater Funding

As outlined previously, the stormwater drainage works are funded predominantly from the Stormwater Levy, grant funds, and/or general revenue.

A significant amount of stormwater funding is provided by the stormwater levy which is a special rate levied on *'land within an urban area that is in the residential and business categories for rating purposes, except vacant land, for which the Council provides a stormwater management service.'*

The Local Government Amendment (Stormwater) Act, 2005 defines the amount that can be levied on each eligible urban lot as follows:

125AA Maximum annual charge for stormwater management services

For the purposes of section 510A of the Act, the maximum annual charge for stormwater management services that may be levied in respect of a parcel of rateable land is:

- (a) for land categorised as residential—\$25, and
- (b) for land categorised as business—\$25, plus an additional \$25 for each 350 square metres or part of 350 square metres by which the area of the parcel of land exceeds 350 square metres.

The Act also defines what kind of activities the levy can be expended on, but generally speaking it can be expended on both capital projects and recurrent expenditure relating to new or additional stormwater management services to eligible land (i.e. it cannot be expended on non-stormwater related projects or initiatives).

In this regard, it is recommended that Council make another detailed submission to the Minister for Local Government for a 100% increase to the current stormwater levy, levied pursuant to Local Government Amendment (Stormwater) Act, 2005.

As previously outlined, the allocated stormwater maintenance funding in the 2016/17 Operational Plan can be broken down into the following budget areas:

Operational Maintenance	\$ 1,094,800
Operational / Overhead Costs	\$ 354,582
Loan Repayment (8 Belah Rd)	\$ 194,601
Capital Works Allocation	\$ 260,000

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In addition to the newly acquired condition data and the costs identified to rectify the issues found, the limited amount of stormwater funding traditionally allocated has led to a significant backlog in stormwater upgrades to address high risk flooding issues. The estimated value of stormwater upgrade works currently listed for funding allocation totals approximately \$16.5M.

Of this unfunded pending works list, nearly \$13M worth of stormwater drainage works have been or are in the process of being designed. Many of these projects have been on the shelf awaiting construction funding for many years, with a sample included below:

Plan	Value of outstanding works:
Buller Street Catchment Stormwater Management Plan (2007)	\$3.5M worth of remedial works have been identified
West Haven Stormwater Management Plan (2007)	\$6.5M worth of remedial works have been identified
Kendall Stormwater Management Plan (2013)	\$1.9M worth of remedial works have been identified
Calwalla Cr Stormwater Management Plan (2016)	\$460,000 worth of remedial works have been identified

Based on the capital funding allocation within the 2016/17 Operational Plan of \$260,000, if the current funding model is to continue, it is projected to take a minimum of 63 years to address the current known stormwater problem areas, which is considered grossly inappropriate for managing the significant risks associated with flooding.

In conjunction with the proposal to expand the previous year's inspection program, it is also recommended that additional stormwater maintenance funding be allocated to fund a stormwater asset renewal plan.

This plan would be developed based on the results of the 2016 inspection program and be updated to receive new data as it becomes available from the ongoing inspections. Priority would be assigned based upon an assessment of the criticality of any resultant issues/defects that are found.

Given additional CCTV survey will likely uncover additional defects, it is suggested that an annual allocation of \$1M be made to initially commence stormwater renewals during the 2017/18 financial year.

Following the preparation of a detailed, priority based forward renewal program, a further review of funding would be required to inform the 2018/19 Operational Budget.

The outlined risk treatment measures will address both the likelihood and consequence of structural failure via proactive inspections and preventative maintenance, which over time will reduce the level of risk to Council.

Council's existing maintenance staff will not have the capacity to effectively deliver the aforementioned renewal program and as such it is recommended that Council consider the establishment of a new and dedicated stormwater renewals crew consisting of 3 employees, being a team leader, plant operator and labourer.

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Recommended Approach to Risk Management

In assessing and reviewing the abovementioned risks, the range of options to allow Council to determine an appropriate course of action to effectively manage and mitigate the identified risks associated with the ongoing management, upgrade and maintenance of the public stormwater network and associated infrastructure are provided below:

1. Continue and fund an expanded CCTV and Condition Assessment program to enable the expansion and continuation of the 2015/2016 CCTV and Condition Assessment program. This program to be continued either through:

- a) doubling the previous funding allocation to approximately **\$700,000** which would allow for Council's stormwater drainage assets to be cleaned, CCTV inspected and condition assessed within **8 - 13 years** (at an estimated \$5.6M). During this time, a renewal program could be developed and progressively added to as the database of condition assessed assets increases,

OR

- b) purchase the required pipeline cleaning and inspection equipment and establish a dedicated stormwater pipeline inspection team. It is anticipated that the annual costs associated with this option would be as follow:

Item	Capital Cost	Annualised over a 5 yr asset life
Plant (Vehicle, CCTV equipment and jetter)	\$300,000	\$60,000 pa
Condition assessment software (WinCan Expert)	\$25,000	\$5,000 pa
2 man crew (Team Leader and a Labourer)	Nil	\$150,000 pa
	TOTAL:	\$215,000 pa

On the basis that the 2016 CCTV and Condition Assessment contractors were on site for approximately 3 months (over a 10 month period) and surveyed 6% of the public stormwater network, it would be anticipated that a dedicated Council crew would be able to CCTV and condition assess approximately 15% of the stormwater network per annum, completing the assessment of all of the public stormwater assets within **7 years** (at an estimated cost of \$1.5M). This represents a cost saving of \$4.1M and a time saving of up to 7 years when compared to Option 1a).

2. An annual allocation of \$1M for the commencement and resourcing of a stormwater renewals program, noting that with all existing maintenance issues, Council's existing maintenance staff will not have the capacity to effectively deliver the abovementioned renewal program.

As such it is recommended that Council give consideration to the establishment of a new and dedicated Stormwater Renewals Crew, consisting of 3 full time employees and structured as follows:

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- Team Leader (Truck Driver)
- Operator
- Labourer

The resourcing costs associated with establishing this team will be approximately \$220,000, leaving \$780,000 for the plant and materials required to commence the priority based stormwater renewal program.

As an alternative, Council could investigate outsourcing the renewal program to external stormwater contractors. However recent experience in this regard has not been positive, with repeated rework and disruptions resulting as a consequence of poor work practices and quality. Furthermore, the tendered rates were viewed as being comparable to the costs incurred by Council to undertake similar works utilising Operational Maintenance Resources.

3. The development and implementation of a proactive maintenance program for the maintenance of Open Drains and Gross Pollutant Traps with an annual allocation of \$60,000.
4. A change in the method of the allocation of future stormwater capital works funding to address the current backlog and associated risks,
5. The dedication of internal resources to the completion of whole of network stormwater models, and
6. The preparation and implementation of a plan to undertake water quality monitoring of existing stormwater water quality control assets.

Options

Council may choose to endorse the proposed course of action as noted in the recommendations of the report or adopt an alternative course of action.

Community Engagement and Internal Consultation

There has been no specific community engagement in relation to this report, however most of the examples contained within this report and the attachment stem from the issues raised and experienced by the community.

The report has been prepared in consultation with the following internal stakeholders:

- Director Infrastructure and Asset Management
- Group Manager Transport and Stormwater Network
- Transport and Stormwater Network Engineering Planning Manager
- Transport and Stormwater Network Operations Manager
- Fleet Services Manager
- Senior Stormwater Engineer
- Group Manager Assets and Systems
- Corporate and Financial Planning Manager
- Group Manager Governance and Executive Services
- Insurance Coordinator

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- Asset Management Team
- GIS Team
- Natural Resources Officer

Planning and Policy Implications

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

Financial and Economic Implications

In recommending a strategy to appropriately address the current risks to Council associated with the effective and safe management of Council's stormwater drainage network, a number of actions were identified, which if implemented will have an impact on Council's finances.

In order to complete the options recommended in Section 7 of the PMHC Stormwater Drainage - Risks and Opportunities Working Paper February 2017 attached to this report, Council will be required to allocate appropriate resourcing and funding to meet the required outcomes.

Below is a summary of the action items recommended and associated costs:

Item	Financial Implication
Establishment of a stormwater cleaning, CCTV assessment and Condition Assessment Team to enable the expansion and continuation of the CCTV and Condition Assessment program commenced in 2015/2016.	\$215,000 annual allocation in operational budget.
Commencement and internally resourcing of a stormwater renewals program in 2017/18	Annual allocation of \$1,000,000 within the Operational Budget to commence stormwater renewals during 2017/18.
Develop and implement a proactive maintenance program for the maintenance of Open Drains and Gross Pollutant Traps	\$60,000 annual allocation utilising internal and external resources
Allocation of future stormwater capital works funding to be allocated on a needs basis and not on the basis of the current 'remaining unallocated funds' model.	TBC, however the current backlog of unfunded capital works exceeds \$16,000,000
Allocation of future maintenance funding to be increased annually in line with both inflationary costs, plus an additional allowance to cater for the increase in maintenance resulting from the increase in asset quantity dedicated to Council in the preceding financial year.	Variable annual increase in stormwater maintenance funding
Dedicate resources to whole of network stormwater models	Nil - future financial implication to be determined following a detailed resource analysis.
Prepare a plan for and undertake water quality monitoring of existing stormwater water quality control assets.	Nil - undertaken utilising existing resource and funding allocation

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As noted in the report and in addition to the above direct costs, there is a significant financial risk to Council if the above best practice stormwater management options are not implemented. This cost will arise as a consequence of the continued degradation of Council's aging stormwater assets and the currently underfunded responses to known flooding and maintenance backlogs.

Attachments

1 [View](#). Stormwater Drainage Risks and Opportunities working paper 2017

Planning and Providing Our Infrastructure

Item: 13.04

Subject: RECLASSIFICATION OF LAND FOR HASTINGS REGIONAL SPORTS COMPLEX

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Give public notice of its intention to classify Lot 52 DP1035553, Lots 11 & 12 DP855941 and Lot 2 DP1118155 (land situated on the corner of Oxley Highway and Stoney Creek Road, Wauchope) as “community land”, concurrent with the exhibition of the draft planning proposal to permit the land to be used as a multi-use regional sports and recreation precinct.**
- 2. Note that a further report will be presented to Council following the exhibition period, outlining details of any submissions received.**

Executive Summary

Actions to rezone and reclassify land at Wauchope for regional sports commenced in December 2016 following resolutions of Council in October and November 2016 to:

- Adopt land at Wauchope as the preferred alternate site to Tuffins Lane for the Hastings Regional Sports Complex (HRSC), and
- Commence actions to rezone and reclassify the alternate site via an amendment to Port Macquarie-Hastings Local Environmental Plan 2011 - under s27 (1) of the Local Government (LG) Act 1993 and Part 3 of the Environmental Planning and Assessment (EP&A) Act.

A planning proposal to rezone and reclassify the subject land was prepared consistent with Council's resolution and forwarded to the Department of Planning and Environment for a Gateway Determination. In reply, the Department has advised Council to seek to reclassify the site at Wauchope via a resolution of Council under section 33 of the LG Act. Rezoning of the land will continue as a separate procedural process under the (EP&A) Act 1979.

The purpose of this report is to facilitate reclassification of the land consistent with Section 27(2) and Section 33 of the Local Government Act as advised by the Department of Planning and Environment.

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Discussion

Development of a multi-use regional sports precinct at Wauchope has been the subject of several reports to Council. At the November 2016 Ordinary Meeting Council resolved as follows:

RESOLVED:

Griffiths/Dixon

That Council:

- 1. Prepare a draft planning proposal in relation Council owned land adjacent the Oxley Highway at Wauchope to amend the provisions of Port Macquarie-Hastings Local Environmental Plan 2011, to permit the land to be used as a multi-use regional sports and recreation precinct, as described in this report pursuant to Section 55 of the Environmental Planning and Assessment Act 1979.*
- 2. Forward the draft planning proposal to the Department of Planning and Environment for a Gateway Determination, and exhibit the proposal in accordance with that determination, pursuant to Sections 56 - 58 of the Act.*
- 3. Request that the Director General of the Department of Planning & Environment issue a Written Authorisation to Council to Exercise Delegation of the plan making functions under Section 59 of the Act in respect of the planning proposal.*

CARRIED: 9/0

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

AGAINST:

Nil

Consistent with the resolution, staff prepared and forwarded a draft Planning Proposal to the Department of Planning and Environment for a Gateway Determination to:

1. Change the zone of Lot 52 DP1035553, Lots 11 & 12 DP855941 and Lot 2 DP1118155, on the corner of Oxley Highway and Stoney Creek Road, Wauchope from RU1 Primary Production to RE1 Public Recreation consistent with Section 55 of the Environmental Planning and Assessment Act 1979, and
2. Change the classification of the land from 'Operational' to 'Community', pursuant to Section 27(1) of the Local Government Act 1993.

In January 2016, the regional office of the Department of Planning and Environment, contacted Council suggesting an alternate approach to reclassifying the land as follows:

"...the reclassification of land from 'operational' to 'community' can be achieved through a resolution of Council (s33 LG Act). The Department's Practice Note on the reclassification of land encourages Councils to classify or reclassify land by council

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resolution where suitable. It is considered that this is a situation where it is suitable for the land to be reclassified via a resolution.”

The site

The subject land is currently zoned RU1 Primary Production. Current classification under the LG Act is ‘operational’, consistent with its past use as a stock impounding and agistment area. Lots 11 and 12 fronting the Oxley Highway have been subject to highway beautification works. (Refer below extract - Council’s GIS mapping database - Council owned land).



Figure 1 Council owned land - Operational

Classification of land under the Local Government Act

Under the Local Government Act 1993, all Council-owned public land has to be classified as either ‘community’ or ‘operational’. Reclassification is the process of changing the classification of ‘community’ land to ‘operational’ land and vice versa. As the preferred site for regional sports, the appropriate classification is ‘Community - Sports ground’.

Classification of land as ‘operational’ allows councils to carry out their wide ranging functions without special restriction on its use or sale where appropriate. Such land is not generally open to the public but may be used for public purposes or held as a temporary asset by the Council.

Classification as community land is different. This classification is intended for public land that is intended to be reserved for the longer term in the interests of the community, as is the case for the proposed sporting precinct at Wauchope. Community land cannot be sold or permanently leased, licensed or interest otherwise granted.

Community land is required to be used and managed in accordance with a plan of management developed by Council. A plan of management indicates how the land is to be used (i.e. natural area, sports ground, park, cultural area or general community use). A ‘General Community’ category is recommended to allow full utilisation for its

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intended purposes of addressing long term recreational and sporting needs of the Port Macquarie-Hastings community as well as for large-scale special purpose events and projects.

Local Government Act - Reclassification of public land as community land

Section 27 of the Local Government (LG) Act states that classifications of public land as community land can be made by a local environmental plan s27(1) or by a resolution of Council s27(2).

Section 33 'Reclassification of operational land as community land' clarifies that it is appropriate and acceptable to classify land from 'operational' to 'community' via a resolution of Council. Section 34 provides that where it is proposed to do so, Council must give public notice of its intention to resolve to classify or reclassify public land. The public notice must:

- include the terms of the proposed resolution and a description of the public land concerned,
- specify a period of not less than 28 days during which submissions may be made to the council.

Consistent with Department of Planning and Environment advice and Sections 33 and Section 34 of the Act, it is proposed to notify the public of Council's intention to reclassify the site of the proposed HRSC at Wauchope to community land.

It is proposed to exhibit this intention concurrently with the draft planning proposal to minimise any confusion that may be created in the community by separate exhibition processes relating to the same matter. Exhibition is proposed to commence immediately following receipt of the Gateway determination for the draft planning proposal.

Options

Council can choose to:

- Proceed with notification of the proposed reclassification in line with the recommendations of this report;
- Notify the proposed reclassification separately to the exhibition of the draft planning proposal.
- Not support the recommendation and continue with the rezoning and planning proposal in the manner previously reported to Council in November 2016. This option is not recommended as it is inconsistent with Departmental advice and may delay the issue of a Gateway Determination.
- Do nothing. This option is also not recommended as the reclassification and rezoning are key steps in the proposed development of the subject land for the Hastings Regional Sports Complex.

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Community Engagement & Internal Consultation

Internal consultation regarding this matter has been undertaken with staff from property, economic development, infrastructure delivery and recreation & buildings program areas.

Notification and public exhibition will be undertaken in accordance with mandated requirements - 28 days minimum is required for proposed changes in land classification and zoning. Further reports will be tabled to Council, detailing any submissions received during exhibition periods.

Planning & Policy Implications

Under the LG Act, Council is required to classify and categorise land according to its intended use. A 'Community' classification is appropriate having regard for the intended use.

Consultation with Council's Parks and Recreation staff suggests 'Sports ground' as the appropriate category as discussed elsewhere in the report. Actions to develop an appropriate plan of management for the land will follow completion of classification of the land for community use.

Finalisation of the recommendations and actions in this report will further secure the land for sports and recreation in keeping with previous resolutions and projected planning and design/development phases.

Financial & Economic Implications

There are no significant financial or economic implications associated with the recommendation to exhibit the proposed reclassification.

Attachments

Nil

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Item: 13.05

Subject: LOCAL ENVIRONMENTAL PLAN 2011 - ADMINISTRATIVE REVIEW
[PP2016-7]

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

5.4.2 Review planning instruments and strategies to ensure currency and facilitate sustainable development outcomes whilst acknowledging the impact on community affordability.

RECOMMENDATION

That Council:

1. Prepare a draft planning proposal as described in this report, pursuant to section 55 of the *Environmental Planning and Assessment Act 1979*, for the amendment of the provisions of *Port Macquarie-Hastings Local Environmental Plan 2011*, in relation to the 15 Issues, as generally described in this report.
2. Forward the draft planning proposal to the Department of Planning and Environment for a Gateway Determination, and exhibit the proposal in accordance with that determination, pursuant to sections 56 - 58 of the Act.
3. Request that the Director General of the Department of Planning & Environment issue a Written Authorisation to Council to Exercise Delegation of the plan making functions under section 59 of the Act in respect of the planning proposal.

Executive Summary

Council continually monitors the operation of *Port Macquarie-Hastings Local Environmental Plan 2011* to identify necessary refinements and adjustments to the LEP text and maps. This report considers a number of proposed administrative refinements to *Port Macquarie-Hastings Local Environmental Plan 2011*.

The issues are:

1. Land Use Table Zone RU1 Primary Production - Agriculture subtypes: removing unnecessary duplication of defined terms
2. Clause 4.1A Exceptions to minimum lot sizes for certain residential development - minor change to the wording of the clause
3. Clause 7.6 Coastline hazards - addition of an advisory note regarding Codes SEPP
4. Schedule 1 Additional Permitted Uses - add Emergency services facility at Town Beach
5. Schedule 3 Complying Development - removal of items covered by the Codes SEPP

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6. Dictionary - add definition of Australian Height Datum
7. 1 Cedar Cl, Wauchope - rezone to R1 General Residential, and associated changes to other map series
8. Kendall B1 Neighbourhood Centre zone - adjustment to zone boundary
9. Highway Service Centre, Thrumster - remove minimum lot size
10. Lindfield Park Rd, Port Macquarie - IN2 Light Industrial: apply a height limit and apply a Zone E3 buffer to Oxley Hwy
11. Public Reserve, Evans St, Lake Cathie - rezone part to RE1 Public Recreation
12. Majestic Dr, Port Macquarie - align LEP map boundaries with lot boundaries
13. Windmill Hill reserve, Port Macquarie - rezone to RE1 Public Recreation & E2 Environmental Conservation
14. Crestwood Dr, Port Macquarie - align LEP map boundaries with lot boundaries
15. St Lucia Pl, Bonny Hills - remove RU1 Primary Production adjoining Ocean Dr

This report contains more detail on each of the proposed administrative amendments and recommends that Council prepare a Planning Proposal for referral for a Gateway determination and public exhibition.

Discussion

Details of the proposed amendments are provided below.

1. Land Use Table Zone RU1 Primary Production - Agriculture subtypes

There is a hierarchy of defined terms used in the Land Use Table of Port Macquarie-Hastings Local Environmental Plan 2011, consistent with the standard LEP format for NSW. This allows for bulk listing of like terms using a 'parent term', while allowing for exceptions where appropriate.

Within Zone RU1 Primary Production, while *Extensive agriculture* is permitted without consent, other forms of *Agriculture* are only permissible with consent. The Land Use Table also lists *Intensive livestock agriculture* and *Intensive plant agriculture* as permissible with consent, although this is unnecessary, as they are child terms of *Agriculture*.

The removal of these child definitions is proposed for consistency with the protocols in other Land Use Tables. The uses will continue to be permitted with consent.

Proposal: That the terms *Intensive livestock agriculture* and *Intensive plant agriculture* be removed from Zone RU1 Primary Production in the Land Use Table.

2. Clause 4.1A Exceptions to minimum lot sizes for certain residential development - erratum

Subclause (3) should commence

'Development consent may be granted to a single development application for development to which this clause applies that is both of the following:', however the word 'clause' is currently omitted.

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Proposal: That the word 'clause' be inserted into clause 4.1A (3) following the word 'this'.

3. Clause 7.6 Coastline hazards - note regarding Codes SEPP

Both clause 7.5 *Koala Habitat* and clause 7.9 *Development subject to acoustic controls* include notes identifying that the affected land is excluded from some types of complying development under the Codes SEPP (State Environmental Planning Policy (Exempt and Complying Development Codes) 2008).

Similarly land subject to clause 7.6 is excluded from the General Housing Code, the Rural Housing Code and the Commercial and Industrial (New Buildings and Additions) Code by clause 19 of the Codes SEPP. There is no note to this effect with clause 7.6.

Proposal: That a note be added to clause 7.6 advising of associated restrictions on certain complying development codes under the Codes SEPP.

4. Schedule 1 Additional Permitted Uses - Town Beach Emergency services facility

A separate report to this meeting of Council deals with proposed changes to signage in public areas. The proposed changes involve rezoning the building at Town Beach south from RE2 Private Recreation to RE1 Public Recreation. Based on the Land Use Table, the Marine Rescue base will become an existing non-conforming use.

That LEP amendment also proposes to make restaurants and cafes an 'additional permitted use' in that building. It is proposed that 'emergency services facilities' be added also.

Proposal: That Schedule 1 be amended to include emergency services facilities at the main building at Town Beach, Port Macquarie.

5. Schedule 3 Complying Development - omit

When LEP 2011 was prepared there was limited complying development listed in the Codes SEPP, and in Schedule 3 the following was listed as local complying development:

- Industrial buildings, warehouse or distribution centres
- Recreation facilities (hit-up walls)
- Recreation facilities (tennis courts)

Since then there have been extensive additions to the Codes SEPP which cover the above, and therefore override the local provisions. There is no reason to retain the local provisions. The default Schedule includes a standard condition which will remain.

Proposal: That Council remove the content of Schedule 3, with the exception of the mandatory condition in Part 2.

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6. Dictionary - add definition of Australian Height Datum

The term Australian Height Datum is used in Clause 7.1 Acid Sulfate Soils and within the definitions of *building height*, *mean high water mark* and *Reduced Level (RL)*. However, there is no planning definition of what Australian Height Datum means.

It is proposed to reference the definition in the *Surveying and Spatial Information Act 2002*.

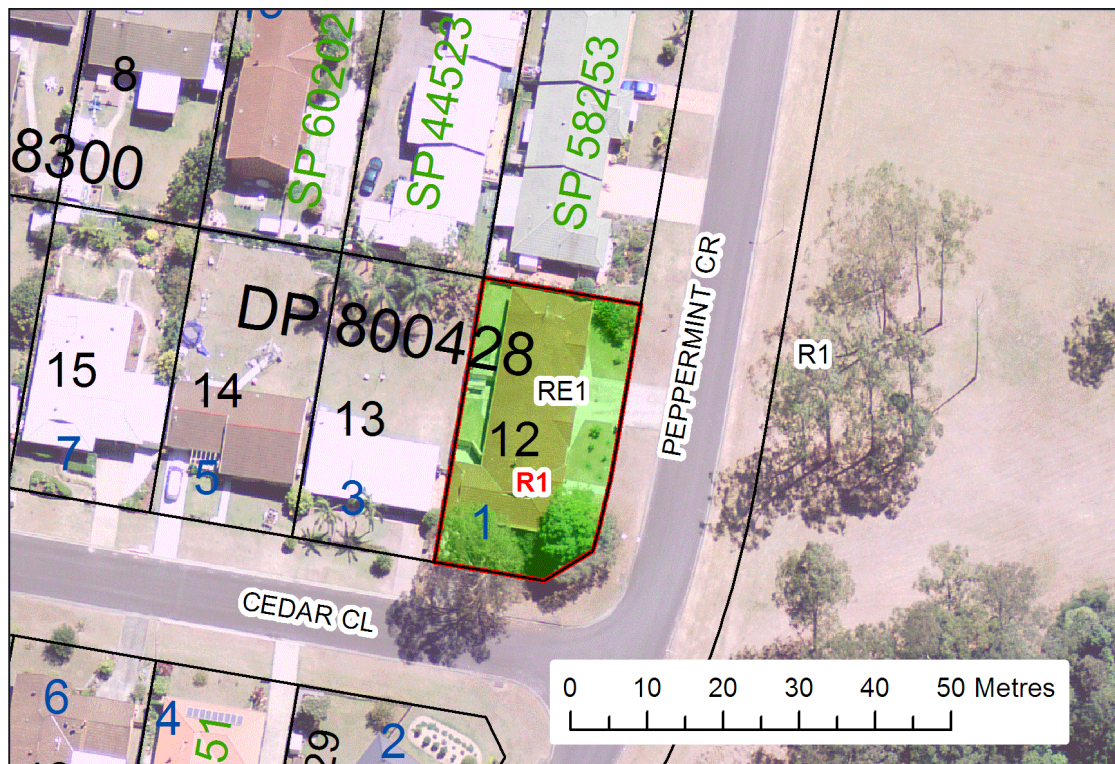
Proposal: That the following definition be added to the LEP Dictionary:

Australian Height Datum has the same meaning as in the [Surveying and Spatial Information Act 2002](#).

Note. The term is defined as follows:

Australian Height Datum means the datum surface approximating mean sea level that was adopted by the National Mapping Council of Australia in May 1971.

7. 1 Cedar Cl, Wauchope - rezone to R1 General Residential, etc



This property was incorrectly zoned 6(a) Open Space in *Hastings LEP 2001*, and the zone was carried over at the time of preparation of *LEP 2011*. The property contains 3 villas, and it is appropriate to correct the zone and other mapping details to match adjoining lots.

Proposal: That for 1 Cedar Close, Wauchope, the LEP 2011 mapping be amended:

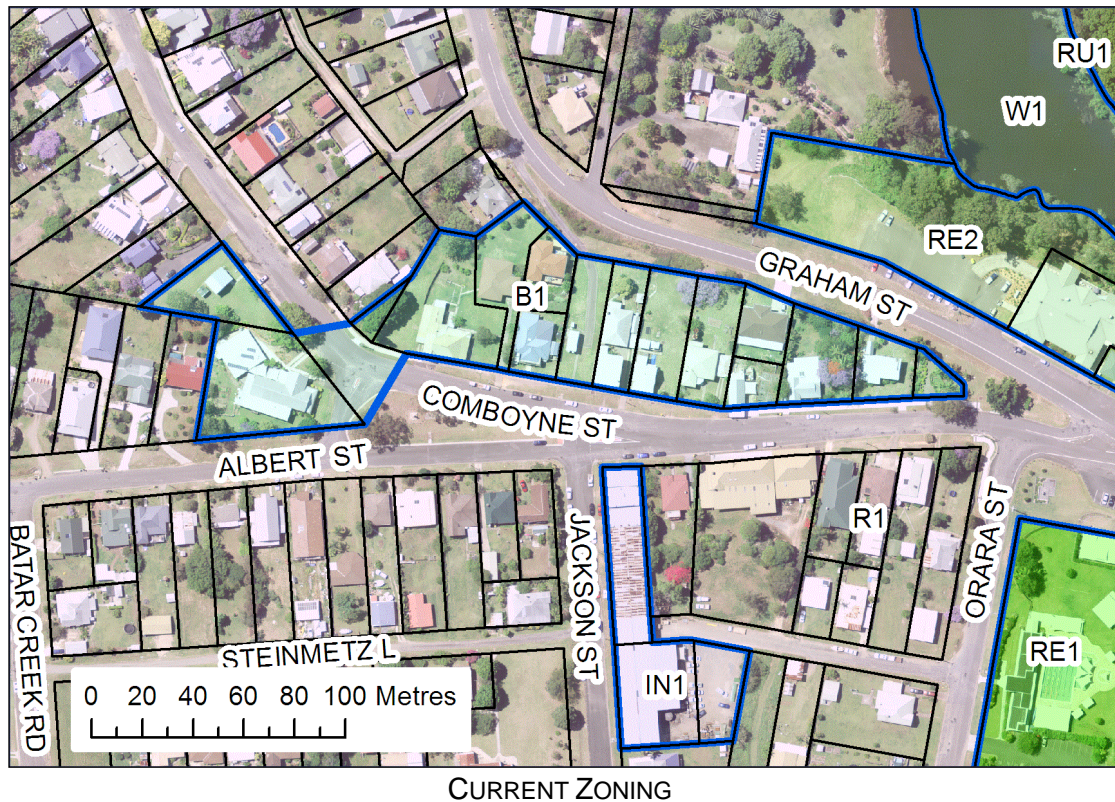
Land Zoning Map - to R1 General Residential

Lot Size Map - to 'G' 450 sq m minimum

Floor Space Ratio Map - 'G' 0.65:1.

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8. Kendall B1 Neighbourhood Centre zone - adjust boundary



The Kendall village centre contains a mix of existing residential and commercial uses, which were developed prior to the introduction of LEP 2011. Council applied a B1 Neighbourhood Centre zone in LEP 2011 to the lots on the northern side of Albert and Comboyne Streets, as shown above.

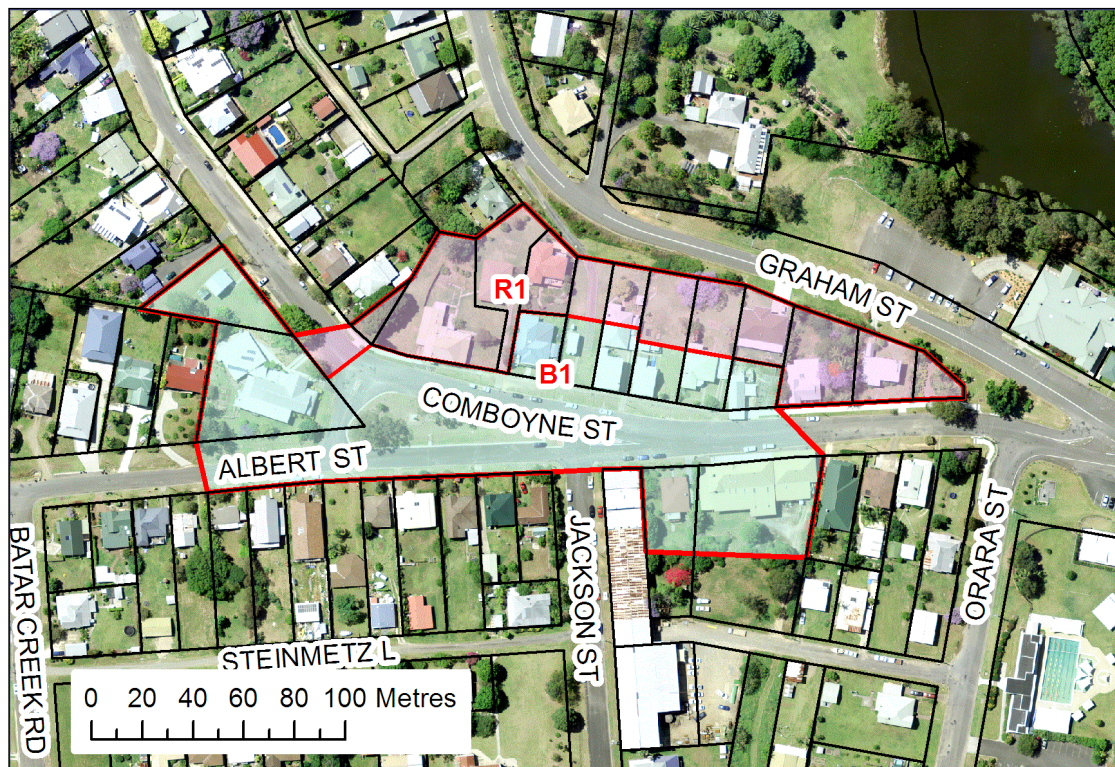
A recent review of this zone boundary has highlighted that some commercial uses are located to the south of the existing B1 zone. Also, there are residential properties within the B1 zone, that are more appropriately contained in a residential zone.

A reconfiguration of the existing B1 zone boundary is proposed to correct these anomalies, as shown on the map below.

Uniform minimum lot size, maximum floor space ratio and maximum building height provisions apply, and no change is required to them.

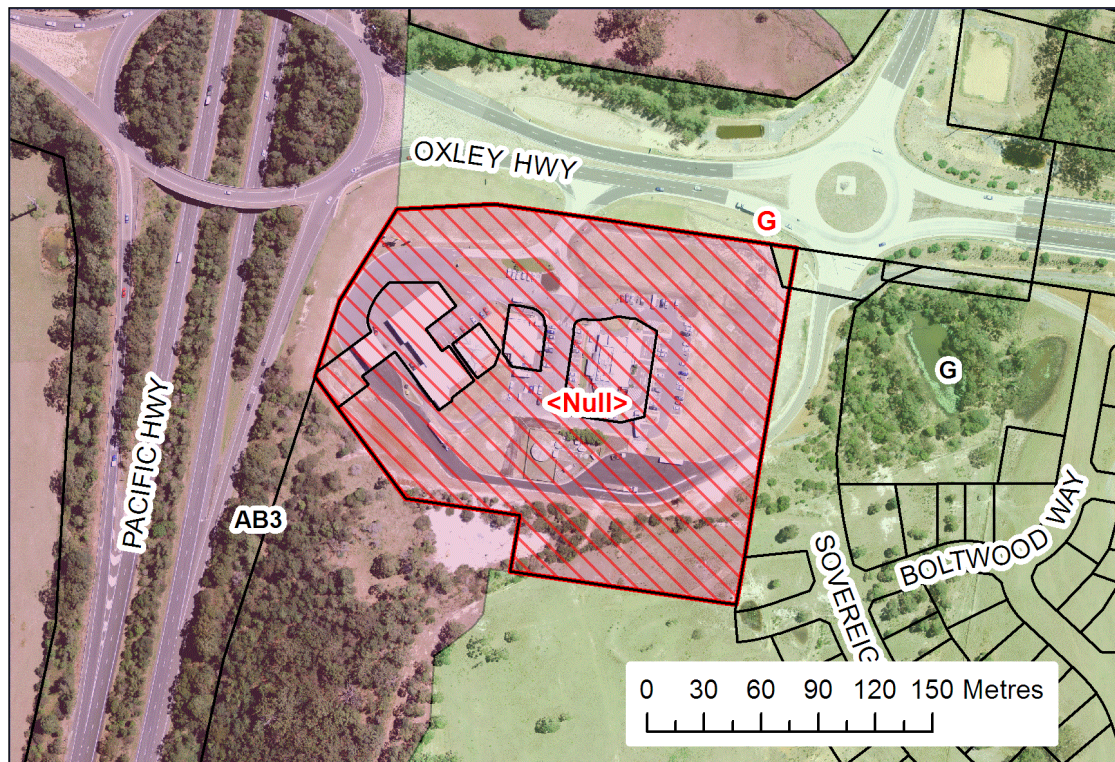
Proposal: That the Land Zoning Map for Kendall be amended as shown.

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PROPOSED ZONING CHANGES

9. Highway Service Centre, Thrumster - remove minimum lot size



The highway service centre on the south-eastern side of the intersection of the Pacific Highway and the Oxley Highway is permitted under the 'additional permitted

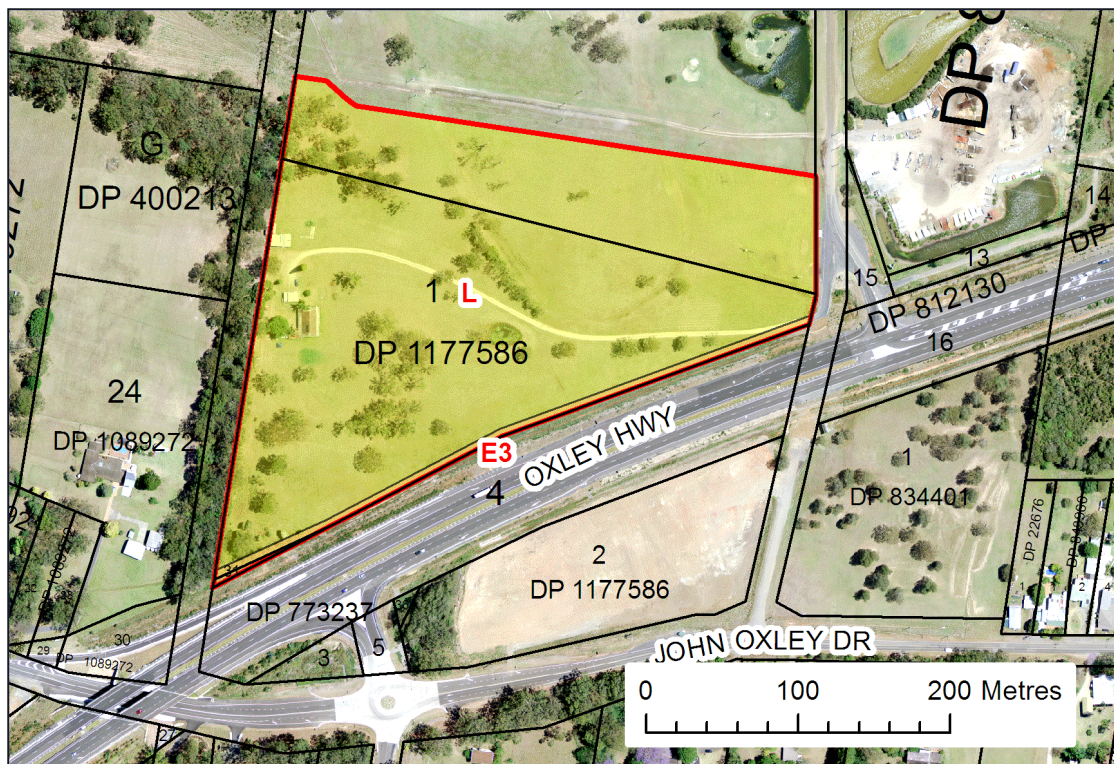
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use' provisions of the LEP, irrespective of the current RU1 Primary Production zone. Use of the site by different tenancies is facilitated by subdivisions to create lots for leasehold purposes, though this is complicated by the current 40 ha minimum lot size. It is proposed to remove any minimum lot size restriction from the property, and (for mapping continuity) to apply a minimum lot size of 450 sq m on the triangle of RMS land in the northeast corner.

Proposal: That the Lot Size Map be amended:

- a) to remove any minimum lot size for lots 7-11 DP 1137444, and
- b) to apply a minimum lot size of 450 sq m on Lot 53 DP 1130161.

10. Lindfield Park Rd, Port Macquarie - IN2 Light Industrial: add height limit and add Zone E3 buffer to Oxley Hwy



The Thrumster urban release area includes an area zoned IN2 Light Industrial on the north-western corner of Oxley Highway and Lindfield Park Road. Being the approach to Port Macquarie, it is important that any development of the site does not visually detract from the entrance into Port Macquarie. One aspect of this will be height limits that will help ensure that development is not visible beyond a landscape screen.

Following preliminary consultation with representatives of the owners of the land, it is proposed to introduce a 5 m wide E3 Environmental Management zone buffer immediately adjoining the highway and to apply a maximum height limit of 11.5 m over the land.

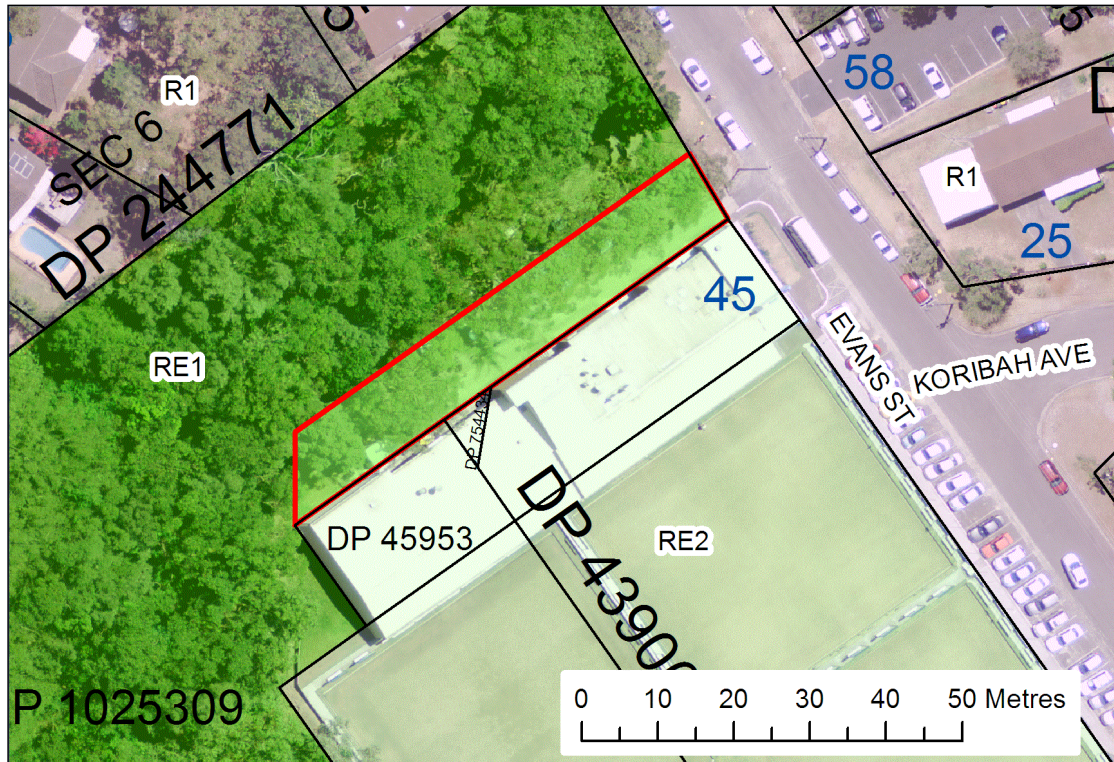
Proposal: That for that part of Lot 1 DP 1177586 and Lot 2 DP 244442 that is within Zone IN2:

- (a) a 5m wide strip adjoining the Oxley Highway be rezoned to E3 Environmental Management, and

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- (b) the Height of Buildings Map be amended by applying a maximum height limit of 11.5 m.

11. Public Reserve, Evans St, Lake Cathie - rezone part to RE1 Public Recreation



The Lake Cathie Bowling Club is zoned RE2 Private Recreation, and on two sides adjoins a Crown Reserve managed by Council. On the north-western side of the Club, part of the Reserve is also zoned RE2 Private Recreation, while the balance of the Reserve is zoned RE1 Public Recreation.

It is proposed to change the Zone RE2 to Zone RE1. There is no need to amend other Map series.

Proposal: That the Land Zoning Map be amended by rezoning to RE1 Public Recreation that part of Lot 7024 DP 1025309 which is currently zoned RE2 Private Recreation.

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12. Majestic Dr, Port Macquarie - align LEP map boundaries with lot boundaries



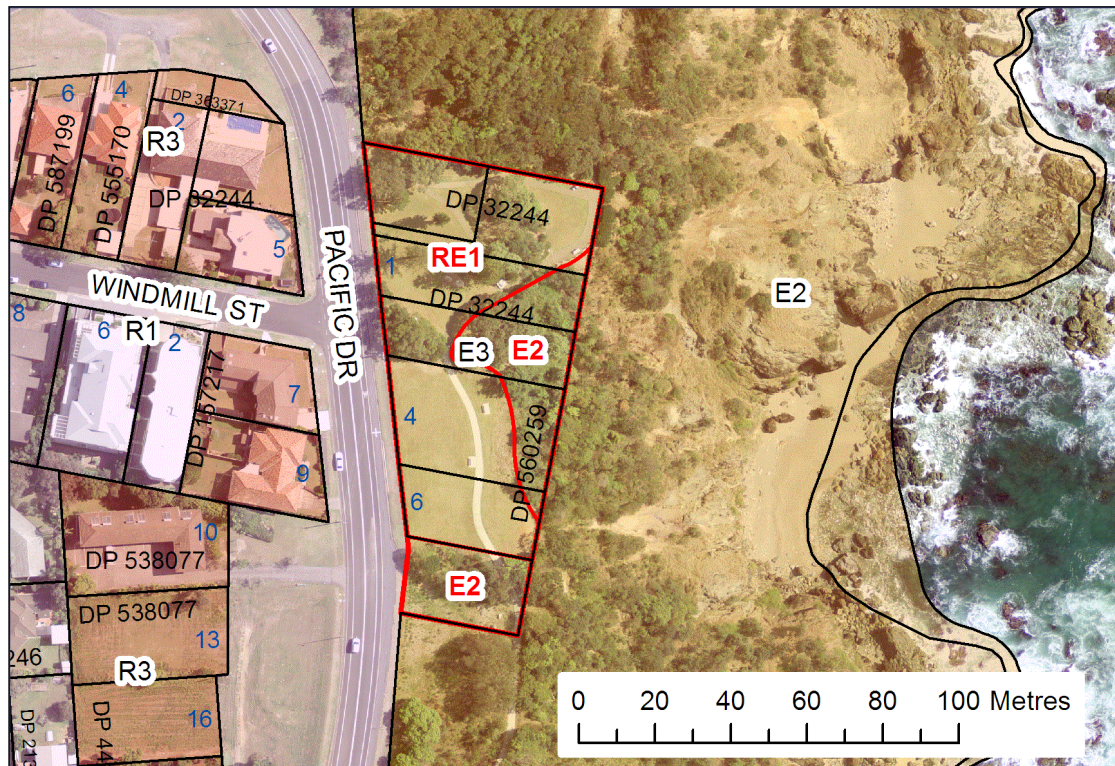
The subdivision on Majestic Drive borders flood liable land, and there is a zone boundary between R1 General Residential and E2 Environmental Conservation upon fairly level ground. The staged subdivision has not always aligned with the zone boundary. It is proposed to adjust the following LEP map series:

- Land Zoning Map
- Lot Size Map
- Floor Space Ratio Map
- Height of Buildings Map.

Proposal: That in relation to Lot 67 DP 1224835 and Lots 66-67 DP 1227481, Majestic Drive, Port Macquarie, the Land Zoning Map be amended as shown, and corresponding amendments be made to the Land Zoning Map, Floor Space Ratio Map and Height of Buildings Map.

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13. Windmill Hill reserve, Port Macquarie - rezone to RE1 Public Recreation & E2 Environmental Conservation



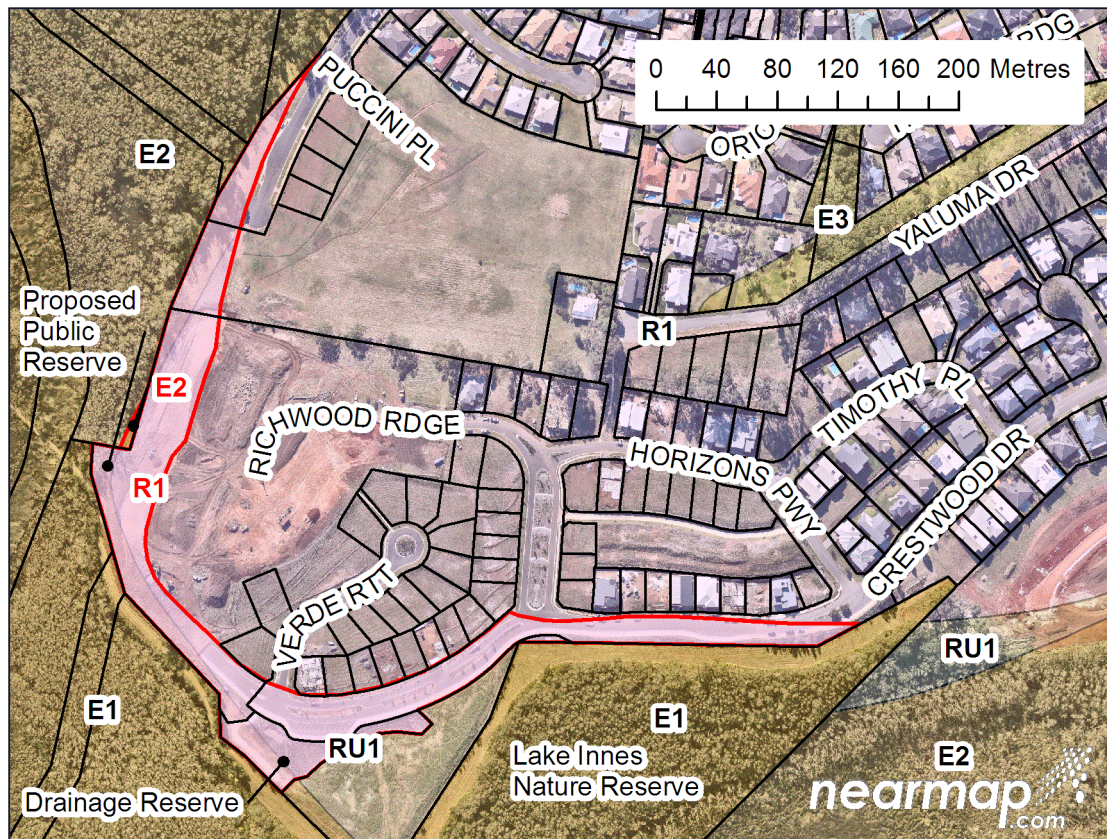
The subject land on the eastern side of Pacific Drive at Windmill Hill, Port Macquarie previously had dwelling houses prior to acquisition by the State Government. Apart from an area of public road at the southern end, the land is now Crown land with Council as trustee.

The land is zoned E3 Environmental Management, which is no longer appropriate. Based on the site characteristics, it is proposed to zone it a mixture of RE1 Public Recreation and E2 Environmental Conservation, as shown. There is no need to amend other Map series.

Proposal: That Lots 9-12 DP 32244, Lots 14-15 DP 560259 and part road on the eastern side of Pacific Drive (opposite Windmill Street), Port Macquarie be rezoned RE1 Public Recreation and E2 Environmental Conservation, as shown.

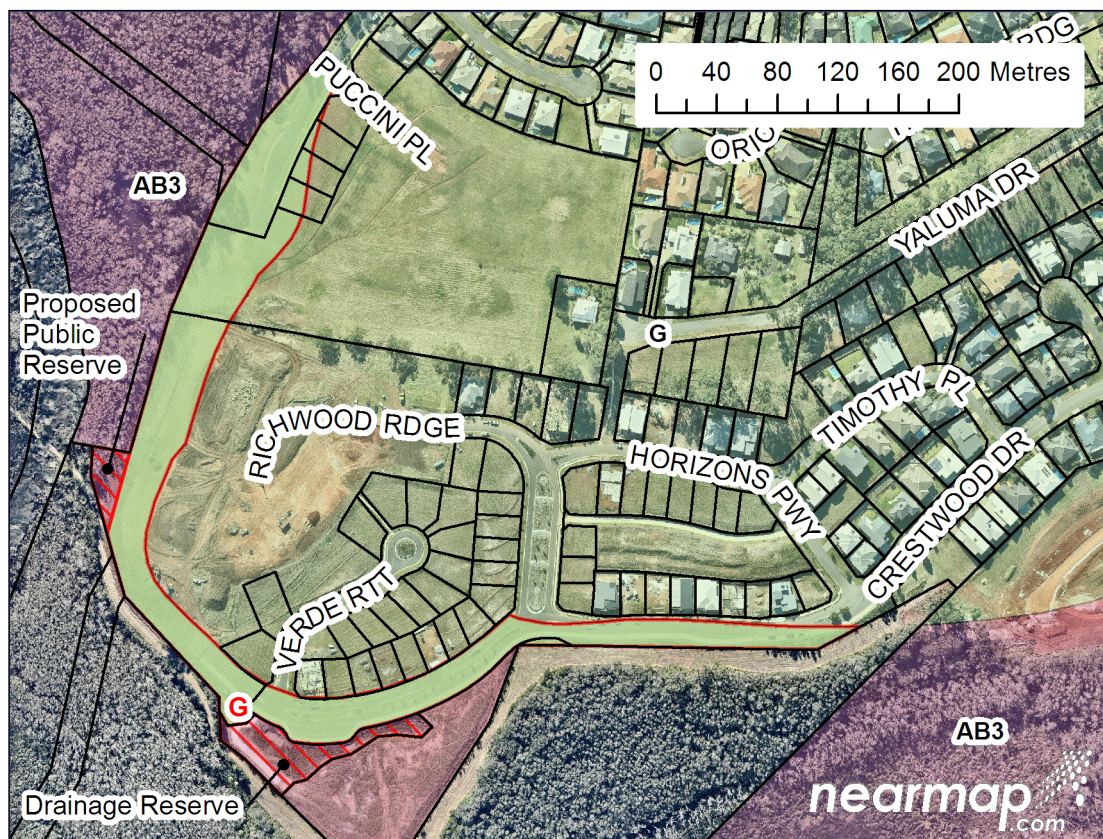
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14. Crestwood Dr, Port Macquarie - align LEP map boundaries with lot boundaries

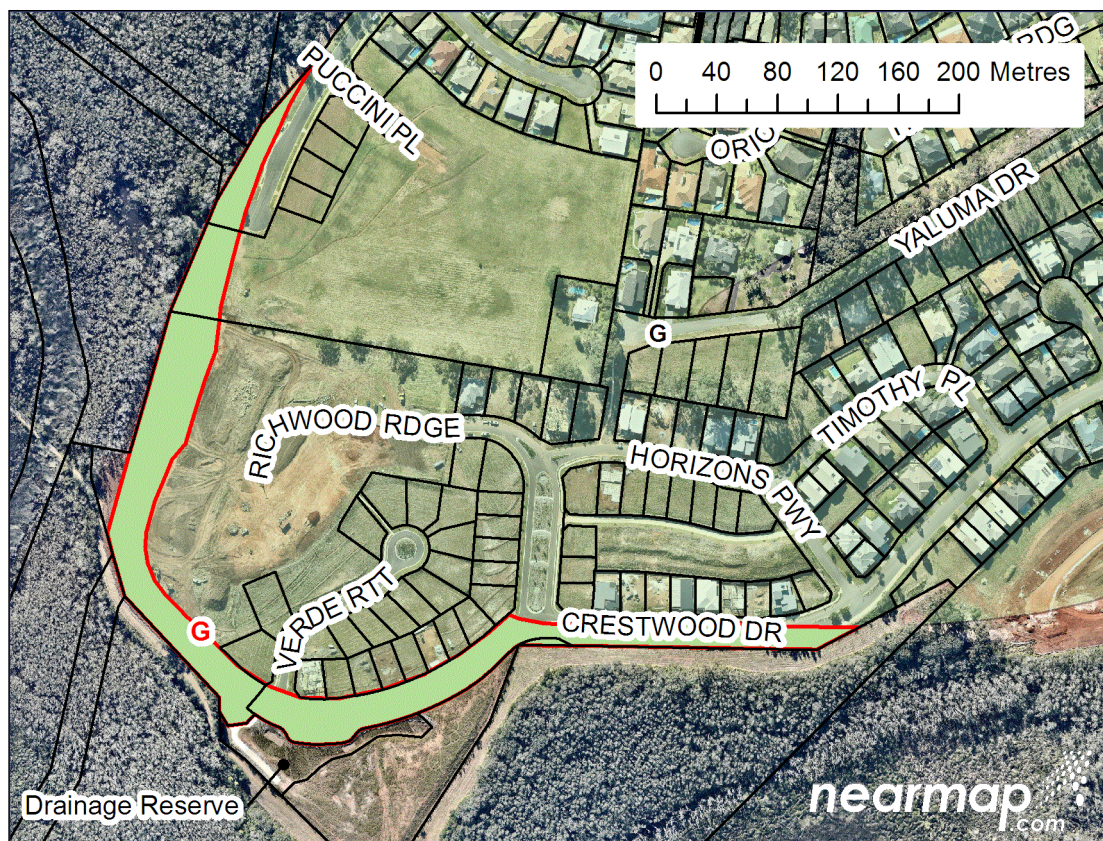


LAND ZONING MAP CHANGES

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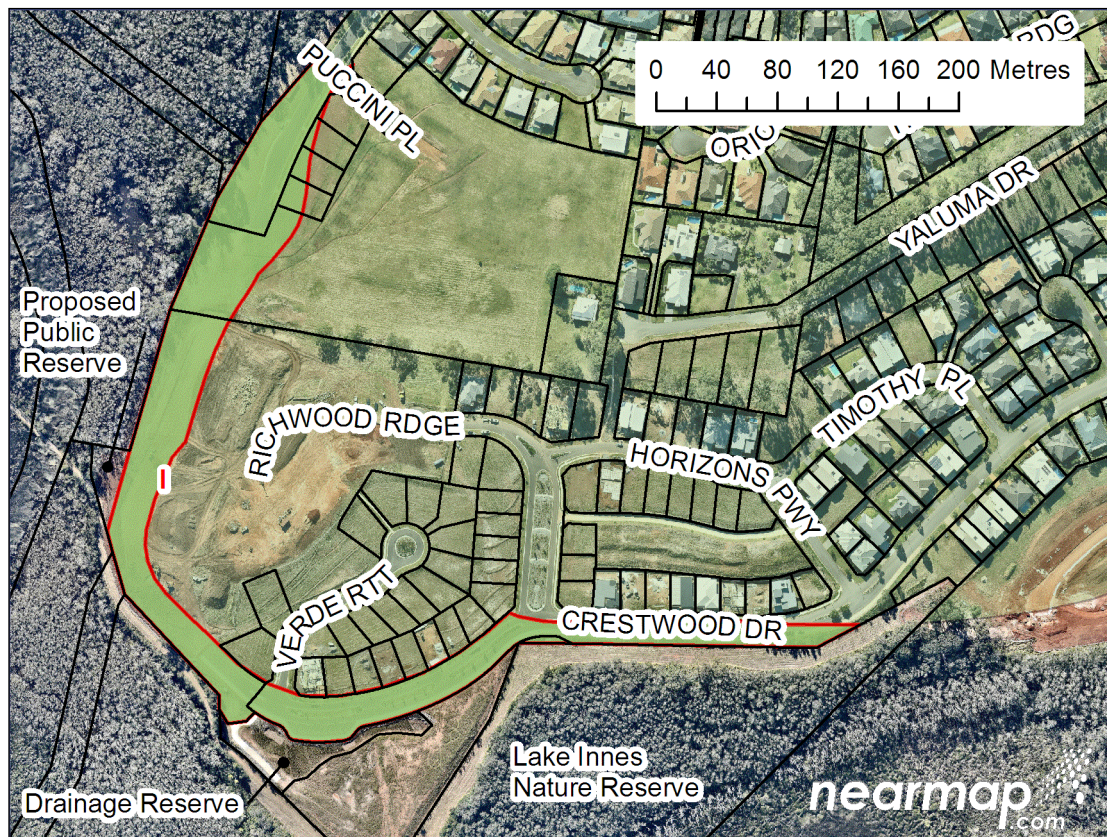


LOT SIZE MAP CHANGES



FLOOR SPACE RATIO MAP CHANGES

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HEIGHT OF BUILDINGS MAP CHANGES

As subdivision has proceeded in the south-western section of Crestwood Drive, the final road alignment (including batters) has not aligned with the zone boundary, in some instances most likely due to interpretation of old hand-drawn zone mapping.

The following changes affect two properties being subdivided, and a 141 sq m corner of an adjoining parcel where a residue piece of zone RU1 Primary Production is being changed to match the adjoining zone E2 Environmental Conservation.

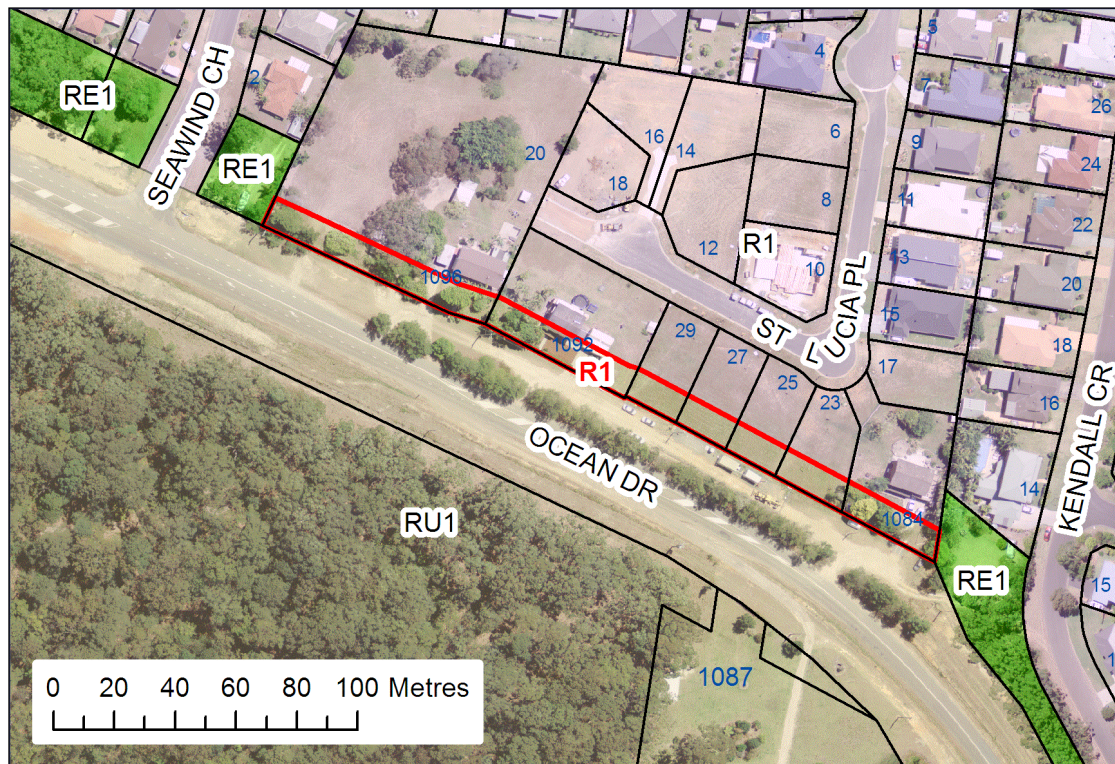
The changes variously affect the Land Zoning Map, Lot Size Map, Floor Space Ratio Map and Height of Buildings Map as shown above, and will result in an aligned outcome, other than including an existing drainage reserve and a small proposed public reserve within R1 General Residential.

A submission has been received requesting the rezoning of the area south of Crestwood Drive, and bounded by the drainage reserve and Lake Innes Nature Reserve. This is being separately assessed and will be reported to Council with other site-specific proposals.

Proposal: That for the identified area at the south-western section of Crestwood Drive, Port Macquarie, the Land Zoning Map, Lot Size Map, Floor Space Ratio Map and Height of Buildings Map be amended as shown.

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15. St Lucia Pl, Bonny Hills - replace RU1 Primary Production adjoining Ocean Dr



Currently there are 5 residential properties and 2 larger development sites which have a buffer to Ocean Drive, zoned RU1 Primary Production. The zone buffer was created to provide a buffer between residential development and the Ocean Drive road corridor.

The Ocean Drive road reserve is over 40 m wide in this location, and the existing residential lots have been occupied.

The RU1 Primary Production zone is inappropriate in this location, and a R1 General Residential zone is proposed. The relationship of development to Ocean Drive is to be assessed in development applications. The Lot Size Map and Floor Space Ratio Map also need to be updated.

Proposal: That, in relation to Lots 202-203 DP 1209602, Lots 107-109 DP 1160740, Lot 2 DP 811601 and Lot 3 DP 634929, St Lucia Place, Bonny Hills, the area zoned RU1 Primary Production:

- (a) be rezoned R1 General Residential,
- (b) have a minimum lot size of 450 sq m, and
- (c) have a maximum floor space ratio of 0.65:1.

Options

Council could choose to omit or modify the proposal for any of the issues. Council could also choose not to proceed with the preparation of a planning proposal at this time. As each of the matters are considered to be minor administrative amendments to LEP 2011, it is recommended that Council proceed with the preparation of a planning proposal to amend LEP 2011 for Issues 1 to 15, as described above.

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Community Engagement & Internal Consultation

There has been some internal consultation on the issues in this report. The process for amending the LEP will involve community engagement, with a minimum public exhibition period specified by the Gateway Determination (usually not less than 14 days)..

A further report will be submitted to Council following the community engagement.

Planning & Policy Implications

These proposed minor amendments will facilitate future development through the fine-tuning of the LEP provisions.

Financial & Economic Implications

The preparation of administrative amendments to LEP 2011 is identified in Council's current Operational Plan. There are no expected economic impacts or financial impacts for Council in the proposed LEP amendments.

It is anticipated that there will be cost savings to the community in the future due to the removal of potential complications to development or simplification of the planning controls.

Attachments

Nil

Planning and Providing Our Infrastructure

Item: 13.06

Subject: PLANNING CONTROLS OVER SIGNAGE IN PUBLIC AREAS - POST-EXHIBITION REVIEW

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

5.4.2 Review planning instruments and strategies to ensure currency and facilitate sustainable development outcomes whilst acknowledging the impact on community affordability.

RECOMMENDATION

That Council:

1. Take the necessary steps under sections 58 and 59 of the *Environmental Planning and Assessment Act 1979* to finalise *Local Environmental Plan 2011 (Amendment No 42)*, relating to signage in public areas.
2. In relation to the submission, advise that the matters raised will be considered in relation to the details of the Town and Village signage to be considered at a future Council meeting.

Executive Summary

At the ordinary meeting of Council in August 2016, Council resolved to publicly exhibit a proposal to make amendments to Local Environmental Plan 2011 to facilitate more flexibility in signage in public areas, particularly relating to:

- Sporting groups and Marine Rescue raising money from sponsors' advertising
- Community and event promotion
- Advertising on bus shelters and public seats.

The proposal was exhibited in November and December 2016, and one submission has been received. This submission relates more to the details of proposed town and village entrance signage, which will be subject to a separate report to Council.

It is recommended that Council support finalisation of the proposed LEP amendments, subject to minor alterations relating to Town Beach as detailed below.

Discussion

A report to the meeting of Council on 10 August 2016 outlined the current restrictions in planning controls for signage in public areas, and proposed some specific amendments to *Port Macquarie-Hastings Local Environmental Plan 2011* to enable appropriate signage. (Refer Attachment 1)

Planning and Providing Our Infrastructure

Council resolved:

RESOLVED: Intemann/Cusato

That Council:

1. *Prepare a draft planning proposal as described in this report, pursuant to Section 55 of the Environmental Planning and Assessment Act 1979, for the amendment of the provisions of Port Macquarie-Hastings Local Environmental Plan 2011, to:*
 - (a) *amend the Land Use Table to permit advertising structures with consent within Zone RE1 Public Recreation;*
 - (b) *permit as exempt development:*
 - i. *sponsors' advertising facing inwards on fencing around sporting fields,*
 - ii. *community and event signage within road reserves,*
 - iii. *signage on public seating and bus shelters and remove the current provisions for signage on bus shelters;*
 - (c) *for the five surf lifesaving clubs at Port Macquarie, Bonny Hills and North Haven,*
 - i. *change the zone from RE2 Private Recreation to RE1 Public Recreation,*
 - ii. *permit as an additional permitted use 'restaurants or cafes';*
 - (d) *for the Marine Rescue buildings at Buller Street, Port Macquarie and Tunis Street, Laurieton, change the zoning to SP2 Infrastructure (Emergency services facility).*
2. *Forward the draft planning proposal to the Department of Planning and Environment for a Gateway Determination, and exhibit the proposal in accordance with that determination, pursuant to Sections 56 - 58 of the Act.*
3. *Request that the Director General of the Department of Planning & Environment issue a Written Authorisation to Council to Exercise Delegation of the plan making functions under Section 59 of the Act in respect of the planning proposal.*

CARRIED: 8/0

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

AGAINST: Nil

Further details of the proposed changes are contained in the exhibition version of the Planning Proposal - refer to Attachment 2. Note that the LEP changes to permit sponsors' advertising at the surfing beaches necessitated further changes to continue to permit restaurants and cafes with consent.

The proposal was amended prior to exhibition to reflect that there is no surf lifesaving club at Town Beach, and that the building there is (largely) occupied by Marine Rescue.

It is proposed that the Marine Rescue buildings at Westport Park and Laurieton be rezoned from RE1 Public Recreation to SP2 Infrastructure (Emergency Services Facility). This will make these uses permissible with consent.

A further amendment is proposed to list Emergency Services Facility as an additional permissible use at Town Beach, as this amendment does not address that issue. The proposed further amendment is included in a separate report to this meeting of

Planning and Providing Our Infrastructure

Council. The existing Emergency Services Facility will operate as an existing use in the interim.

Options

Council could choose not to proceed with any or all of the proposed LEP amendments.

In relation to Town Beach, there are several options:

1. Proceed with the proposed amendment as exhibited
2. Remove any change to the map or additional permitted uses for Town Beach
- note this will still allow restaurants and cafes.

Option 1 is recommended.

Community Engagement & Internal Consultation

The required exhibition period was a minimum of 14 days. It was exhibited from 23 November 2016 to 12 December 2016, with the Planning Proposal available for inspection by any person at Council's offices at Port Macquarie, Laurieton and Wauchope, and on www.pmhclisting.com.au.

Submission		Issue
1.	Janette Hyde, for Greater Port Macquarie Tourism Association	As submitted on pmhclisting: 'I represent Greater Port Macquarie Tourism Association and we have already offered our opinion. I would like to reinforce the thought that the Hastings Valley is not descriptive enough "Wauchope and the Hinterland" would be more appropriate. All other signage is very descriptive of the areas where they will be used. Please consider the Hastings Valley Sign this carefully.' Accompanied by a letter dated 25 October 2016, relating to the proposed Town and Village Signage.
	Response/Comment:	This relates to the implementation details of the Town and Village Signage that will follow amendments to the planning controls. This has no bearing on the proposed LEP changes.

Planning & Policy Implications

The proposal will permit additional advertising signage, in some instances as exempt development and in other instances with consent, where an assessment of the signage is appropriate. The outcomes will streamline some processes in relation to signage.

Financial & Economic Implications

There are no significant financial implications for Council.

The proposed LEP amendments are intended to permit some additional signage in public spaces and this will enable some sponsorship funding options for sports clubs,

Planning and Providing Our Infrastructure

surf lifesaving clubs, Marine Rescue and for Council. Community and events signage may assist in driving the profile of and economic activity around events promoted.

Attachments

1[View](#). Council report 10 August 2016

2[View](#). Planning Proposal - Signage in public areas

Planning and Providing Our Infrastructure

Item: 13.07

**Subject: DEED OF VARIATION - LAURIETON RESIDENTIAL RESORT
PLANNING AGREEMENT**

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

5.4.1 Plan settlements to accommodate a range of compatible land uses that meets projected population growth for new and existing developments.

RECOMMENDATION

That Council delegate authority to the General Manager to determine and execute the Laurieton Residential Resort Planning Agreement Deed of Variation.

Executive Summary

The Deed of Variation amends an existing Planning Agreement to provide for the Developer to pay Sewerage Services Contributions in a lump sum in conjunction with Council bringing forward the construction of a new sewerage pump station and rising main for the locality. The amended agreement also provides for the dedication of land on which pump station is to be located as well as granting of an easement for access.

Discussion

Development Application 2009/302 for a 301 Site Manufactured Housing Estate and Associated Facilities was approved on 1/10/2010 and has been amended several times. Since physical commencement, Council entered into a Voluntary Planning Agreement for the manufactured housing estate to provide for development contributions to be calculated based on aged unit rates.

During the course of construction of the development the option of constructing a sewer pump station (SPS) and rising main to the west, connecting to the Kew/Kendall STP has been proposed to avoid additional loads on the sewerage system to the east.

In relation to the new pump station Council resolved at the 18 November 2015 meeting, item 13.03, as follows;

That Council:

- 1. Bring forward the upgrade of the Area 15 sewerage upgrade to provide for future development in the area*
- 2. Include the Area 15 sewerage upgrade as a new project in the 2015/16 Operational Plan, with a budget of \$1,250,000.*

Planning and Providing Our Infrastructure

3. *Allocate a budget of \$3,000,000 for the Area 15 sewerage upgrade in the draft 2016/17 Operational Plan.*
4. *Make a suitable allocation to complete the Area 15 sewerage upgrade in the draft 2017/18 Operational Plan.*

CARRIED: 9/0

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

AGAINST: Nil

As result to the above, the developer made a formal offer to Council regarding the one off payment of all outstanding Sewer Services Contributions in a lump sum, the dedication of land on which sewerage services works are located and granting of an easement for access to the sewerage services works. A copy of the Draft Deed of Variation and the amended Laurieton Residential Resort Planning Agreement are attached.

Options

Council could choose not to delegate Authority to the General Manager to determine the Deed of Variation. Choosing not to delegate this authority would potentially impact Council's previous resolution to bring forward the Area 15 sewerage upgrade and associated infrastructure works.

Community Engagement & Internal Consultation

The Deed of Variation was placed on Public Exhibition from 16 November 2016 to 14 December 2016. No submissions were received.

Relevant staff in the Infrastructure and Asset Management, as well as Development & Environment Divisions have been consulted in the preparation of the draft Deed.

Planning & Policy Implications

The Draft Deed of Variation conforms to Council's Planning Agreement Policy.

Financial & Economic Implications

The Deed of Variation is considered to have positive financial and economic impacts through the orderly coordination of infrastructure to serve development.

Attachments

1 [View](#). Laurieton Residential Resort Planning Agreement Deed of Variation

2 [View](#). Laurieton Residential Resort Planning Agreement - Amended

Planning and Providing Our Infrastructure

Item: 13.08

Subject: SIENNA GRANGE RESIDENTIAL AGED CARE FACILITY PLANNING AGREEMENT

Presented by: Development and Environment Services, Matt Rogers

Alignment with Delivery Program

5.4.1 Plan settlements to accommodate a range of compatible land uses that meets projected population growth for new and existing developments.

RECOMMENDATION

That Council delegate authority to the General Manager to enter into and execute the Sienna Grange Residential Aged Care Facility Planning Agreement on behalf of Council incorporating amendments referred to in the report.

Executive Summary

Council has received an offer to enter into a voluntary planning agreement in connection with a Development Application for Seniors Housing including a 68 bed aged care facility at 28-34 John Oxley Drive, Port Macquarie. The provisions of the agreement include interim and long term sewerage connection arrangements and payment of a \$150,000 contribution by the developer towards the upgrading of the sewerage system in the locality.

Discussion

Council has received an offer to enter into a voluntary planning agreement in connection with Development Application 2016-729 for Seniors Housing including a 68 bed aged care facility at 28-34 John Oxley Drive, Port Macquarie.

To overcome existing sewerage capacity constraints for the site and to provide for a longer term upgrade of the sewerage system the Draft Planning Agreement includes the following provisions:

- An interim connection of the development to Council's Sewerage System via one of several options including utilising a disused sewerage rising main.
- Longer term connection following upgrade of the sewerage system by Council.
- In addition to normal sewerage headworks contributions the developer will be to pay a lump sum contribution of \$150,000 towards the upgrading of the sewerage system in the locality.

Planning and Providing Our Infrastructure

Options

Council could choose not to delegate Authority to the General Manager to determine the Deed of Variation. Choosing not to delegate this authority would potentially impact the upgrading of sewerage services for the locality.

Community Engagement & Internal Consultation

Deed of Deferral was placed on Public Exhibition from 21 December 2016 to 1 February 2017. A submission was received from the Developer during the exhibition period. No other submissions were received.

The developers submission relates to a minor amendment to the security provisions in Schedule 2 Row 3 (page 35) to allow Council to agree to a lesser amount of security and a reduced time for holding security. A recent survey of a disused Council pressure main that could be utilised by the development indicates that the condition of the main may be in better condition than previously thought and therefore the amount of security to be held by Council may be able to be reduced. No objection is raised by Council staff to the proposal as the final decision on the amount of the security still rests with Council.

A copy of the draft Sienna Grange Residential Aged Care Facility Planning Agreement incorporating the amendments requested in the submission is attached.

Relevant staff in the Infrastructure and Asset Management, as well as Development and Environment Divisions have been consulted in the preparation of the draft Deed.

Planning & Policy Implications

The Draft Deed of Variation conforms to Council's Planning Agreement Policy

Financial & Economic Implications

The Deed of Variation is considered to have positive financial and economic impacts through the orderly coordination of infrastructure to serve development.

Attachments

- 1 [View](#). Draft Sienna Grange Residential Aged Care Facility Planning Agreement February 2017

Planning and Providing Our Infrastructure

Item: 13.09

Subject: OPTIMISING UTILISATION OF PORT MACQUARIE SPORTS FIELDS

Presented by: Community and Economic Growth, Liesa Davies

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Note the information contained within the Optimising Utilisation of Port Macquarie Sports Fields Report.**
- 2. Request the General Manager provide a report to the 19 July 2017 Ordinary Council Meeting on progress against the adopted Recreation Action Plan 2015-2025 and proposing an updated implementation plan.**
- 3. Consider priority works, as identified within this report, in the development of the 2017/18 Budget and Operational Plan.**

Executive Summary

Since the 14 December 2016 report to Council on Optimising Utilisation of Port Macquarie Sports Fields, staff have continued to engage with local sporting user groups. The announcement of the purchase of Tuffins Lane Sporting Fields by the Catholic Diocese of Lismore/St Agnes Parish resulted in some user groups choosing not to engage further on future options. On the other hand, some sports clubs and associations have remained focused on working with Council to pursue options that will provide long-term security for their club/association and a better outcome for their members. Numerous options have been discussed, including user-group ground relocations, planning and pre-allocation of new sports fields, and facility improvements/upgrades. These are considered in this report and would appropriately be considered as part of a review to Council's 2015-2025 Recreation Action Plan and Council Operational Plans in future years.

Discussion

A report was presented to Council for consideration at the Ordinary Meeting held on 14 December 2016 where it was resolved:

13.09 OPTIMISING UTILISATION OF PORT MACQUARIE SPORTS FIELDS

RESOLVED: Levido/Turner

That Council:

- 1. Note the information contained within the Optimising Utilisation of Port Macquarie Sports Fields Report.*

Planning and Providing Our Infrastructure

2. Note a report will be provided in February 2017 providing further detail on options to support the needs of local sporting user groups.

CARRIED: 9/0

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

AGAINST: Nil

This report is provided in response to Resolution 2 above.

Staff sought to engage with all of the sporting groups and associations previously consulted prior to the December 2016 Ordinary Council meeting. Many sporting groups and their associations were keen to further discuss opportunities presented in the December 2016 report. Some clubs, however, did not wish to engage with Council on any options after the sale of the Tuffins Lane sporting fields to Catholic Diocese of Lismore/St Agnes Parish was announced.

The engagement between user groups and Council staff has been positive and productive, with some clubs and organisations presenting detailed options to support their immediate and future needs. These options have been reviewed and are presented in this report.

Some options presented by clubs and associations will have a flow on effect to several other clubs' future use of sports fields, specifically those that will require relocation. The effected sports include cricket and netball at Macquarie Park. With adequate planning and funding, it is possible to offset this by relocating existing or providing new and more up-to-date equipment at other locations.

The areas for consideration, requested by user groups to support their needs in Port Macquarie include:

1. Home ground relocation opportunities;
2. Planning and pre-allocation for new sports fields; and
3. Improvements to Council's sports fields and facilities.

1. Home ground relocation opportunities.

Port Macquarie Football Club (Port FC), supported by Football Mid North Coast (FMNC), have now requested and submitted provisional plans to permanently relocate their home playing ground from Tuffins Lane to Macquarie Park. The Club already use this location for training purposes. This is a short term strategy to secure the future of the Club, and would use Macquarie Park to its full potential (refer proposal at Attachment 1). Looking to its future, the Club places an emphasis a boutique styled club - restricting membership and focusing on quality rather than quantity. For the Club to relocate permanently to Macquarie Park, the following must be considered:

- Impact on other sports
- Sufficiency of electrical supply
- Lighting
- Increased ground usage
- Funding
- Car parking.

Planning and Providing Our Infrastructure

Impact on other sports

At present, the Macquarie Park turf sports fields are mainly used by cricket and football. Netball also uses a series of training goal posts on the western side of the turf fields (in addition to the 11 all weather courts).

Consultation with Hastings River District Junior Cricket Association (HRDJCA) identified the following:

- The two existing cricket nets at Macquarie Park would need to be removed to allow adequate space for Port FC's proposed Training Field 3. Once removed, these nets are not able to be reinstated elsewhere.
- HRDJCA believe four new nets would need to be installed at Stuart Park to offset the removal from Macquarie Park due to the already increased demand on these facilities.

FMNC has identified that although other local football clubs occasionally use Macquarie Park for training purposes the impact on these training sessions can be absorbed at other sites. Council staff will work closely with clubs to ensure their training needs can be accommodated, should the proposal to establish Macquarie Park as Port Football Club's home ground be supported.

The impact on netball is associated with the six netball training goal posts that are currently on or around the proposed Training Field 3. These posts are infrequently used for shooting practice only, and do not require a vast amount of space to support their use. There is adequate space around Macquarie Park for these posts to be relocated.

Sufficiency of electrical supply

There is sufficient electrical supply at Macquarie Park to accommodate additional lighting and provision of a new canteen, toilet block, change rooms and storage facility.

Lighting

To optimise usage, lights would need to be installed on the new training field. The existing light poles are currently at capacity and two new poles would need to be installed (replacing the existing poles) providing a capacity of 50 Lux across the new field. Estimated cost is \$75,000.

Increased ground usage

Currently, ground usage at Macquarie Park is minimal. The 14 December 2016 report to Council identified 37.5hrs (summer) and 20hrs (winter) of unallocated time. With increased ground usage there will be a need for increased horticultural maintenance of the playing surface. Fields at this location are suitable for training purposes only. To be used as a permanent training and competition venue, the fields would need more frequent maintenance and some initial improvements to the surface. For the staged Port FC proposal to work, field maintenance/preparation would need to commence immediately.

Funding

Port FC is currently applying for grants through the Department of Sport and Recreation and the NSW Asian Cup 2015 Legacy Fund to the value of \$175,000 for some of the identified improvements

Planning and Providing Our Infrastructure

The Club has funds to allocate to the project but will require other funding from grants and Council. Council has \$20,000 allocated in the current budget for the replacement of sporting infrastructure at this location with the upgrade of cricket nets being prioritised. Should the both grants be approved, a working budget of \$225,000 will be available to fund the upgrade proposal.

Car Parking

Parking around the Macquarie Park precinct does experience congestion at times. This congestion will increase if this proposal is supported, as football and netball competition fixtures will both occur on Saturday mornings. However, education for facility users of nearby, albeit less obvious, parking opportunities presents an opportunity to reduce parking congestion at these times.

In addition to the Macquarie Park car parks and adjacent on-street opportunities, there are significant on street opportunities in Munster Street, Grant Street and Church Street. There is also generally good availability within the Council Headquarters car park on Saturdays. All of these options are within a small walk to Macquarie Park.

2. Planning and pre-allocation for new sports fields in Port Macquarie

Football is currently one of the largest sports in the region with significant membership and increasing participation numbers. Due to the demand for more football fields in the LGA, Football Mid North Coast has proposed that they be based at the future sports facility development at Thrumster.

As identified in the October 2016 Council report, a site within Thrumster has been identified for future development as sporting fields. The 6.7 hectare site is adjacent to St Josephs Regional College. Significant filling of the site is required of the land developer. Development of the facility beyond that point will be the responsibility of Council.

Council's adopted Recreation Action Plan proposes development of the Thrumster facility in 2019/20. However, as discussed in the previous Council report, discussions have been held with the developer on the opportunity to bring this forward.

Football Mid North Coast has expressed a desire to work collaboratively with Council to secure grant funding for construction of the proposed sports facility. They recognise that Tuffins Lane is not a long term option, and believe the new Wauchope facility is also not a long term option for 'all' clubs. Football Mid North Coast has presented a layout used by Lake Macquarie City Council and recommend a similar design be used, with the following changes:

- Have a single main field on one side of the amenities;
- Main field to have raised earthworks/seating to form a stadium;
- Have multiple training fields on the opposite side of the amenities;
- Integration of Football Mid North Coast office into the facility;
- Possibility for all weather synthetic 5-a-side football courts for year round usage;
- Possibility for staging football events and tournaments.

Planning and Providing Our Infrastructure

They also suggest the main field be used for competition games only with other fields to be used for High Performance Training 11 months of the year, community football during the winter season, and cricket over the summer. If synthetic fields were included in the design, football and other sports could utilise these facilities year round. An additional concept the Association is currently in the process of discussing with Council is staging of events and tournaments at the proposed facility.

Using the proposed new Thrumster facility for the High Performance Training will free up training and competition opportunity at Wayne Richards Park. The immediate flow on effect from this proposed facility would be that Wayne Richards Park would then have capacity to be a home ground for a community based club.

The development of this facility is likely to be in the order of \$5-6Million. This figure can be firmed up once detailed design for the facility has been undertaken. Given the potential to bring this project forward, the detailed design for this facility is currently scheduled for delivery in 2017/18 subject to adoption of budget as part of Council's Operational Plan development.

3. Improvements to Council's sports fields and facilities within Port Macquarie

As discussed in the previous report to Council, there are several sporting fields within Port Macquarie that could accommodate a significant increase in levels of use if an investment in infrastructure was made.

Upon further analysis of facilities that can accommodate additional training and/or competition, several key facilities have been identified as having the best enhancement opportunities, with regard to optimising utilisation. These opportunities include:

- Provision of additional sports field floodlighting to increase hours of use
- Installation of sub-surface drainage to reduce field closures caused by wet weather
- Installation of irrigation systems to improve turf health and increase amount of use that fields can tolerate.

The improvements identified in the previous report to Council have been rationalised and prioritised following further engagement with sporting stakeholders, as well as other internal & external stakeholders:

Priority	Facility	Improvement/required works	Benefit	Required Budget
2017/18	Macquarie Park	The provision of floodlighting to Field 3 (junior field).	Will provide 20 hours of additional training time per week during winter season.	\$75,000
2017/18	Macquarie Park	Develop Field 3 as a football training field (demolition of existing cricket nets; goal post installation).	Supports Port Football Club in establishing this site as their home ground.	\$25,000
2017/18	Stuart Park	Install 4 additional cricket nets adjacent to	Will provide 20 hours of additional	\$160,000

Planning and Providing Our Infrastructure

		existing nets.	training time per net per week during summer season.	
2017/18	Findlay Park	The provision of floodlighting to Field 3-5 (junior fields).	Will provide 20 hours of additional training time per week during winter season.	\$50,000
2018/19	Macquarie Park	Install irrigation to sports fields.	Will increase the quality/useability of the playing surfaces.	\$80,000
2018/19	Macquarie Park	The provision of amenities and change rooms to facility.	Supports Port Football Club in establishing this site as their home ground.	\$250,000
2018/19	Stuart Park	Installation of sub-surface drainage to fields 1 & 2.	Reduced field closures due to wet weather.	\$120,000
2019/20	Woods Street	Provision of floodlighting to the southern and western fields (approximately 2.8 hectares).	Will provide approximately 80 hours of additional training time per week during winter season.	\$300,000
2019/20	Woods Street	Installation of sub-surface drainage to fields 7 & 8.	Reduced field closures due to wet weather.	\$100,000
2020/21	Stuart Park	Install irrigation system - field 4.	Will increase the quality/useability of the playing surfaces.	\$60,000
2020/21	Port Macquarie Regional Sports Stadium	Provision of floodlighting to the 5000m ² of warm up area west of Field 2.	Will provide 20 hours of additional training time per week during winter season.	\$50,000
2025/26	Woods Street	Irrigation to southern and western fields will assist in providing quality sports field playing surfaces.	Will increase the quality/useability of the playing surfaces.	\$170,000
2025/26	Woods Street	Installation of sub-surface drainage to southern & western fields.	Reduced field closures due to wet weather.	\$250,000
2026/27	Dixie Park	The provision of	Will provide 20	\$85,000

Planning and Providing Our Infrastructure

		floodlighting to field 2 (junior field, approximately 2000m ²).	hours of additional training time per week during winter season.	
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Options

Council may choose to:

- Include funding for prioritised improvement works in future budgets
- Prioritise budget for detailed design of Thrumster sports facility as discussed in this report
- Note the information contained in this report, but do not prioritise funding for identified works given the change in status of Tuffins Lane in recent months.

Community Engagement & Internal Consultation

Consultation has occurred with all existing Tuffins Lane seasonal sporting user groups to assist in developing this report. The following groups agreed to continue consultation to discuss existing usage requirements and future options:

- Hastings River District Cricket Association;
- Hastings River District Junior Cricket Association;
- Port Macquarie Junior Cricket Club;
- Football Mid North Coast;
- Port Macquarie Football Club;
- Port Saints Football Club; and
- Hastings Valley Vikings Rugby Union Club.

The following groups chose to discontinue their engagement with Council on existing sporting fields optimisation after the announcement that Tuffins Lane was being sold to Diocese of Lismore/St Agnes Parish:

- Port United Soccer Club;
- Port Macquarie Touch Football Association; and
- Port Macquarie Junior Touch Football Association.

Staff members recognise the importance of continuing to meet with all sporting groups in order to better support the needs of local sporting user groups. Follow-up meetings are in place with those groups that have chosen to continue consultation.

Planning & Policy Implications

The 2014 Recreation Needs Study recognises the need to further develop and improve existing sporting facilities to increase their useability and capacity to accommodate increased levels of use. Potential facility improvements identified within this report are consistent with this planning priority.

This report and recent developments associated with Tuffins Lane have implications for Council's sport and recreation prioritisation in future. Staff recognise the need to update the Plan to ensure it remains a valid document into the future and propose to provide an update report to the July 2017 Ordinary Council Meeting. This will provide information on performance against identified actions and timelines to date, as well as an updated draft implementation program through to 2025.

Planning and Providing Our Infrastructure

It should be noted that Macquarie Park has been identified as a potential site for an upgraded Port Macquarie Public Swimming Pool which is considered to be a short to medium term (3 - 5 year) project for Council. Identified improvements to Macquarie Park will impact on the potential use of this site for an upgraded swimming pool location in future.

The range of facility improvements identified within this report are considered to be Exempt Development or Development permitted without Consent under the State Environmental Planning Policy (Infrastructure) 2007.

There are Voluntary Planning Agreement implications associated with bringing forward development of the Thrumster sports fields. This option has been discussed with the developer who is agreeable in principle. Agreement from the developer to develop this facility may require a commitment from Council to complete construction of the sports fields in the short term. The development of the Thrumster facility will likely be subject to a Development Application process, depending on the type of building structure proposed for this facility.

Financial & Economic Implications

There are potentially significant financial implications should Council choose to undertake sports field enhancements to help optimise the use of existing Port Macquarie fields.

However, responsibility for funding identified with the improvements identified in this report will be shared between Council and sporting stakeholders. As an example, HRDJCA are seeking grant funds toward installation of 2 new cricket nets at Stuart Park.

Pending the outcome of this report, staff will ascertain what contribution will be required from Council toward implementing the identified priority works for inclusion in the draft 2017/18 Operational Plan. It is expected to be in the order of:

Priority	Facility	Improvement/required works	Required Budget
2017/18	Macquarie Park	Floodlighting to Field 3	\$75,000
2017/18	Macquarie Park	Develop Field 3 as a training field	\$25,000
2017/18	Stuart Park	Install 4 additional cricket nets adjacent to existing nets	\$80,000
2017/18	Findlay Park	The provision of floodlighting to Field 3-5	\$50,000
Total			\$230,000
2018/19	Macquarie Park	Install irrigation to sports fields	\$40,000
2018/19	Macquarie Park	Provision of amenities and change rooms to facility.	\$50,000
2018/19	Stuart Park	Installation of sub-surface drainage to fields 1 & 2	\$120,000
Total			\$210,000

Planning and Providing Our Infrastructure

Attachments

1 [View](#). Port Macquarie Football Club - Macquarie Park Upgrade Proposal

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-16-48 Wrights Creek Flood Study and Floodplain Risk Management Study and Plan

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 15.02 T-16-56 Flynn's Beach Seawall Construction (Stage 1)

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-16-59 Pavement Rejuvenation Services

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 15.04 Sewer Main Construction - Links Crescent to Elkhorn Grove Cul-De-Sac

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.

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-16-48 Wrights Creek Flood Study and Floodplain Risk Management Study and Plan**

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.

RECOMMENDATION

- Item 15.02 T-16-56 Flynns Beach Seawall Construction (Stage 1)**

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.

RECOMMENDATION

- Item 15.03 T-16-59 Pavement Rejuvenation Services**

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.

RECOMMENDATION

- Item 15.04 Sewer Main Construction - Links Crescent to Elkhorn Grove Cul-De-Sac**

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RECOMMENDATION