



# Ordinary Council

## Business Paper

**date of meeting:** Wednesday 18 November 2015

**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.

**Council's Vision**

A sustainable high quality of life for all.

**Council's Mission**

To provide regional leadership and meet the community's needs in an equitable and inclusive way that enhances the area's environmental, social and economic qualities.

**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 18 November 2015

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**PORT MACQUARIE  
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**PORT MACQUARIE  
HASTINGS**

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

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"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."

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

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

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**Item: 03****Subject: APOLOGIES**

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**RECOMMENDATION**

That the apologies received be accepted.

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

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**RECOMMENDATION**

That the Minutes of the Ordinary Council Meeting held on 21 October 2015 be confirmed.

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**PRESENT****Members:**

Councillor Peter Besseling (Mayor)  
Councillor Lisa Intemann (Deputy Mayor)  
Councillor Rob Turner  
Councillor Adam Roberts  
Councillor Justin Levido  
Councillor Geoff Hawkins  
Councillor Trevor Sargeant  
Councillor Michael Cusato

**Other Attendees:**

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

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The meeting opened at 5.30pm.

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**01 WELCOME TO COUNTRY**

The Mayor opened the Meeting and invited Mr Glenn Hannah, Chairperson of the Bunyah Local Aboriginal Land Council, to deliver the Welcome to Country.

Mr Hannah delivered the Welcome to Country.

The Mayor delivered an Acknowledgement of Country and welcomed all in attendance in the gallery.

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**02 LOCAL GOVERNMENT PRAYER**

Reverend Nathan Killick from the Camden Haven Anglican Church delivered the Local Government Prayer.

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**03 APOLOGIES**

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*RESOLVED: Levido/Cusato*

That the apology received from Councillor Griffiths be accepted.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**04 CONFIRMATION OF MINUTES**

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*RESOLVED: Roberts/Cusato*

That the Minutes of the Ordinary Council Meeting held on 16 September 2015 be confirmed.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**05 DISCLOSURES OF INTEREST**

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Councillor Roberts declared a Non-Pecuniary, Significant Interest in Item 13.05 - Upgrade of John Oxley Drive / Innes Lake Area Sewerage Reticulation, the reason being that Councillor Roberts owns property in the area referred to in the report.

Councillor Sargeant declared a Non-Pecuniary, Significant Interest in Item 13.05 - Upgrade of John Oxley Drive / Innes Lake Area Sewerage Reticulation, the reason being that Councillor Sargeant is a resident of the area referenced within the report.

Councillor Sargeant declared a Non-Pecuniary, Significant Interest in Item 13.07 - Local Environmental Plan 2011 - Administrative Refinements (Amendment No. 38) [PP2015-4.1], the reason being that Councillor Sargeant is a resident of the area referred to in this report.

Councillor Levido declared a Non-Pecuniary, Significant Interest in Item 11.02 - Commercial Activities on Council-managed Land - Draft Policy, the reason being that Councillor Levido is a partner in the Port Macquarie Law Firm, Donovan Oates Hannaford Lawyers. The Firm acts for one of the owners of a business who are currently licensed to carry out commercial activities on Council managed land being the subject of the report.

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Councillor Levido declared a Non-Pecuniary, Significant Interest in Item 13.04 - Dual Water Reticulation - Area 14, the reason being that Councillor Levido is a partner in the Port Macquarie Law Firm, Donovan Oates Hannaford Lawyers. The Firm acts for the owner of a property and a Related Entity of another Owner of a property within Area 14 being the subject of the report.

Councillor Levido declared a Non-Pecuniary, Significant Interest in Item 13.06 - Draft Local Environmental Plan (Amendment No 34) - Post Exhibition Review [PP2014-15.1], the reason being that Councillor Levido is a partner in the Port Macquarie Law Firm, Donovan Oates Hannaford Lawyers. The Firm acts for the owner of the property the subject of point 12 of the report.

Councillor Turner declared a Non-Pecuniary, Significant Interest in Item 11.02 - Commercial Activities on Council-managed Land - Draft Policy, the reason being that Councillor Turner owns a property with a tenant who currently holds a licence to operate commercial activities on Council-managed land.

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#### **06.01 MAYORAL DISCRETIONARY FUND ALLOCATIONS**

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*RESOLVED: Besseling*

That the Mayoral Discretionary Fund allocations for the period 3 September to 7 October 2015 inclusive be noted.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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#### **06.02 FIT FOR THE FUTURE LOCAL GOVERNMENT REFORM**

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*RESOLVED: Besseling*

That Council note that the Independent Pricing & Regulatory Tribunal (IPART) have assessed Port Macquarie-Hastings Council as Fit, in line with the requirements of the Fit for the Future local government reforms.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**06.03 AUSTRALIAN ELECTORAL COMMISSION PROPOSED REDISTRIBUTION  
OBJECTION**

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*RESOLVED: Besseling*

That the General Manager submit an objection to the Australian Electoral Commission to the proposed bifurcation of the Port Macquarie-Hastings Local Government Area into different electorates.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**07 CONFIDENTIAL CORRESPONDENCE TO ORDINARY COUNCIL MEETING**

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*RESOLVED: Sargeant/Levido*

That Council determine that the attachments to Item Numbers 09.11 and 13.01 be considered as confidential, in accordance with section 11(3) of the Local Government Act.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**08 PUBLIC FORUM**

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

1. Mr Jason Koenig regarding Shared Pathway - Kendall to Laurieton Public Schools.
2. Mr Richard Baldwin regarding Beach to Beach Riverwalk.
3. Mr John Cooke regarding Shared Pathway - Camden Haven Schools to Schools.
4. Mr Peter Nash regarding Creek to Creek.
5. Ms Noelene Campbell regarding Youth Strategy and Infrastructure in the Camden Haven.
6. Ms Jackie McLaren regarding Education and Training in the Camden Haven.

*RESOLVED: Hawkins/Sargeant*

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

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**08.01 SHARED PATHWAY - KENDALL TO LAURIETON PUBLIC SCHOOLS**

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Mr Jason Koenig, representing the Camden Haven Schools to Schools Shared Pathway, addressed Council in regard to Shared Pathway - Kendall to Laurieton Public Schools.

David Jackson, Captain of the Camden Haven High School also addressed Council in regard to the safety of the newly constructed pathway.

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**08.02 BEACH TO BEACH RIVERWALK**

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Mr Richard Baldwin, representing the Beach to Beach Riverwalk, addressed in regard to Beach to Beach Riverwalk and answered questions from Councillors.

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**08.03 SHARED PATHWAY - CAMDEN HAVEN SCHOOLS TO SCHOOLS**

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Mr John Cooke, representing the Camden Haven Schools to Schools, addressed Council in regard to Shared Pathway - Camden Haven Schools to Schools.

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**08.04 CREEK TO CREEK**

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Mr Peter Nash, representing Creek to Creek, addressed Council in regard to Creek to Creek and answered questions from Councillors.

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**08.05 YOUTH STRATEGY AND INFRASTRUCTURE IN THE CAMDEN HAVEN**

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Ms Noelene Campbell addressed Council in regard to Youth Strategy and Infrastructure in the Camden Haven and answered questions from Councillors.

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**08.06 EDUCATION AND TRAINING IN THE CAMDEN HAVEN**

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Ms Jackie McLaren addressed Council in regard to Education and Training in the Camden Haven and answered questions from Councillors.

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## **REQUESTS TO SPEAK ON AN AGENDA ITEM**

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

Item 10.01 - Ms April Goodear in opposition of the recommendation.

Item 12.01 - Mr Derek Collins in support of the recommendation.

Item 13.06 - Mr Robert Dwyer in support of the recommendation.

Item 13.06 - Ms Sonya Hume in opposition of the recommendation.

Item 13.06 - Mr P Rowlandson in opposition of the recommendation.

Item 13.07 - Mr Graham Burns in support of the recommendation.

*RESOLVED: Turner/Hawkins*

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

*CARRIED: 8/0*

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

*AGAINST: Nil*

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## **SUSPENSION OF STANDING ORDERS**

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*RESOLVED: Levido/Roberts*

That Standing Orders be suspended to allow Items 10.01, 12.01, 13.06 and 13.07 to be brought forward and considered next.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**10.01 REQUEST TO NAME A CROWN RESERVE - PEACH GROVE, LAURIETON**

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Ms April Goodear addressed Council in opposition of the recommendation.

*MOVED: Intemann/Cusato*

That Council:

1. Does not make an application to the Geographical Names Board in this instance.
2. Forward the applicant information in regard to Council's Commemorative Seat procedure.

*WAS WITHDRAWN*

*MOVED: Sargeant/Roberts*

That Council make an application to the Geographical Names Board for the crown reserve Peach Grove to be named Rupert Goodear Reserve.

*LOST: 2/6*

*FOR: Roberts and Sargeant*

*AGAINST: Besseling, Cusato, Hawkins, Intemann, Levido and Turner*

*RESOLVED: Besseling/Hawkins*

That Council defer the matter pending further information provided to Councillors on the naming of reserves across the Local Government Area.

*CARRIED: 6/2*

*FOR: Besseling, Cusato, Hawkins, Intemann, Levido and Turner*

*AGAINST: Roberts and Sargeant*

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**12.01 DA2015 - 0350 - DWELLING AND SWIMMING POOL INCLUDING CLAUSE 4.6 OBJECTION TO CLAUSE 4.3 (HEIGHT OF BUILDINGS) OF THE PORT MACQUARIE-HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 AT LOT 15 DP 1074785, NO. 6 OCEAN RIDGE TERRACE, PORT MACQUARIE**

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Mr Derek Collins, Collinswcollins, representing the applicant, was not present.

*RESOLVED: Levido/Turner*

That DA 2015 - 0350 for a Dwelling and Swimming Pool Including Clause 4.6 Objection to Clause 4.3 (Height of Buildings) of the Port Macquarie-Hastings Local Environmental Plan 2011 at Lot 15, DP 1074785, No. 6 Ocean Ridge Terrace, Port Macquarie, be determined by granting consent subject to the recommended conditions.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**13.06 DRAFT LOCAL ENVIRONMENTAL PLAN (AMENDMENT NO 34) - POST EXHIBITION REVIEW [PP2014-15.1]**

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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 7.07pm.

Mr Robert Dwyer, representing the Laurieton United Services Club, addressed Council in support of the recommendation.

Ms Sonya Hume addressed Council in opposition of the recommendation and answered questions from Councillors.

Mr Paul Rowlandson, King and Campbell Pty Ltd, representing the applicant, addressed Council in opposition of the recommendation.

*MOVED: Roberts/*

That Council:

1. Defer Issues 4 and 6 from the draft Local Environmental Plan 2011 (Amendment No 34).
2. 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 34) as outlined in the report.

*LAPSED FOR WANT OF A SECONDER*

*RESOLVED: Turner/Intemann*

That Council:

1. Defer Issues 4, 6 and 12 from the draft Local Environmental Plan 2011 (Amendment No 34).
2. 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 34) as outlined in the report.
3. Request the General Manager to provide a briefing to Councillors in relation to issue no. 12 during December 2015.

*CARRIED: 7/0*

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

*AGAINST: Nil*

Councillor Levido returned to the meeting, the time being 7:43pm.



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**13.07 LOCAL ENVIRONMENTAL PLAN 2011 - ADMINISTRATIVE  
REFINEMENTS (AMENDMENT NO. 38) [PP2015-4.1]**

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Councillor Sargeant 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 7.43pm.

Mr Graham Burns, Land Dynamics Pty Ltd, addressed Council in support of the recommendation.

*RESOLVED: Levido/Intemann*

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 Issues 1 - 4 and 6 - 9 as 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.
4. Request the General Manager report to the December 2015 Council Meeting as to issue 5 - Short Term Holiday Stays, as to more practical and accurate off-street car parking requirements.

*CARRIED: 7/0*

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

*AGAINST: Nil*

Councillor Sargeant returned to the meeting, the time being 7:53pm.

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**09.01 STATUS OF OUTSTANDING REPORTS TO COUNCIL**

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Councillor Turner left the meeting, the time being 7:53pm.

*RESOLVED: Intemann/Hawkins*

That the information in the September 2015 Status of Outstanding Reports to Council be noted.

*CARRIED: 7/0*

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

*AGAINST: Nil*

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**09.02 DISCLOSURES REGISTER - ANNUAL RETURNS 2014-2015**

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*RESOLVED: Cusato/Roberts*

That Council note the information in the Disclosure Register for 2014-2015.

*CARRIED: 7/0*

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

*AGAINST: Nil*

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**09.03 DISCLOSURE OF INTEREST RETURN**

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Councillor Turner returned to the meeting, the time being 7:55pm.

*RESOLVED: Roberts/Cusato*

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

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**09.04 NOTICE OF MOTION - FINANCIAL IMPACT OF COST SHIFTING FROM OTHER LEVELS OF GOVERNMENT**

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*RESOLVED: Hawkins/Sargeant*

That Council:

1. Request the General Manager provide a report to the November 2015 Ordinary Meeting of Council on the impact of cost shifting on Council in the 2014-2015 financial year, updating the draft figures provided to Council in May 2015.
2. Request the General Manager provide an updated report to the November 2016 Ordinary Meeting of Council on the impact of cost shifting for the financial year 2015-2016 and annually, including any additional categories of cost-shifting that have been identified.
3. Request that the General Manager give consideration to collecting additional cost shifting information as part of the service review process.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**09.05 DETERMINATION OF COUNCILLOR NUMBERS**

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*RESOLVED: Levido/Cusato*

That Council, in accordance with Section 224 of the Local Government Act 1993, resolve that it will comprise of nine councillors, including the Mayor, following the next ordinary Local Government election.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**09.06 CODE OF MEETING PRACTICE**

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*RESOLVED: Intemann/Sargeant*

That Council:

1. Pursuant to section 361(3) of the Local Government Act 1993, place on public exhibition the draft Code of Meeting Practice, from 28 October 2015 for a minimum of 28 days.
2. Pursuant to section 361(4) of the Local Government Act 1993, accept submissions on the Code of Meeting Practice, from 28 October 2015 for a minimum 42 day period.
3. Note that a further report will be tabled at the February 2016 meeting of Council, detailing the submissions received from the public during the exhibition period.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**09.07 MONTHLY FINANCIAL REVIEW FOR SEPTEMBER 2015**

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*RESOLVED: Hawkins/Sargeant*

That Council adopt the adjustments in the "Financial Implications" section of the report for September 2015.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**09.08 INVESTMENTS - SEPTEMBER 2015**

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*RESOLVED: Hawkins/Turner*

That Council note the Investment Report for the month of September 2015.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**09.09 SUPPLY OF SERVICES TO COUNCIL**

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*RESOLVED: Levido/Cusato*

That Council:

1. Note the information contained within the report.
2. 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.
3. 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*

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**09.10 LOCAL GOVERNMENT GRANTS COMMISSION**

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*RESOLVED: Sargeant/Hawkins*

That Council note the 2015-2016 Grant calculations provided by the Local Government Grants Commission for Port Macquarie-Hastings Council.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**09.11 PROCUREMENT STRATEGY UPDATE**

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*RESOLVED: Hawkins/Turner*

That Council note the progress made on the Implementation Plan as detailed in the Procurement Strategy.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**09.12 GLASSHOUSE QUARTERLY REPORT AND UPDATE ON STRATEGIC PLAN RECOMMENDATIONS**

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*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*

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**09.13 CAPITAL WORKS PROJECTS REPORT**

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*RESOLVED: Roberts/Levido*

That Council

1. Note the information within the report.
2. Acknowledge the record delivery of capital works projects for the 2014-2015 year.
3. Acknowledge the work already undertaken by Council staff to better reflect realistic capital works project targets for future years.

*CARRIED: 8/0*

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

*AGAINST: Nil*



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**10.02 2015 NSW LOCAL GOVERNMENT ABORIGINAL NETWORK  
CONFERENCE**

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*RESOLVED: Sargeant/Levido*

That Council:

1. Note the final report, including financials and evaluation, of the 2015 NSW Local Government Aboriginal Network Conference.
2. Congratulate staff involved in the co-ordination of this conference and the very satisfactory financial result.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**10.03 RECOMMENDED ITEM FROM THE MAYOR'S SPORTING FUND SUB-  
COMMITTEE - SEPTEMBER MEETING**

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*RESOLVED: Besseling/Cusato*

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

1. Dylan Murphy in the amount of \$500.00 to assist with expenses he will incur travelling and competing in the NSW Under 13's Boys Hockey Team to compete at the Australian National Boys Hockey Championships in Darwin, Northern Territory from 25 September to 2 October 2015 inclusive.
2. Leilani Grainger in the amount of \$350.00 to assist with expenses incurred travelling to and competing at the Budgies Australian Indigenous Netball Corporation Carnival on the Gold Coast, Queensland from 4 July to 11 July 2015 inclusive.
3. Shelby Grainger in the amount of \$350.00 to assist with expenses incurred travelling to and competing at the Budgies Australian Indigenous Netball Corporation Carnival on the Gold Coast, Queensland from 4 July to 11 July 2015 inclusive.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**10.04 UPDATE ON OUR VOLUNTEERS AND OUR ORGANISATION**

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*RESOLVED: Hawkins/Intemann*

That Council:

1. Adopt the Volunteer Policy and Procedures that has been on public exhibition.
2. Note the status of other key volunteering activities and value-add this provides to Council operations.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**11.01 REVIEW OF VISITOR INFORMATION SERVICES**

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*RESOLVED: Roberts/Cusato*

That Council:

1. Acknowledge the feedback received from stakeholders following the stakeholder engagement presentations and workshops conducted on the review into Visitor Information Services.
2. Allocate an additional budget in the 2015/16 Operational Plan of \$30,000 to provide for improvements to the Visitor Information Centre located at the Glasshouse as per Phase 1 in Table 1 in the body of the report.
3. Give further consideration to additional improvements for the delivery of visitor information services across the LGA as part of Council's 2016-2017 budget process.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**11.02 COMMERCIAL ACTIVITIES ON COUNCIL-MANAGED LAND - DRAFT POLICY**

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Councillor Turner 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 8.35pm.

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 8.35pm.

*RESOLVED: Intemann/Hawkins*

That Council:

1. Agree the exhibition of the draft Commercial Activities on Council-managed Land Policy for the period 26 October 2015 to 23 November 2015.

- 
2. Request the General Manager report to the December 2015 Council Meeting advising of community feedback received during the exhibition period, rescinding the existing policy and presenting a proposed policy for adoption.

CARRIED: 6/0

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

AGAINST: Nil

Councillor Levido returned to the meeting, the time being 8:44pm.

Councillor Turner returned to the meeting, the time being 8:45pm.

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**12.02 DA 2012 - 507 - PART DEMOLITION OF EXISTING MOTEL AND CONSTRUCTION OF TOURIST AND VISITOR ACCOMMODATION AND GROUND FLOOR COMMERCIAL TENANCIES INCLUDING CLAUSE 4.6 VARIATION TO CLAUSE 4.3 (BUILDING HEIGHTS STANDARD) UNDER PORT MACQUARIE-HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 - LOT 1 DP 515434 AND LOT 2 DP 505781, 25-29 CLARENCE STREET, PORT MACQUARIE**

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Councillor Cusato left the meeting, the time being 8:45pm.

Councillor Cusato returned to the meeting, the time being 8:47pm.

*RESOLVED: Levido/Cusato*

That DA 2012 - 507 for a Part Demolition of Existing Motel and Construction of Tourist and Visitor Accommodation and Ground Floor Commercial Tenancies including Clause 4.6 Variation to Clause 4.3 (Height of Buildings Standard) under Port Macquarie-Hastings Local Environmental Plan 2011 at Lot 1 DP 515434, & Lot 2 DP 505781, No. 25-29 Clarence Street, Port Macquarie, be determined by granting a deferred commencement consent subject to the following being satisfied within 2 years from the date of determination and the attached conditions:

1. Adequate arrangements for sewer main realignments and servicing shall be provided including provision of any adjoining owner's consents to the satisfaction of Council.
2. Amended basement parking plans shall be submitted to improve parking areas circulation to the satisfaction of Council.
3. An amended ground floor plan shall be submitted which includes widening of the driveway to a two way access on the Sunset Parade frontage of Lot 1 DP 499501 (similar to Drawing No. D05/1 Level 3 floor plan prepared by Wayne Ellis Architects dated 5 April 2012), to the satisfaction of Council.

CARRIED: 8/0

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

AGAINST: Nil

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**12.03 DA2015 - 0448 - RELOCATION OF CENOTAPH - LOT 7312 DP 1161732  
RES 82306 & HORTON STREET ROAD RESERVE, HORTON STREET,  
PORT MACQUARIE**

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*RESOLVED: Levido/Cusato*

That DA 2015 - 0448 for Relocation of the Port Macquarie Cenotaph at Lot 7312, DP1161732, Horton Street, Port Macquarie, be determined by granting consent subject to the recommended conditions.

*CARRIED: 8/0*

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

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**12.04 NEW WASTE COLLECTION CONTRACT - COMMUNITY SURVEY AND  
WASTE AUDIT RESULTS**

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*RESOLVED: Turner/Levido*

That Council note this report on the community survey, waste audit and evaluation.

*CARRIED: 8/0*

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

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**12.05 RECOMMENDED ITEM FROM COAST, ESTUARY & FLOODPLAIN  
ADVISORY SUB-COMMITTEE - PORT MACQUARIE-HASTINGS FLOOD  
POLICY**

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*RESOLVED: Intemann/Hawkins*

That Council adopt the Port Macquarie-Hastings Flood Policy (September 2015).

*CARRIED: 8/0*

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

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**13.01 THREE VILLAGES SEWERAGE SCHEME INDEPENDENT REVIEW**

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*RESOLVED: Turner/Cusato*

That Council:

1. Note the information contained in this report.
2. Request the General Manager to provide a copy of the report to the Village Sewerage Scheme Steering Group for its information and action.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**13.02 ACQUISITION OF EASEMENTS WITHIN THE HENRY KENDALL RESERVE AT WEST HAVEN**

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*RESOLVED: Sargeant/Cusato*

That Council, in its capacity as the Reserve Trust Manager of the West Haven (R210080) Reserve Trust, consent to the acquisition of the easement for electricity purposes and the easement for the drainage of sewage as shown in Deposited Plan 1212278.

*CARRIED: 8/0*

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

*AGAINST: Nil*

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**13.03 ADDITIONAL FEDERAL ROADS TO RECOVERY (R2R) FUNDING FOR 2015-2016 AND 2016-2017**

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*RESOLVED: Cusato/Turner*

That Council increase the High Traffic Road Resurfacing allocation in the 2015-2016 Operational Plan by \$1,069,000 (Action 5.1.1.4 (a)), being the additional Roads to Recovery funding.

*CARRIED: 8/0*

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

*AGAINST: Nil*



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**13.04 DUAL WATER RETICULATION - AREA 14**

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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 8.56pm.

*RESOLVED: Turner/Sargeant*

That Council:

1. Note the information in this report.
2. Continue to cater for dual reticulation schemes in the Area 13 (Thrumster) and Area 14 (Lake Cathie/Bonny Hills) residential land release.

*CARRIED: 7/0*

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

*AGAINST: Nil*

Councillor Levido returned to the meeting, the time being 8:57pm.

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**13.05 UPGRADE OF JOHN OXLEY DRIVE / INNES LAKE AREA SEWERAGE RETICULATION**

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Councillor Roberts 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 8.57pm.

Councillor Sargeant 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 8.58pm.

*RESOLVED: Intemann/Turner*

That Council:

1. Bring forward the upgrade of Port Macquarie Sewerage Pump Station #71 and rising main to provide for future development in the John Oxley Drive/Innes Lake area.
2. Include the upgrade of John Oxley Drive/Innes Lake area sewerage reticulation as a new project in the 2015/16 Operational Plan, with a budget of \$600,000.
3. Consider the inclusion of the upgrade of John Oxley Drive/Innes Lake area sewerage reticulation in the 2016/17 Draft Operational Plan, with a budget of \$2,200,000.

*CARRIED: 6/0*

*FOR: Besseling, Cusato, Hawkins, Intemann, Levido and Turner*

*AGAINST: Nil*

Councillor Roberts returned to the meeting, the time being 8:59pm.

Councillor Sargeant returned to the meeting, the time being 8:59pm.

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**14 QUESTIONS FOR NEXT MEETING**

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**14.01 ENERGY STRATEGY**

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**Question from Councillor Turner:**

Can the General Manager please advise what Council's plans are to develop an energy strategy for the future?

**Comments by Councillor (if provided):**

Nil.

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**14.02 WASTE STRATEGY**

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**Question from Councillor Turner:**

Can the General Manager please advise what are Council's plans to develop a waste strategy for the future?

**Comments by Councillor (if provided):**

Nil.

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**CONFIDENTIAL COMMITTEE OF THE WHOLE**

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*RESOLVED: Sargeant/Hawkins*

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 Annual Reporting of Contracts for Senior Staff  
This item is considered confidential under Section 10A(2)(a) of the Local Government Act 1993, as it contains personnel matters concerning particular individuals (other than Councillors).
    - Item 15.02 Port Macquarie-Hastings Access Sub-Committee Membership 2015  
This item is considered confidential under Section 10A(2)(c) of
-

- 
- the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
- Item 15.03      EOI-15-08 Independent Member of the Town Centre Master Plan Sub-Committee
- This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
- Item 15.04      Tender T-14-05 Port Macquarie Indoor Stadium Expansion
- This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
- Item 15.05      Tender T-15-25 Port Macquarie-Hastings Local Government Area Traffic Study
- 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.
- Item 15.06      Tender T-15-52 Design for Bridge Replacements - Hyndman's and Harty's Creek Bridges
- 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.
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:      8/0

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

AGAINST:      Nil

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## ADJOURN MEETING

The Ordinary Council Meeting adjourned at 9.01pm.

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## RESUME MEETING

The Ordinary Council Meeting resumed at 9.31pm.

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**ADOPTION OF RECOMMENDATIONS FROM THE CONFIDENTIAL COMMITTEE OF THE WHOLE**

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*RESOLVED: Sargeant/Turner*

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

**Item 15.01 Annual Reporting of Contracts for Senior Staff**

This item is considered confidential under Section 10A(2)(a) of the Local Government Act 1993, as it contains personnel matters concerning particular individuals (other than Councillors).

**RECOMMENDATION**

That Council note the contractual conditions for the following Senior roles in the Organisation:

1. General Manager.
2. Director Corporate and Organisational Services.
3. Director Community and Economic Growth.
4. Director Development and Environment.
5. Director Infrastructure and Asset Management.

**Item 05.02 Port Macquarie-Hastings Access Sub-Committee Membership 2015**

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. Endorse the membership of Mr Bruce Gibbs to the Port Macquarie-Hastings Access Sub-committee.
2. Provide a letter thanking the outgoing member Mr Brian Buckett for his contribution to the Committee.

**Item 15.03 EOI-15-08 Independent Member of the Town Centre Master Plan Sub-Committee**

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. Appoint the new member in the listed representative position, to the Town Centre Master Plan Sub-Committee, following completion of the current two (2) year membership term:
  - a) CBD Trader - Mr Les Bailey

- 
2. Commence the appointment by inviting the new member to the next Town Centre Master Plan Sub-Committee meeting on 29 October 2015.

Item 15.04 Tender T-14-05 Port Macquarie Indoor Stadium Expansion

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. Accept the revised tender from Ware Building Pty Ltd for the Port Macquarie Indoor Stadium Expansion for \$5,602,054 (ex GST).
2. Accept the Schedule of Rates from Ware Building Pty Ltd for the management of potential variations to the project.
3. Increase the project budget as outlined in the Financial and Economic Implications section of this report, noting the additional funding sources.
4. Affix the seal of Council to the necessary documents.
5. Maintain the confidentiality of the documents and considerations in respect of Tender T-14-05.
6. Note the most recent correspondence of 18 October 2015 on behalf of NSW PCYC CEO, Darren Black, that without Council's assurance to the conditions as specified by PCYC on 13 October, "PCYC will not be supporting the project nor providing any resources to the project".
7. Note that most conditions set by PCYC in its correspondence of 13 and 18 October 2015 are either absent from or in direct conflict with the Heads of Agreement signed by PCYC on 26 March 2015.
8. Given the withdrawal of support by PCYC, request the General Manager to report to the November 2015 Council Meeting on alternate funding sources.
9. Provide support for PCYC to source an alternate location in the Port Macquarie-Hastings LGA for a stand-alone facility.

Item 15.05 Tender T-15-25 Port Macquarie-Hastings Local Government Area Traffic Study

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 GHD Pty Ltd for \$185,953.00 (exclusive of GST) for the Port Macquarie-Hastings Local Government Area Traffic Study.
  2. Accept the Schedule of Rates from GHD Pty Ltd for the management of potential variations to the project.
  3. Affix the seal of Council to the necessary documents.
  4. Maintain the confidentiality of the documents and considerations in respect of Tender T-15-25.
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Item 15.06 Tender T-15-52 Design for Bridge Replacements - Hyndman's and Harty's Creek Bridges

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 GHD Pty Ltd for \$134,605.00 (Exclusive of GST) for the Design of Bridge Replacements - Hyndman's and Harty's Creek Bridges.
2. Accept the Schedule of Rates from GHD Pty Ltd for the management of potential variations to the project.
3. Affix the seal of Council to the necessary documents.
4. Maintain the confidentiality of the documents and considerations in respect of Tender T-15-52.

CARRIED: 8/0

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

AGAINST: Nil

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The meeting closed at 9.31pm.

.....  
Peter Besseling  
Mayor

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Item: 05  
Subject: DISCLOSURES OF INTEREST

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**RECOMMENDATION**

That Disclosures of Interest be presented

**DISCLOSURE OF INTEREST DECLARATION**

Name of Meeting: .....  
Meeting Date: .....  
Item Number: .....  
Subject: .....  
.....

I, ..... declare the following interest:

☐

**Pecuniary:**

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

☐

**Non-Pecuniary - Significant Interest:**

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

☐

**Non-Pecuniary - Less than Significant Interest:**

May participate in consideration and voting.

For the reason that: .....  
.....

Signed: ..... Date: .....

*(Further explanation is provided on the next page)*

**Further Explanation**

(Local Government Act and Code of Conduct)

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

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

**Pecuniary Interest**

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

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

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

**Non-Pecuniary**

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

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

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

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

***Non Pecuniary – Significant Interest***

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

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

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

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

***Non Pecuniary – Less than Significant Interest***

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



## SPECIAL DISCLOSURE OF PECUNIARY INTEREST DECLARATION

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

Councillor's Signature: ..... Date: .....

**Important Information**

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

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

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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<sup>iv</sup> or because your business partner or employer has a pecuniary interest. You may also have a pecuniary interest in a matter because you, your nominee, your business partner or your employer is a member of a company or other body that has a pecuniary interest in the matter.

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

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

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

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**Item: 06.01**

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

**Mayor, Peter Besseling**

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### **RECOMMENDATION**

**That the Mayoral Discretionary Fund allocations for the period 8 October to 4 November 2015 inclusive be noted.**

### **Discussion**

#### Mayoral Discretionary Fund Allocations

The total commitment from the Mayoral Discretionary Fund from 8 October to 4 November 2015 inclusive was \$200.00.

This included the following:

Donation to fundraiser for Tom Berryman Family	\$200.00
	<u><b>\$200.00</b></u>

### **Attachments**

Nil

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**Item: 06.02**

**Subject: MAYORAL MINUTE - 2015-2016 GENERAL MANAGER'S  
PERFORMANCE REVIEW PANEL**

**Mayor, Peter Besseling**

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### **RECOMMENDATION**

**That Council:**

- 1. Determine the composition of the General Manager's Performance Review Panel for the 2015-2016 period to consist of the Mayor, Deputy Mayor, one (1) Councillor nominated by Council and one (1) Councillor nominated by the General Manager.**
- 2. Appoint Councillor Justin Levido as the Councillor nominated by the Council to the General Manager's Performance Review Panel for the 2015-2016 period.**
- 3. Note that Councillor Geoff Hawkins is the General Manager's nominated Councillor on the General Manager's Performance Review Panel for the 2015-2016 period.**
- 4. Delegate to the General Manager's Performance Review Panel:**
  - a) The whole process of performance management, including discussions about performance and performance reviews for the 2015-2016 period.**
  - b) The reporting to Council of findings and recommendations of reviews for the 2015-2016 period and any actions that should be taken.**
  - c) The determination of any new performance agreement for the period 2015-2016.**
- 5. Determine for the 2015-2016 period that there be one formal performance review at the completion of the period and an informal performance review at four months, noting that the 2015-2016 General Manager performance plan will run from 1 November 2015 to 30 June 2016 so that future performance plans are aligned to financial years.**

### **Discussion**

The Director General of the Division of Local Government issued Guidelines in July 2011 for the Appointment and Oversight of General Managers. A copy of the Guidelines are attached for information.

The Guidelines recommend that the General Manager's Performance Review Panel comprise the Mayor, the Deputy Mayor, another Councillor nominated by Council and a Councillor nominated by the General Manager.

The Guidelines further provide that the whole process of performance management be delegated to the General Manager's Performance Review Panel including the conduct of performance reviews, reporting the findings and recommendations of those reviews to Council and the development of the performance agreement.

The Standard Contract for General Managers requires that the performance of the General Manager must be formally reviewed at least annually. It is proposed that there be one (1) formal review during the 2015-2016 period. At all times, those Councillors not on the General Manager's Performance Review Panel can contribute to the process by providing feedback to the Mayor on the General Manager's performance.

**Attachments**

1 [View](#). Guidelines for the Appointment and Oversight of General Managers

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**Item: 07**

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

**Presented by: General Manager, Craig Swift-McNair**

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**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 09.09 be considered as confidential, in accordance with Section 11(3) of the Local Government Act.**

**Discussion**

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

<b>Item No:</b>	09.09
<b>Subject:</b>	Quarterly Budget Review Statement - September 2015
<b>Attachment Description:</b>	2015 2016 September Quarterly Budget Review Statement - Consultancy Engagements
<b>Confidential Reason:</b>	If disclosed would 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)).

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**Item: 08****Subject: PUBLIC FORUM**

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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](http://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: DELEGATED AUTHORITIES - CERTIFICATE OF IDENTIFICATION  
ISSUED UNDER THE SWIMMING POOLS ACT 1992**

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

**a) Stephen Neal (Ranger).**

### Executive Summary

The Council seal is required to be affixed to certificates of identification issued under the *Swimming Pools Act 1992*. A Council resolution is required in order to affix the Council seal to a document.

### Discussion

Section 27(2) of the *Swimming Pools Act 1992* requires that Council must issue a certificate of identification to each authorised officer appointed to exercise powers under this Act.

Clause 20 and Schedule 1 of the *Swimming Pools Regulation 2008* prescribes the form of a certificate of identification. The certificate of identification must include amongst other things the seal of the Council.

Council has numerous staff authorised as officers under the Swimming Pools Act. To satisfy the requirements of a properly issued certificate of identification Council's Seal must be affixed.

Clause 400 of the *Local Government (General) Regulation 2005* states that 'the seal of Council must not be affixed to a document unless the document relates to the business of the Council and the Council has resolved (by resolution specifically referring to the document) that the seal be so affixed'.

Council researched a number of avenues and also sought legal advice with regards to the requirements of the issuing of certificates of identification under the Swimming Pools Act and clause 400 of the Local Government (General) Regulation.

## Ensuring Good Governance

Council's legal advice was that a Council resolution (specifically referring to the document) would be required to issue each authorised Council staff member a certificate of identification under the Swimming Pools Act.

### Options

There are no options in relation to this report. It is a legislative requirement that the Council's Seal be affixed to Certificates of identification issued under the *Swimming Pools Act 1992*.

### Community Engagement & Internal Consultation

#### Community Engagement

Nil.

#### Internal Consultation

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

### Planning & Policy Implications

A Council resolution, specifically referring to the document, is required to affix the Council Seal to a certificate of identification issued under the Swimming Pools Act.

### Financial & Economic Implications

Nil.

### Attachments

Nil

## Ensuring Good Governance

**Item: 09.02**

**Subject: STATUS OF OUTSTANDING REPORTS TO COUNCIL**

**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 the information in the September 2015 Status of Outstanding Reports to Council be noted.**

### Discussion

Reports requested by Council

Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Landfill Gas Capture Trial (Item 12.04- OC 19/08/15)		DDES	Oct 2015	Nov 2015
NOM - Council Pools (Item 13.01 - OC 19/08/15)		DCEG		Nov 2015
Payment of Expenses and Provision of Facilities to Councillors Policy - Outcome of Exhibition (Item 09.07 - OC 16/09/15)		DCOS		Nov 2015
NOM - Zero Based Budgeting (Item 09.09 - OC 16/09/15)		DCOS		Nov 2015
Impact of cost shifting on Council in the 2014-2015 financial year (Item 09.04 - OC 21/10/15)		DCOS		Nov 2015
PCYC - Alternate Funding Sources (Item 15.04 - OC 21/10/15)		DCEG		Nov 2015
QON - Energy Strategy (Item 14.01 - OC 21/10/15)		DDES		Nov 2015
QON - Waste Strategy (Item 14.02 - OC 21/10/15)		DDES		Nov 2015

## Ensuring Good Governance

Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Three Villages Sewerage Scheme Construction - options to deliver fit-for-purpose and value-for-money. (Item 09.02 - EX-OC 29/07/15)		DIAM	Nov 2015	Dec 2015
Committees Review (Item 12.04 - OC 20/05/15)	Further consultation required with Councillors prior to consideration	DCOS	Jul 2015	Dec 2015
Council Policy Template Review (Item 09.07 - OC 15/07/15)		DCOS		Dec 2015
Water Fluoridation - request for detailed information on studies and programs. (Item 10.01 - OC 15/07/15)		DIAM		Dec 2015
Lighthouse Beach Reserve Improvements - Community Engagement Outcomes (Item 13.06 - OC 16/09/15)		DCEG		Dec 2015
Local Environmental Plan 2011 - Administrative Refinements (Amendment No. 38) Issue 5 - Short Term Holiday Stays - Car Parking Requirements (Item 13.07 - OC 21/10/15)		DDES		Dec 2015
Commercial Activities On Council-Managed Land - Draft Policy - Community Feedback (Item 11.02 - OC 21/10/15)		DCEG		Dec 2015
Impact of Road Openings and Closures on Private Property. (Item 12.03 - OC 18/09/13)	To be included in overall review of roads policies. Information still being sought.	DIAM	Mar 2015	Feb 2016
Free Camping - Position Statement monitoring and engagement with free camping community. (Item 11.03 - OC 18/03/15)		DCEG	Feb 2016	Feb 2016
Code of Meeting Practice - submissions (Item 09.06 - OC 21/10/15)		DCOS		Feb 2016

## Ensuring Good Governance

Report	Status	Reporting Officer	Original Anticipated Date for Report	Current Anticipated Date for Report
Development Contributions for Student Accommodation - results of trial. (Item 13.06 - OC 19/11/14)		DDES		Jun 2016
Progress on Recreational Boating & RMS investigations for Hastings & Camden Haven Rivers (Item 13.10 - OC 19/08/15)		DCEG		Jun 2016
Development Contributions for Non Residential Development - outcome of trials. (Item 13.07 - OC 20/05/15)		DDES		Jul 2016
Draft Structure Plan for the Greater Sancrox Area - consideration/investigations of potential urban capability/serviceability / capacity of lands between Oxley Highway to north, Pacific Highway to west and Houston Mitchell Drive to south and viability of rural residential development in the Greater Sancrox area. (Item 13.07 - OC 18/02/15)		DDES	2016	2016

### 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 (Apr, Jul, Oct, Feb)
Glasshouse Quarterly Financial Report	DCOS	Quarterly (July, Oct, Feb, Apr)
Procurement Strategy - Progress Report (Item 08.10 - ORD 18/09/2013)	DCOS	Quarterly (July, Oct, Feb, Apr)
Glasshouse Strategic Business Plan - Progress Report	DCOS	Quarterly (Aug, Nov, Feb, May)
Delivery Program - Progress Report	DCEG	Biannual (Mar, Sept)



## Ensuring Good Governance

Report	Reporting Officer	Reporting Cycle
Operational Plan - Progress Report	DCEG	Biannual (May, Oct)
Economic Development Strategy - Progress Report (Item 10.03 - ORD 20/11/2013)	DCEG	Biannual (June, Dec)
Mayoral and Councillor Fees (Setting of)	GM	Annually (June)
MIDROC Strategic Plan 2013-2017 Outcomes (Item 08.03 - ORD 21/08/2013)	GM	Annually (July)
Council Policy - Status Report	DCOS	Annually (July)
Annual Report of the Activities of the Mayor's Sporting Fund	DCEG	Annually (Aug)
Compliments and Complaints Annual Report	DCEG	Annually (Sep)
Council Meeting Dates	GM	Annually (Sept)
Creation of Office - Deputy Mayor	GM	Annually (Sept)
Payment of Expenses and Provision of Facilities to Councillors Policy for Exhibition	DCOS	Annually (Sept)
Audit Committee Annual Report	DCOS	Annually (Sept)
Annual Report of Disability Discrimination Act Action Plan	DCEG	Annually (Sep)
Annual Disclosure of Interest Returns	GM	Annually (Oct)
Payment of Expenses and Provision of Facilities to Councillors Policy for Adoption	DCOS	Annually (Nov)
Council's Annual Report	DCEG	Annually (Nov)
Annual Reporting of Contracts for Senior Staff	GM	Annually (Nov)
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: 09.03**

**Subject: CODE OF CONDUCT COMPLAINT STATISTICS**

**Presented by: Corporate & 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. Note the Code of Conduct Complaint Statistics for the period 1 September 2014 to 31 August 2015.**
- 2. Forward the Code of Conduct Complaint Statistics to the Office of Local Government.**

### Executive Summary

Council's Code of Conduct stipulates that Council's Complaints Coordinator is to report certain statistics pertaining to Code of Conduct complaints to Council each year.

Council's Complaints Coordinator, Group Manager Governance and Executive Services, has prepared the required statistics for Council.

The statistics pertain to the period 1 September 2014 to 31 August 2015. There was one (1) complaint received for the period.

### Discussion

Clause 12.1 of Council's Code of Conduct stipulates that Council's Complaints Coordinator is to report certain statistics pertaining to Code of Conduct complaints to Council within three (3) months of the end of September each year.

Following, clause 12.2 of Council's Code of Conduct stipulates that Council is to provide the Office of Local Government a report containing the statistics detailed in clause 12.1 within three (3) months of the end of September each year.

Council's Complaints Coordinator, Group Manager Governance and Executive Services, has prepared the required statistics for Council.

## Ensuring Good Governance

### Code of Conduct Statistics

1	a) The total number of complaints received in the period about Councillors and the General Manager under the Code of Conduct	1
	b) The total number of complaints finalised in the period about councillors and the General Manager under the code of conduct	1
2	a) The number of complaints finalised at the outset by alternative means by the General Manager or Mayor	0
	b) The number of complaints referred to the Office of Local Government under a special complaints management arrangement	0
	c) The number of code of conduct complaints referred to a conduct reviewer	1
	d) The number of code of conduct complaints finalised at preliminary assessment by conduct reviewer	1
	e) The number of code of conduct complaints referred back to the General Manager or Mayor for resolution after preliminary assessment by conduct reviewer	0
	f) The number of finalised code of conduct complaints investigated by a conduct reviewer	0
	g) The number of finalised code of conduct complaints investigated by a conduct review committee	0
	h) Number of finalised complaints investigated where there was found to be no breach	0
	i) Number of finalised complaints investigated where there was found to be a breach	0
	j) Number of complaints referred by the General Manager or Mayor to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police	0
	k) Number of complaints being investigated that are not yet finalised	0
	l) The total cost of dealing with Code of Conduct complaints within the period made about Councillors and the General Manager including staff costs	\$3,704.45
3	The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:	
	a) To take no action	1
	b) To resolve the complaint by alternative and appropriate strategies	0
	c) To refer the matter back to the General Manager or the Mayor, for resolution by alternative and appropriate strategies	0



## Ensuring Good Governance

	d) To refer the matter to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police	0
	e) To investigate the matter	0
	f) To recommend that the Complaints Coordinator convene a conduct review committee to investigate the matter	0
4	The number of investigated complaints resulting in a determination that there was no breach, in which the following recommendations were made:	
	a) That the Council revise its Policies or procedures	0
	b) That a person or persons undertake training or other education	0
5	The number of investigated complaints resulting in a determination that there was a breach in which the following recommendations were made:	
	a) That the Council revise any of its Policies or procedures	0
	b) That the subject person undertake any training or other education relevant to the conduct giving rise to the breach	0
	c) That the subject person be counselled for their conduct	0
	d) That the subject person apologise to any person or organisation affected by the breach	0
	e) That findings of inappropriate conduct be made public	0
	f) In the case of a breach by the General Manager, that action be taken under the General Manager's contract for the breach	0
	g) In the case of a breach by a Councillor, that the Councillor be formally censured for the breach under section 440G of the Local Government Act 1993	0
	h) In the case of a breach by a Councillor, that the matter be referred to the Office for further action	0
6	Matter referred or resolved after commencement of an investigation under clause 8.20 of the Procedures	0
7	The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct:	
	a) General conduct (Part 3)	0
	b) Conflict of interest (Part 4)	0
	c) Personal benefit (Part 5)	0
	d) Relationship between council officials (Part 6)	0
	e) Access to information and resources (Part 7)	0
8	The number of investigated complaints resulting in a determination that there was a breach in which the Council failed to adopt the conduct reviewers recommendation	0

## Ensuring Good Governance

9	The number of investigated complaints resulting in a determination that there was a breach in which the Council's decision was overturned following a review by the Office	0
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The statistics pertain to the period 1 September 2014 to 31 August 2015.

### Options

Nil. This report satisfies the statutory obligations of clauses 12.1 and 12.2 of Council's Code of Conduct.

### Community Engagement & Internal Consultation

#### Community Engagement

Nil.

#### Internal Consultation

- General Manager;
- Director, Corporate and Organisational Services; and
- Complaints Coordinator (Group Manager Governance and Executive Services).

### Planning & Policy Implications

This report satisfies the statutory obligations of clauses 12.1 and 12.2 of Council's Code of Conduct.

### Financial & Economic Implications

Nil.

### Attachments

Nil

## Ensuring Good Governance

**Item: 09.04**

**Subject: PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS POLICY**

**Presented by: Corporate & 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 Payment of Expenses and Provision of Facilities to Councillors Policy, as attached to the report.**
- 2. Pursuant to section 253 of the Local Government Act 1993, forward to the Office of Local Government:**
  - a) A copy of the adopted Payment of Expenses and Provision of Facilities to Councillors Policy.**
  - b) A copy of this report.**
  - c) A copy of the notice of public exhibition.**
  - d) Advice that no submissions were received.**

### Executive Summary

The objective of the Payment of Expenses and Provision of Facilities to Councillors Policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred, or to be incurred by the Mayor and Councillors.

The Policy provides for adequate, fair and equitable payment or reimbursement of expenses and provision of facilities to the Mayor and Councillors to enable efficient discharge of the functions of civic office.

The annual review of the Payment of Expenses and Provision of Facilities to Councillors Policy has now taken place in line with statutory requirements. The draft Policy was publicly exhibited from 25 September 2015 until 22 October 2015. No submissions were received.

The revised Payment of Expenses and Provision of Facilities to Councillors Policy has been updated to reflect the changes to travel allowances and incidentals in line with the relevant Australian Tax Office taxation determination.

It is a statutory requirement that Council adopt a Policy addressing the payment of expenses and provision of facilities to Councillors and submit the adopted Policy to the Office of Local Government by 30 November each year.

## Ensuring Good Governance

### Discussion

The objective of the Payment of Expenses and Provision of Facilities to Councillors Policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred, or to be incurred by the Mayor and Councillors. The Policy provides for adequate, fair and equitable payment or reimbursement of expenses and provision of facilities to the Mayor and Councillors to enable efficient discharge of the functions of civic office.

The *Local Government Act 1993* ("the Act") requires that councils develop a Policy for the payment of expenses and provision of facilities to councillors. Due to the statutory obligations no additional options are available to Council with respect to this Policy. Council must adopt a Policy in some form.

#### Review of the Payment of Expenses and Provision of Facilities to Councillors Policy

The current Payment of Expenses and Provision of Facilities to Councillors Policy was adopted at the November 2014 Ordinary Meeting of Council.

A review of the Payment of Expenses and Provision of Facilities to Councillors Policy has now taken place in line with statutory requirements and is now ready for formal adoption.

Community consultation was undertaken in adherence to Council's Community Engagement Policy. The Act and the Community Engagement Policy required Council to both inform and consult with the community on the draft Payment of Expenses and Provision of Facilities to Councillors Policy.

Consultation has taken place with Councillors, relevant staff and the community to ensure that expenses and facilities provided for under the Policy enable Councillors to efficiently discharge the functions of civic office.

The draft Payment of Expenses and Provision of Facilities to Councillors Policy was publicly exhibited from 25 September 2015 until 22 October 2015. This period met the statutory requirement of a 28 day period. Council accepted submissions from the public on the draft Policy during that period. No submissions were received.

All feedback from the consultation undertaken has been considered and an amended Payment of Expenses and Provision of Facilities to Councillors Policy is provided as Attachment 1 to this report.

The amended Payment of Expenses and Provision of Facilities to Councillors Policy has been updated to reflect the changes to travel allowances and incidentals in line with the relevant Australian Tax Office taxation determination.

### Options

There are no options in relation to this report. It is a statutory requirement that Council adopt a Policy addressing the payment of expenses and provision of facilities to Councillors.

## Ensuring Good Governance

### 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 Payment of Expenses and Provision of Facilities to Councillors Policy was publicly exhibited from 25 September 2015 until 22 October 2015.

During the Payment of Expenses and Provision of Facilities to Councillors Policy submission period no submissions were received.

#### Internal Consultation

- Councillors;
- General Manager;
- Director, Corporate and Organisational Services; and
- Group Manager, Governance and Executive Services.

### Planning & Policy Implications

Minor amendments are proposed to the current Policy. The amended Policy is provided as an attachment to this report.

### Financial & Economic Implications

Appropriate budget allocations exist in the 2015-2016 budget for the payment of expenses and provision of facilities to Councillors.

Appropriate budget allocations have been made in the draft 2016-2017 budget for the payment of expenses and provision of facilities to Councillors.

### Attachments

1 [View](#). Payment of Expenses and Provision of Facilities to Councillors Policy



## Ensuring Good Governance

**Item: 09.05**

**Subject: RECOMMENDED ITEM FROM AUDIT COMMITTEE - AUDIT COMMITTEE CHARTER**

**Presented by: Corporate & Organisational Services, Rebecca Olsen**

### Alignment with Delivery Program

1.5.5 Ensure there is appropriate management of risk for Council and the community.

### RECOMMENDATION

**That Council adopt the revised Audit Committee Charter, as attached.**

#### Executive Summary

The Audit Committee, at its meeting held on 29 October 2015, reviewed its Charter and reached consensus as follows:

1. *That it be noted that the Audit Committee has reviewed the Audit Committee Charter as per Section 6.7 of the Charter.*
2. *That Section 6.2 of the Audit Committee Charter be amended from Chief Finance Officer to Chief Financial Officer.*
3. *That the revised Charter be endorsed and subsequently presented to Council for adoption.*

The current Audit Committee Charter was last endorsed by the Audit Committee in November 2013 (and adopted by Council on 18<sup>th</sup> December 2013).

Section 6.7 of the Charter states:-

*At least once every two years the Audit Committee will review this Audit Committee Charter.*

*The Audit Committee will approve any changes to this Audit Committee Charter.*

The Charter was presented to the Audit Committee at its meeting on 29 October 2015, for their review. A suggested change presented to the Audit Committee was for the reference to the role of *Chief Finance Officer* (referenced in section 6.2) be updated to *Chief Financial Officer*. As a result of the review, the Audit Committee endorsed the Charter with the suggested change.

Attachment 1 to this report is the draft Audit Committee Charter.

## Ensuring Good Governance

### Attachments

1 [View](#). Audit Committee Charter - draft endorsed by Audit Committee 2015 10 29

## Ensuring Good Governance

**Item: 09.06**

**Subject: INVESTMENTS - OCTOBER 2015**

**Presented by: Corporate & 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 October 2015.**

#### Executive Summary

- Total funds invested as at 31 October 2015 equals \$205,092,287.
- Year-to-date investment income of \$2,479,673 is 56.12% of the total annual budget.
- In line with Council's Investment Policy, the total portfolio has performed above benchmark levels.
- All funds are allocated and/or held for specific purposes. Funds are either required to be spent in accordance with legislation, grant agreement or developer contribution plan specifications; or are held for delivery of specific projects or for specific purposes.

#### Discussion

This report provides details of and certifies that all funds that Council has invested under Section 625 of the Local Government Act 1993, as at 31 October 2015, with all investments made in accordance with the Act, Regulations and Council's Investment Policy.

As at 31 October 2015, the investments held by Council totalled \$205,092,287 and is attributed to the following funds:

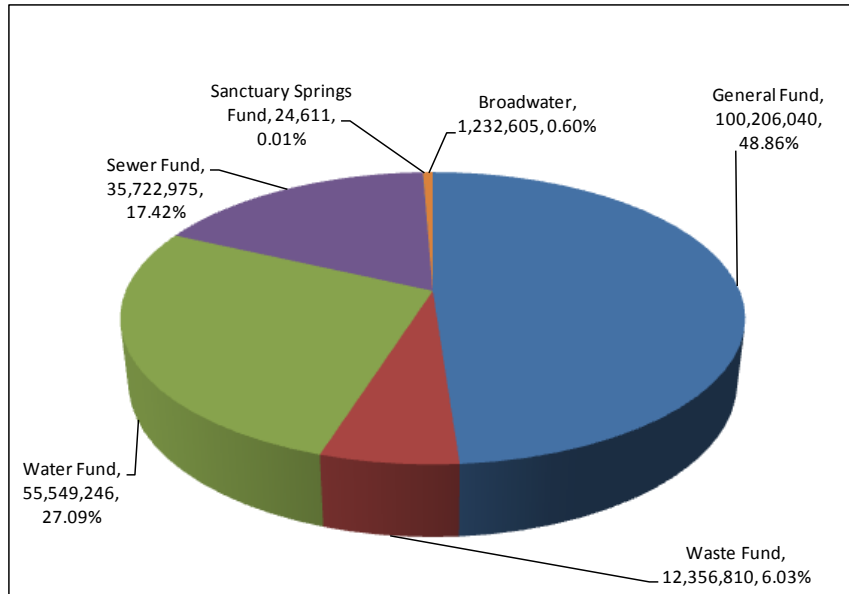
General Fund	100,206,040
Waste Fund	12,356,810
Water Fund	55,549,246
Sewer Fund	35,722,975
Sanctuary Springs Fund	24,611
Broadwater	1,232,605
	<b>205,092,287</b>



## Ensuring Good Governance

These monies are predominantly restricted funds from loans, s94 contributions and other avenues which are committed for future works. These funds may be spent in the shorter or longer term depending on whether they are allocated to specific projects or held to accumulate to allow for larger works. The totals will fluctuate dependent on the status of individual projects. The total quantum of unrestricted funds can only be confirmed at financial year end. The confirmed balance for unrestricted funds as at 30 June 2015 was \$3.654m.

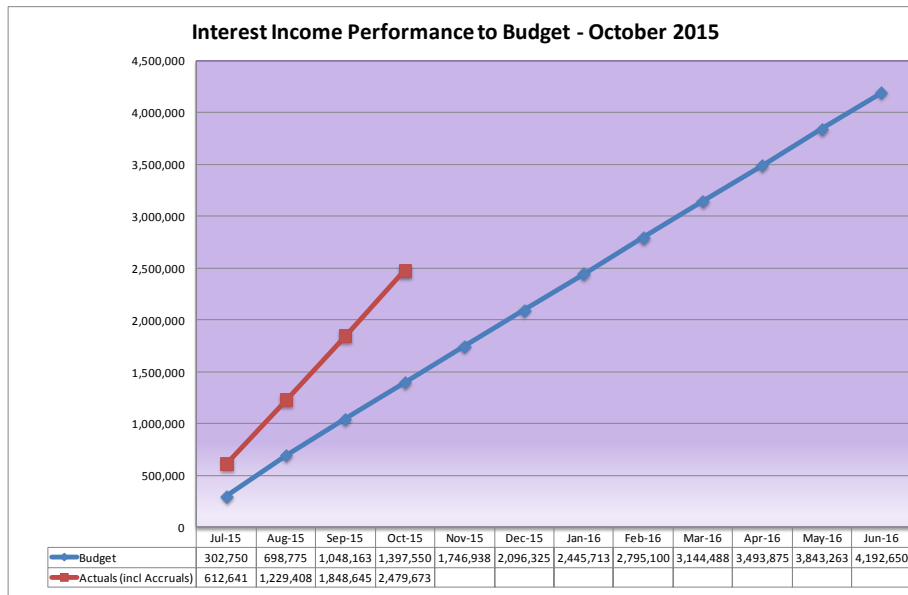
### Investments by Fund - as at 31 October 2015



### Portfolio Performance

- Council's total investment portfolio performance for October 2015 was 1.61% above the benchmark (3.69% against 2.08%). Benchmark being the Bank Bill reference rate as quoted at month end in the Australian Financial Review.
- The total year-to-date investment income of \$2,479,673 is 56.12% of the total annual budget of \$4,192,650.

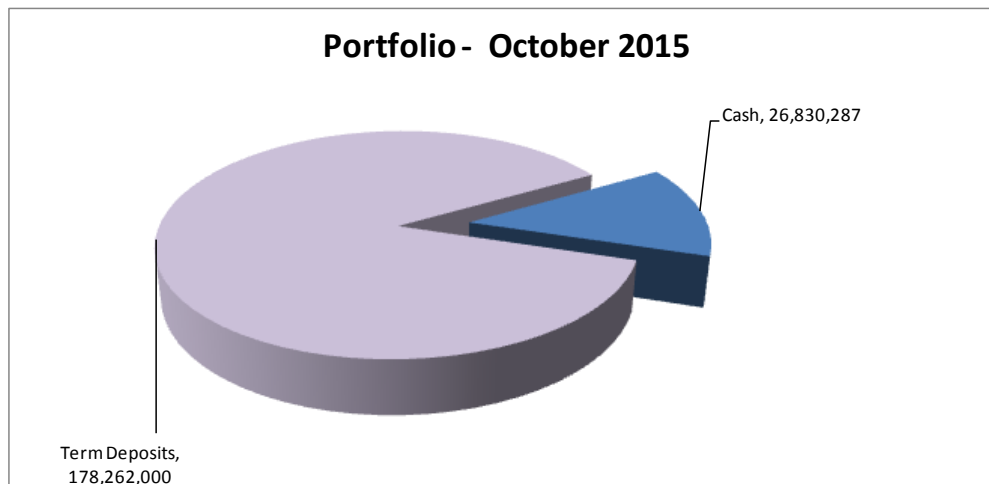
## Ensuring Good Governance



These year-to-date and actuals are not a cash only position, but rather reflect cash and internal accruals at month end.

### Investment Portfolio Mix

Council's current portfolio is represented by term deposits and a Capital Protected Equity Linked Note. The total term deposits represent 86.9% of the total investment portfolio. As at 31 October 2015, the total investment portfolio was \$205,092,287 from \$207,819,581 as at the end of September 2015.



### Term Deposits

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 is as follows:

## Ensuring Good Governance

*Table 1 - Term to Maturity*

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

Term to Maturity	Balance \$	% Held	Policy Min	Policy Max
0 - 12 months	\$103,362,000	57.98%	40.00%	100.00%
1 - 3 years	\$72,900,000	40.89%	0.00%	60.00%
3 - 5 years	\$2,000,000	1.12%	0.00%	30.00%
5+ years		0.00%	0.00%	15.00%
<b>Grand Total</b>	<b>\$178,262,000</b>	<b>99.99%</b>		

*Table 2 - Overall Portfolio Credit Framework*

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

Rating Framework	Total	% Held	Maximum % Policy	Variance
A	58,362,000	32.74%	60.00%	27.26%
AA	104,900,000	58.85%	100.00%	41.15%
BBB	15,000,000	8.41%	15.00%	6.59%
Below BBB		0.00%	0.00%	0.00%
<b>Grand Total</b>	<b>178,262,000</b>	<b>100%</b>		

These tables show the total amount held for Council's term deposits and do not include the Equity Linked Note.

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.

### Capital Protected Equity Linked Note - Emu

Council held one capital protected product (CCPI) note, being Emu with a face value of \$1 million. This product has matured realising only the face value of \$1 million.

### Cash - Westpac Business Cash Reserve Account

*This is not available unrestricted cash.*

This is a maxi account which the Council uses as a cash flowing 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.

## Ensuring Good Governance

Investment Portfolio by Maturity Date - as at 31 October 2015

Inv Name	Type	Purchase Date	Maturity Date	Yield	Face Value
Credit Union Australia	TD	12-Nov-14	12-Nov-15	3.60%	2,000,000
ANZ Bank	TD	13-Nov-12	13-Nov-15	4.70%	2,000,000
National Australia Bank	TD	25-Nov-14	25-Nov-15	3.62%	2,000,000
ANZ Bank	TD	26-Nov-14	26-Nov-15	3.63%	2,000,000
ANZ Bank	TD	12-Sep-14	12-Dec-15	3.67%	3,000,000
National Australia Bank	TD	17-Dec-14	17-Dec-15	3.60%	2,000,000
National Australia Bank	TD	17-Dec-14	17-Dec-15	3.60%	3,000,000
National Australia Bank	TD	16-Sep-14	19-Jan-16	3.68%	3,000,000
National Australia Bank	TD	23-Feb-15	22-Feb-16	3.18%	5,000,000
Westpac Banking Corporation	TD	23-Oct-14	23-Feb-16	3.94%	4,000,000
National Australia Bank	TD	23-Oct-15	22-Feb-16	2.84%	\$2,000,000
National Australia Bank	TD	9-Mar-15	9-Mar-16	3.15%	8,000,000
ANZ Bank	TD	26-Nov-14	28-Mar-16	3.63%	2,000,000
National Australia Bank	TD	28-Mar-14	28-Mar-16	4.20%	2,000,000
Bank of Queensland	TD	8-Oct-15	8-Apr-16	2.98%	\$3,000,000
Westpac Banking Corporation	TD	20-Aug-14	11-Apr-16	3.74%	4,000,000
Bank of Queensland	TD	17-Apr-15	17-Apr-16	3.10%	3,000,000
Bank of Queensland	TD	23-Oct-15	23-Apr-16	2.95%	\$4,000,000
Commonwealth Bank	TD	10-May-13	9-May-16	4.50%	1,000,000
Newcastle Permanent	TD	13-May-15	12-May-16	3.00%	4,000,000
Commonwealth Bank	TD	13-May-13	13-May-16	4.50%	1,000,000
Commonwealth Bank	TD	27-May-13	27-May-16	4.55%	1,000,000
Bank of Queensland	TD	16-Sep-14	16-Jun-16	3.70%	3,000,000
National Australia Bank	TD	18-Jun-15	20-Jun-16	2.98%	2,000,000
Westpac Banking Corporation	TD	20-Jun-13	20-Jun-16	4.51%	3,000,000
National Australia Bank	TD	9-Mar-15	11-Jul-16	3.15%	6,000,000
Bendigo Bank	TD	22-Jul-15	22-Jul-16	3.00%	362,000
Bendigo Bank	TD	22-Jul-15	22-Jul-16	3.00%	2,000,000
Bendigo Bank	TD	8-Oct-15	8-Aug-16	2.95%	\$4,000,000
St George Bank	TD	21-Aug-15	21-Aug-16	2.98%	5,000,000
Bank of Queensland	TD	13-Sep-13	13-Sep-16	4.55%	3,000,000
Westpac Banking Corporation	TD	14-Sep-11	14-Sep-16	6.05%	7,000,000
Newcastle Permanent	TD	23-Oct-14	24-Oct-16	3.75%	5,000,000
Rabobank	TD	11-Nov-11	11-Nov-16	6.30%	2,000,000
Westpac Banking Corporation	TD	11-Nov-11	11-Nov-16	6.22%	3,000,000
National Australia Bank	TD	26-Nov-14	28-Nov-16	3.65%	2,000,000
National Australia Bank	TD	17-Dec-14	19-Dec-16	3.65%	2,000,000
National Australia Bank	TD	17-Dec-14	19-Dec-16	3.65%	3,000,000
ING Bank (Australia) Limited	TD	20-Dec-11	20-Dec-16	6.16%	3,000,000
National Australia Bank	TD	23-Feb-15	23-Feb-17	3.18%	4,000,000
Bank of Queensland	TD	9-Mar-15	9-Mar-17	3.15%	6,000,000
Westpac Banking Corporation	TD	12-Mar-14	12-Mar-17	4.38%	3,000,000
Bank of Queensland	TD	17-Apr-15	17-Apr-17	3.10%	2,000,000
National Australia Bank	TD	12-May-15	12-May-17	3.08%	4,000,000
Newcastle Permanent	TD	13-May-15	12-May-17	3.10%	4,000,000
Bank of Queensland	TD	18-Jun-15	18-Jun-17	3.05%	2,000,000
National Australia Bank	TD	18-Jun-15	19-Jun-17	2.99%	1,900,000
Bendigo Bank	TD	22-Jul-15	24-Jul-17	3.10%	4,000,000
Westpac Banking Corporation	TD	4-Sep-14	4-Sep-17	4.07%	2,000,000
AMP Bank	TD	4-Sep-15	4-Sep-17	2.90%	5,000,000
Bendigo Bank	TD	8-Oct-15	8-Oct-17	2.98%	\$5,000,000
ANZ Bank	TD	13-Nov-12	13-Nov-17	4.87%	2,000,000
Bank of Queensland	TD	20-Jun-13	20-Jun-18	5.00%	4,000,000
Westpac Banking Corporation	TD	4-Sep-14	4-Sep-18	4.22%	4,000,000
Bendigo Bank	TD	7-Sep-15	7-Sep-18	3.00%	5,000,000
Rabobank	TD	20-Jan-15	20-Jan-19	3.90%	2,000,000
<b>Total TD's</b>					<b>\$178,262,000</b>
Westpac Business Cash Reserve Account	CASH			2.70%	\$26,830,287
<b>Total Portfolio</b>					<b>\$205,092,287</b>

## Ensuring Good Governance

The portfolio continues to retain a level of liquidity through its cash component total of \$26,830,287. The balance in the reserve still remains high due to the redemption of a large term deposit and the EMU investment. This will be monitored with further investments made in the oncoming month.

It should be noted that funds currently within the Westpac Business Cash Reserve Account are attracting an interest rate of 2.7% being the current cash rate plus 0.7% (based on the cash rate drop on 5 May 2015).

The largest sector of the portfolio is the term deposit allocation of \$178,262,000 (last month \$172,454,500) or 86.9% of the total.

### 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. As the only investments placed this month were term deposits, at which time at least three quotes were obtained from financial institutions in line with Council's Investment Policy, the services of an independent financial advisor were not required. Council obtains regular updates regarding market activities positions from various institutions.

### Planning & Policy Implications

Nil.

### Financial & Economic Implications

Should benchmark levels not be reached, then this may result in budget cuts in other areas to fund the shortfall.

Alternatively, an excess above budget benchmarks may be allocated to alternative programs. These adjustments will not occur until the end of the financial year adjustments are made, once the level of available funds is determined.

Council's total investment portfolio performance for October 2015 was 1.61% above the benchmark (3.69% against 2.08%) and year-to-date income at 56.12% 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 Council has refunded bonds with an associated interest component of \$7,869.75 will be monitored and advised monthly.



## Ensuring Good Governance

### 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.

*Monika Bretmaisser*  
*Responsible Accounting Officer*

### **Attachments**

Nil

## Ensuring Good Governance

**Item: 09.07**

**Subject: MONTHLY FINANCIAL REVIEW FOR OCTOBER 2015**

**Presented by: Corporate & 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 Implications" section of the report for October 2015.**

### Executive Summary

This report will detail the monthly budget adjustments as at 31 October 2015.

The Council adopted budget position as at 1 July 2015 was a shortfall of \$850,000.

During the month of October 2015 there have been several budget adjustments that have improved the budget shortfall position by \$135,487 to a budget shortfall of \$714,503.

### Discussion

#### Monthly Budget Adjustments for October 2015

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 adopted 2015-2016 budget along with the proposed movement of funds to accommodate any changes.

#### Monthly Budget Review Summary

<b>Original Budget as at 1 July 2015</b>	<b>Shortfall</b>	<b>(\$850,000)</b>
Plus adjustments:		
July Review	Balanced	\$0
August Review	Balanced	\$0
September Review	Balanced	\$0
October Review	Surplus	\$135,497

## Ensuring Good Governance

<b>Forecast budget position for 30 June 2016</b>	<b>Shortfall</b>	<b>(\$714,503)</b>
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### October Adjustments

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

Item	Surplus/ Deficit	Amount \$	Comment
Construction Certificate Income	Surplus	\$156,000	Revenue is up on year to date expectations due to an improved property market.
Private Works Overhead	Surplus	\$45,000	Private works activity has been greater than anticipated, primarily in the area of emergency works within the sewerage fund.
Subdivision Certificate Income	Surplus	\$38,000	Revenue is up on year to date expectations due to an improved property market.
Development Assessment Income	Surplus	\$35,000	Revenue is up on year to date expectations due to an improved property market.
Section 138 Income	Surplus	\$27,000	Revenue is up on year to date expectations due to an improved property market.
Operating Contributions - Street Lighting	Surplus	\$9,613	Council has received a contribution towards street lighting.
Financial Assistance Grant - Roads Component	Surplus	\$7,821	As reported to Council in October the FAG grant has been adjusted by the Grants Commission.
Authorised Contracts Annual Registration Fee	Surplus	\$5,000	Council has introduced an annual fee for register contractors.
Environmental Services Income	Deficit	(\$11,000)	Revenue for swimming pool inspections is below expectations.
Financial Assistance Grant - General Purpose Component	Deficit	(\$85,937)	As reported to Council in October the FAG grant has been adjusted by the Grants Commission.
Ordinance Services Income	Deficit	(\$91,000)	Revenue from ordinance services is lower than year to date expectations.
	Surplus	\$135,497	

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



## Ensuring Good Governance

Description	Notes	Funding Source	Amount
Council resolutions	1	Reserve/Contributions	\$808,928
Internal Transfers	2	Revenue	\$266,027
Additional income with offsetting expenditure items	3	Revenue	\$547,418
New Project	4	Reserve	\$70,000
Total			\$1,692,373

Within the October 2015 adjustments, the following is noted:

- The following adjustments are as a result of Council Resolutions:
  - Sewerage Pump Station No 71 and Rising Main (Item 13.05, 21 October 2015) - \$600,000
  - Dunbogan Flood Access Const Stage 1 (Item 09.01, 29 July 2015) - \$178,928
  - Visitor Information Centre Improvements (Item 11.01, 21 October 2015) - \$30,000
  -
- Transfers between projects included in the October review are:
  - \$300 from Thrumster Depot Land transferred to PM Residential Subdivision
  - Transfers within the Human Resources and Learning & Development budget of \$130,500.
  - \$135,227 transferred from Transport Management to Traffic Engineering due to a section restructure.
- Budget inclusions for additional income received is detailed below. These items have an offsetting expenditure budget.
  - Bar/Café & Catering income at the Glasshouse of \$100,000.
  - Private Works Sewerage Fund - \$221,200
  - Community Hall Income - \$70,000
  - Library Special Project Income - \$30,000
  - Road compensation for bypassed road - Pacific Highway between Herons Creek and Stills Road - \$126,218
- A new project "Network/Digital Strategy Project" for \$70,000 has been approved by Executive and included in the Economic Development budget.

It should also be noted that:

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

### Options

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

## Ensuring Good Governance

### Planning & Policy Implications

Nil.

### Financial & Economic Implications

Attached to the report for information is each individual budget adjustment by Division and Section. The net budget movements for October 2015 reduce the current budget shortfall position by \$135,497 to an improved shortfall position of \$714,503.

### Responsible Accounting Officer Statement

The approved budget shortfall for 2015-2016 adopted in the Operational Plan was \$850,000. The adjustments included in this report will improve this position to a budget shortfall of \$714,503. The shortfall position is considered an un-satisfactory result for the year and as such budgets will need to be closely monitored during the remainder of the year with a view to reducing this shortfall.

### Attachments

1 [View](#). 2015 2016 October Financial Review

## Ensuring Good Governance

**Item: 09.08**

**Subject: ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

**Presented by: Corporate & 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 adopts the Annual Financial Statements for the year ended 30 June 2015, as submitted, together with the Auditor's Report.**

### Executive Summary

The Local Government Act, 1993 requires that Council hold a public meeting for the purpose of considering the Annual Financial Statements, together with the Auditor's Report. These are now presented for Council's consideration.

Council's financial position was better than budgeted for the year. A range of financial ratios measure Council's financial position and allows for comparisons between financial years. These are explained in greater detail in the body of the report.

The Operating Performance ratio is often argued to be the most important ratio as it indicates whether revenue is covering expenses and whether the Council is funding depreciation. In the 2014/2015 year, Council has met this ratio for the first time in a decade.

Council is continuing to meet benchmark across other key ratios which indicate that Council has good cash liquidity and is able to pay debts as they fall due.

Longer term ratios that relate to Council's infrastructure reflect the vast infrastructure network that Council maintains. There has been an improvement in 2014/2015 across these ratios.

There has been a lot of work undertaken over the past several years that have contributed to these results including but not limited to improved asset management, procurement strategy implementation, service reviews and improved budget processes.

A continued focus will need to be applied to ensure that Council can maintain benchmarks that it currently meets, and improve against longer term asset related benchmarks into the future.

## Ensuring Good Governance

### Discussion

#### Background

At a meeting of Council on 19 August 2015 it was resolved:

*RESOLVED: Hawkins/Sargeant*

1. That Council refer to audit the draft Financial Statements as at 30 June 2015.
2. That the Statement by Councillors and Management be signed by the Responsible Accounting Officer, the General Manager, the Mayor and one Councillor as required by the Local Government Act 1993.

*CARRIED: 9/0*

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

*AGAINST: Nil*

Council resolutions 1 and 2 have now been implemented.

Section 418 to 420 of the Local Government Act, 1993 provides that Council must give public notice of its intention to consider the Annual Financial Statements and the Auditor's Report. This notification has been given by way of advertisements placed in local newspapers including Camden Haven Courier, Hastings Gazette and Port Macquarie News.

Section 420 of the Act allows any person to make a written submission on the content of the Annual Financial Statements or the Auditor's report. At the time of writing this report, no submissions had been received. If any submissions are received, they will be distributed prior to the meeting.

The purpose of this report is to present the 2014/15 audited Annual Financial Statements, together with the auditor's report. A copy of the 2014/15 Annual Financial Statements are attached to this report for information.

#### Results for the year

The Income Statement discloses that Council's activities for the 2015 financial year resulted in a net operating surplus of \$29.716 million. This is an increase of \$0.621 million from the previous 2014 result due to a number of variations including the following:

1. An increase in operating grants of \$7.395m. Included in the 2014/15 figures are the receipt of four quarters of financial assistance grant monies. In 2013/14 payments for two quarters only were received as the remaining two repayments were received as an advance payment in 2012/13. In addition, the roads to recovery grant has been reclassified from a capital to an operational grant in this financial year. Grant funding is often one of the main causes of year-on-year variations as it is recognised when it is received and will often not match the timing of the expenditure of those funds.

## Ensuring Good Governance

2. A reduction in Capital grants and contributions of \$18.175 million. Included in the 2014 figures was a grant of \$5m for the airport, along with non-cash asset contributions of \$13.680m compared to \$4.680m for 2015.
3. A reduction in Depreciation of \$3.377m. Desktop revaluations were undertaken for Council's buildings, water and sewerage infrastructure assets by APV Valuers. This resulted in a reduction in depreciation due to the change from a consumption based depreciation to a straight line depreciation in line with all of Council's other asset classes.
4. Other Expenses have reduced by \$2.585m from 2013/14 which had included a \$1.528m write-off of a long term debtor with the NSW Department of Water.
5. Materials and contracts would normally be expected to increase. However, a reduction of \$1.3m from 2013/14 can be attributed in part to the implementation of the procurement strategy.

### Statement of Financial Position

Council's Statement of Financial Position is disclosed in accordance with current accounting standards and reporting requirements of the Local Government Act and its Regulations.




Council's net asset position has reduced by \$449,294 million from the 2013/14 financial year, primarily due to the reduction in infrastructure, property, plant and equipment assets following revaluations. Full asset class revaluations were completed in 2014/15 for Transport and Stormwater assets and desktop revaluations were undertaken for water, sewerage and building assets.

### TCORP Ratios

Since 2013/14 Council is required to include the TCORP ratios in its Annual Financial Statements.

Below are Council's TCORP ratio results for the last three years for the consolidated Council position.

#### 1. *Operating Performance - Consolidated*

	2014/15	2013/14	2012/13
Benchmark	3.71%	-6.88%	-3.70%
Greater than 0%			

Commentary:




This ratio measures a Council's achievement of containing operating expenditure within operating revenue. As it focuses on operating performance, capital grants and contributions are excluded.



## Ensuring Good Governance

This ratio has improved significantly this year, which is in part due to a review of the methodology used in the calculation of depreciation aimed at providing a more robust calculation method.

### 2. Unrestricted Current Ratio




Benchmark	2014/15	2013/14	2012/13
	2.96:1	3.28:1	2.21:1
Greater than 1.5			

Commentary:

This ratio is designed to represent a Council's ability to meet short term obligations as they fall due. If below benchmark it may indicate that Council needs to raise additional funds or liquidate assets to have cash available to meet debts as they fall due.

Council's Unrestricted Current Ratio has reduced from 2013/14 and is above the benchmark of 1.5:1. It should be noted that as with all performance ratios, this figure represents a snapshot in time, which is not necessarily representative of the full position.

### 3. Own Source Operating Revenue

Benchmark	2014/15	2013/14	2012/13
	74.82%	68.66%	66.83%
Greater than 60%			

Commentary:

This ratio measures fiscal flexibility which is the degree of reliance on external funding sources such as operating grants and contributions. A council's fiscal flexibility improves the higher the level of its own source revenue.

Councils' own source revenue ratio has improved since 2013/14 and is above benchmark of 60%.

## Ensuring Good Governance




### 4. Debt Service Cover

Benchmark	2014/15	2013/14	2012/13
	3.69	2.92	3.54
Greater than 2			

Commentary:

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments. Council's result has increased somewhat from last year, however this ratio is influenced by Council's operating result which has increased this year.

### 5. Rates and Annual Charges Outstanding percentage

Benchmark	2014/15	2013/14	2012/13
	6.42%	7.25%	7.73%
No TCorp benchmark			

Commentary:

The purpose of this ratio is to assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts.

Council's general fund ratio (including waste management) for 2014/15 was 6.33% with the Water fund recording the highest ratio at 10.43%. This is due to the fact that accounts are generated constantly and may not be due for payment at year end. Consistent with prescribed methodology, these outstanding amounts must be included in the ratio as they are outstanding at year end. Council will therefore compare unfavourably to councils with no water authority function.

The overall ratio has improved significantly from last year. This is considered a very positive result especially considering Council's rates and annual charges revenue has risen by \$2.457m over the last year.




Recovery action is constantly underway to ensure that Council's collection rates are as high as possible.

It should be noted that there is no TCorp benchmark for outstanding rates, with the Local Government Health Check used as indicator, being as follows:-

Urban - <4% Green,	4-5% Amber,	>5% Red
Rural - <6% Green,	6-9% Amber,	>9% Red

## Ensuring Good Governance




### 6. Cash Expense Cover Ratio

Benchmark	2014/15	2013/14	2012/13
	20.63	15.38	16.58
Greater than 3 months			

#### Commentary:

This liquidity ratio indicates the number of months that Council can continue paying for its immediate expenses without additional cash inflow. This ratio includes all term deposits and with the majority of Council's investments being in term deposits along with high reserve levels this ratio should be well above benchmark at all times.

### 7. Building and Infrastructure Renewal Ratio

Benchmark	2014/15	2013/14	2012/13
	36.09%	31.63%	41.50%
Greater than 100%			

#### Commentary:

This is a longer term indicator of the condition and cost to maintain public infrastructure assets. This ratio is measured by the cost of assets renewals for buildings and infrastructure over the depreciation expense of those assets. The definition of renewals used for the ratio is "replacement of existing assets with equivalent capacity or performance as opposed to the acquisition of new assets". Council often upgrades the capacity of an asset as part of the renewal process. Capacity includes widening a road or bridge, or increasing a load capacity on a bridge. As this capacity work is regarded as an improvement and not renewable these costs are not included within this ratio calculation.




Council has embarked on a process of improving its Asset Management Planning processes in line with the State Government's Integrated Planning & Reporting Framework. These plans provide a strategic framework for assessing and addressing asset management issues (including appropriate Renewals and Maintenance) in future years. Council has placed a priority on the development and upgrade of all Asset Management Plans. Like all Councils, the ability to meet acceptable levels under this benchmark will be limited to the available funding.

This result indicates that in order to improve this ratio, additional funding for the renewal of assets should be a priority over the construction of new assets.



## Ensuring Good Governance

### 8. Infrastructure Backlog Ratio




Benchmark	2014/15	2013/14	2012/13
	7.31%	13.06%	11.38%
Less than 2%			

#### Commentary:

This ratio shows the proportion of backlog against the total value of Council's infrastructure. It is calculated by taking the estimated cost to bring the assets to satisfactory standard over the total value of Infrastructure, building, other structures and depreciable land improvements assets. The estimated cost to bring assets to satisfactory standard (backlog) is the amount of money required to be spent on an asset to ensure it is in a satisfactory standard. This does not include any planned enhancements.

There has been a significant improvement in this ratio for 2014/15. This is in part due to work undertaken by Council staff in conjunction with JRA Consultants in establishing a more robust methodology for calculating the backlog figure.

### 9. Asset Maintenance Ratio




Benchmark	2014/15	2013/14	2012/13
	0.86	0.45	0.41
Greater than 1			

#### Commentary:

This ratio compares the actual versus required annual asset maintenance. A ratio of above 1.0 indicates that the Council is investing enough funds within the year to stop the Infrastructure Backlog from growing.

Whilst Council's position is improving it is still below benchmark levels. Substantial work was undertaken in 2014/15 to calculate the required maintenance and this has seen this ratio improve.

### 10. Capital Expenditure Ratio

Benchmark	2014/15	2013/14	2012/13
	1.02	1.17	1.38
Greater than 1			

## Ensuring Good Governance

### Commentary:

This ratio indicates the extent to which a Council is forecasting to expand its asset base with capital expenditure spent on both new assets and the replacement or renewal of existing assets. It should be noted that with increased capital expenditure comes increased requirements for maintenance expenditure so as this ratio goes up the asset maintenance ratio will come down unless additional funds are allocated to maintenance of assets.

### Options

Not applicable.

### Community Engagement & Internal Consultation

Extensive consultation has taken place with Council's Finance Section and with Council's Auditors. The public have also been notified by way of advertisement.

### Planning & Policy Implications

These Annual Financial Statements are Part C of the Council's Annual Report, legislated under the Integrated Planning and Reporting Framework.

### Financial & Economic Implications

As outlined in the body of this report.

### Attachments

1 [View](#). 2014-15 Annual Financial Statements

## Ensuring Good Governance

**Item: 09.09**

**Subject: QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015**

**Presented by: Corporate & 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 September 2015 quarter.**

### Executive Summary

This report will detail the Quarterly Budget Review Statement (QBRs) for the end of the first quarter of the 2015-16 financial year (July 2015 to September 2015).

### 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 September 2015 quarter for Council's information, which includes the following components:

- Statement by the Responsible Accounting Officer on Council's financial position at the end of the year based on the information in the QBRs
- Budget review of Income and Expenditure in a consolidated format (including performance indicators)
- Budget review of the Capital budget
- Budget review of the cash and investments position
- Budget review of contracts and other expenses
- TCorp Ratios in line with the Local Government Code of Accounting Practice

## Ensuring Good Governance

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:

2. 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.
3. 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 "2015 2016 September 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).*

With the introduction of phased budgeting to capital works in 2015/16, this QBRs further improves the reporting with comparisons to Council's yearly and quarterly budgets.

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

### 1. Income

Income of \$101.3m for the first quarter year to date (YTD) is 108.5% of the YTD budget, representing 58.6% of the \$172.9m annual income budget.

Key points to note are as follows:

- Rates & annual charges income is generally in line with budgeted expectations, being 101.4% of the YTD budget and 95.3% of the annual budget. A small favourable variance of \$0.59m in annual charges for water is due to timing of rebates given to pensioners with a positive variance of \$0.59m for domestic waste charges relating to population growth.
- User fees & charges are at 85.7% of the YTD budget and 21.6% of annual budget. Water user charges in Water are down \$.94m against the YTD budget attributable to the timing of water consumption invoices. Similarly, Aerodrome user fees are also down \$0.3m against the YTD budget. These fees (included passenger tax & security screening fees) can be subject to variations, with payments received in the following month. Elsewhere, planning fees are higher due to increased building and subdivision activity in the area, up by 148% on the YTD budget, representing 37% of the annual budget.
- Interest & investment revenue against the YTD budget is 120%, and at 27% of the annual budget. Investment revenue is noted in the separate Investment report.
- Other Revenues of \$1.4m exceed the YTD budget by 143%, and vary only due to the timing of receipt. Ordinance Services Income (Fines) is currently



## Ensuring Good Governance

below budget and is being investigated further. This income is handled by a third party, the Office of State Revenue, with the timing between payment by the customer and remittance to Council being a key issue.

- Operating Grants & Contributions are 216% of the YTD budget, and 44% of the annual budget. These payments are subject to timing, with some grants paid up front, whilst others paid when acquitted. The early upfront payment of the Financial Assistance Grant of \$5.5m (of the anticipated \$8.7m total) has affected increased percentages.
- Capital Grants received are at 25% of the YTD budget with \$0.19m received for the quarter against YTD budget of \$0.75m. This relates directly to the progress of capital works and timing of payments for grants from the Roads & Maritime Services (RMS), usually paid in arrears. In this instance, the Blackbutt & Lake Road roundabout, budgeted to start in the first quarter is now due to commence October with the water & sewer service relocations.
- Capital Contributions comprise Section 64 & 94 developer contributions which are up significantly on the YTD budget with \$5.79m received against YTD budget \$1.67m. This equates to 43% of the current annual budget with the increased income a result of the significant subdivision developments in the area. Other non-cash contributions include developer provided assets which will not be known until after the end of the financial year.
- Income from the disposal of assets relates to receipts from the sale of plant & equipment. The related processing in the asset register will occur following sign off of the annual financial statements.

### 2. Employee costs

Expenditure for the first quarter in this category is at 90% of the YTD budget.

Variances are considered timing differences and are contingent on other factors such as unfilled positions, when employees take leave and the duration of leave or in the case of workers compensation, whether there have been injury claims made, and if so how many.

The workers' compensation premium remains below the YTD budget by \$0.44m. Budget forecasts remain high with actual premiums determined on actual injury claims. All care is taken to ensure these do not occur, with PMHC working hard to ensure a low claims history.

### 3. Borrowing costs

This quarter the variance is 46.5% of the YTD budget of \$1.14m, which is subject to the timing of payments and receipt of interest payment information.

### 4. Materials & Contracts

Costs expended in the quarter are at 78% of the YTD budget, and 19% of the annual budget. A review of the expenditure across areas showed that there are a number of areas currently underspent. The main areas of note being Environmental Services with \$1.2m relating to the timing of payments primarily for the Remondis organics contract and the JR Richards domestic waste contract \$0.63m.

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It is anticipated that budgets will be spent by the end of the year and therefore it is not appropriate to make any adjustments at this time. This variance can be in large attributed to timing of events.

### 5. Other Expenses

These items are at 75.9% of the YTD budget, with a variance of \$1.0m, mainly relating to the timing of when payments are made for these services. Main areas include electricity & street lighting at \$642k, and the Waste s880 levy of \$241k, where payment for these expected to be made in the next month.

A budget review occurs each month, with appropriate adjustments made. At this stage it is not possible to identify any further savings.

### 6. Net loss from disposal of assets

This section relates to losses which may have occurred from either sale of plant or following capitalisation when an asset is renewed and the old asset disposed. There are no losses to report at this stage as this processing occurs once the annual financial statements are signed off.

### Capital Expenditure

This section now includes a comparison of actual result against the phased capital expenditure budget.

For the first quarter, a total of \$8.8m was expended, being 40% of the YTD budget and 7.6% of the annual budget of \$115.7m. These figures exclude commitments.

### General Fund

The General Fund expended \$4.3m of \$14.2m being 30.6% of the YTD budget and 5.7% of the annual budget. Major projects are on track and variances are considered predominately timing issues. These include:-

- Dunbogan Flood Access Road (variance \$1.5m)
- Stingray Ck Bridge (variance \$0.75m)
- Hastings River Drive - Gordon to Aston (variance \$1.2m)
- Blackbutt Roundabout at Lake Road (variance \$0.5m)
- PM Indoor Stadium (variance of \$1.1m), tender awarded October 2015.
- Houston Mitchell Drive stage 2 & 3 (variance \$1.5m), delayed to the third quarter pending a funding announcement for 'shovel ready' projects, i.e. projects ready to go, but not started.

### Sewer

The Sewer section has a YTD budget variance of \$2.085m. Key variances include:-

- Small Towns Sewer Scheme (STSS) North Shore (variance \$0.814m). This project remains on track with the variance due to the timing of contract payments, ie. payment made in the following month
- STSS Telegraph Point (variance \$0.347m) & STSS Long Flat (variance \$0.196m). Both are currently behind schedule due to the need for the contract specification to be rewritten to allow for more flexibility to tenderers

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- Thrumster Reclaimed Water Interim Supply (variance \$0.5m) with construction just commenced.

### Water

Most projects in Water are on track at this stage with YTD variances in total of \$0.28m, due to timing.

### Waste

The total YTD variance of \$1.2m mainly consists of the Kew Transfer Station (variance \$0.858m). Designs have now been completed with construction due to commence in February 2016.

It should be noted there have been no capitalisation of assets for the new financial year as this cannot commence until the annual financial statements for the 2014-2015 period have been signed off by Council with the assets register on Council accounting system is rolled to the new financial year.

### TCorp Ratios

Council's current position with regard to these ratios has been attached to this report. As previously advised, some ratios cannot be accurately determined until financial year end, so remain estimates only.

Key ratios of note are the Rates and Annual charges outstanding percentage and Infrastructure ratios.

Rates and Annual Charges outstanding percentage - the actual ratio as at 30 June 2015 was 6.42% with this rate this quarter currently estimated at 6.56%. This percentage will be affected by the Water accrual, an end of year adjustment for water used in the current year, but billed in the next year. Staff remain proactive with debt collection, continuing to make considerable effort to reduce this ratio. Historical data indicates that this ratio is continuing to trend downward, being at levels not obtained since 2006-07.

During the last financial year considerable work was undertaken to review the methodologies used in the calculation of the key infrastructure ratios, including the Infrastructure backlog ratio. This has seen improvement in the ratios from the previous financial periods. These ratios remain estimates only for this quarter with more accurate ratios available at year end.

### **Options**

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

### **Community Engagement & Internal Consultation**

Not applicable.

### **Planning & Policy Implications**

Nil.

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### 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](#). 2015 2016 September Quarterly Budget Review Statement - Consultancy Engagements (Confidential)
- 2 [View](#). 2015 2016 September Quarterly Budget Review Statement



## Ensuring Good Governance

**Item: 09.10**

**Subject: FINANCIAL IMPACT OF COST SHIFTING FROM OTHER LEVELS OF GOVERNMENT**

**Presented by: Corporate & Organisational Services, Rebecca Olsen**

### Alignment with Delivery Program

1.5.5 Ensure there is appropriate management of risk for Council and the community.

### RECOMMENDATION

**That information in the Financial Impact of Cost Shifting From Other Levels of Government Report be noted.**

### Executive Summary

At the Ordinary Council meeting held on 21 November 2015, Council resolved:

*RESOLVED: Hawkins/Sargeant*

That Council:

1. Request the General Manager provide a report to the November 2015 Ordinary Meeting of Council on the impact of cost shifting on Council in the 2014-2015 financial year, updating the draft figures provided to Council in May 2015.
2. Request the General Manager provide an updated report to the November 2016 Ordinary Meeting of Council on the impact of cost shifting for the financial year 2015-2016 and annually, including any additional categories of cost-shifting that have been identified.
3. Request that the General Manager give consideration to collecting additional cost shifting information as part of the service review process.

*CARRIED: 8/0*

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

*AGAINST: Nil*

This report details information to address resolution 1.

### Discussion

As defined by Local Government NSW, cost-shifting is described as 'a situation where the responsibility for, or merely the costs of, providing a certain service, concession, asset or regulatory function are 'shifted' from a higher level of government on to a lower level of government without providing corresponding funding or the conferral of corresponding and adequate revenue raising capacity.

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In previous years, Local Government NSW requested on a yearly basis that all NSW Councils complete a cost-shifting survey to establish the extent of cost-shifting by the Australian and NSW Governments onto NSW Local Government. From this, Local Government NSW collated and then published the results in a yearly survey report. It should be noted that cost shifting data has just been reported to Local Government NSW for the 2013-14 financial year.

The most recent published Council Survey report "LGNSW, The Impact of Cost Shifting on Local Government in NSW - A Survey of Councils 2011-12" (released 2013) highlighted that the survey confirms that cost-shifting continues to place a significant burden on councils' financial situation. Despite the recognition of cost-shifting and its adverse impacts on NSW Local Government, cost-shifting remains at a high level (around 6 per cent of council's total income before capital amounts).

### Port Macquarie-Hastings Council

Using the Cost Shifting Survey as the basis, cost-shifting numbers have been updated to reflect actual costs for 2013-14, 2014-15 and projections for 2015-16. These revisions indicate the cost-shifting burden for Council is consistently over \$6m with the potential of increasing to \$6.9m by 2015-16.

	2013/2014 <i>Actuals</i>	2014/2015 <i>Actuals</i>	2015/2016 <i>Estimate</i>
Items as per DLG Return	\$	\$	\$
Contribution to NSW Fire Brigade	314,974	314,202	336,600
Contribution to NSW State Emergency Services	100,836	111,214	100,000
Contribution to Rural Fire Service	210,316	296,705	492,959
Pensioner Rates Rebates	1,523,598	1,541,201	1,526,000
Public Library Operations	645,168	707,105	721,086
Onsite Sewerage Facilities	17,746	16,626	150,139
Administration of the Companion Animals Act	161,681	198,869	176,004
Functions as Local Control Authority for Noxious Weeds	249,517	243,857	252,511
Functions under the Rural Fires Act	679	79,877	121,600
Immigration Services & Citizenship Ceremonies	3,974	4,052	4,600
Administering Food Safety Regulations	35,599	13,152	30,538
Community Safety	11,508	4,092	8,000
Flood Mitigation Programme	60,467	22,856	58,460
Road Safety	52,373	38,771	64,520
Community & Human Services	411,621	465,059	445,206
Waste Levy	2,814,394	2,288,103	2,390,048
Sewerage Treatment System Licence Fee	122,808	94,455	123,000
Waste Management Site License Fee	8,927	9,401	9,800
Processing of DA Fees	(240,480)	(396,876)	(34,550)
<b>Totals</b>	<b>6,505,705</b>	<b>6,052,721</b>	<b>6,976,521</b>

In addition to the items noted above, a number of other categories have been identified that could also be deemed to be costs levied on Local Government by other levels of government, noting that these costs are not currently included within the cost shifting survey. It should be noted that this list may not be exhaustive.

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Cost of Fluoridation	115,028	126,280	130,068
Cost of Maintaining Crown Reserves	1,419,500	1,577,000	1,739,431
<b>Totals</b>	<b>1,534,528</b>	<b>1,703,280</b>	<b>1,869,499</b>

The addition of these items will collectively increase the cost-shifting burden for Council to \$8m in 2013-14, \$7.8m in 2014-15 and an estimated \$8.8m by 2015-16.

### Service Reviews

Should any additional cost shifting burdens be identified within the service reviews, these will be included in the November 2016 report.

### **Options**

This report is for information purposes.

### **Community Engagement & Internal Consultation**

There has been no community engagement. Discussions have occurred with the Group Manager Financial Services and Director Corporate and Organisational Services.

### **Planning & Policy Implications**

There are no planning & policy implications.

### **Financial & Economic Implications**

This report discusses Council's position from 2013-14 to projected 2015-16 with regard to cost-shifting imposed on Council from both the Federal and NSW Governments.

Whilst this cost-shifting does have an effect on Council's financial position and ability to deliver to the community, there are no direct financial or economic implications in the immediate term as a result of this report.

### **Attachments**

Nil

## Ensuring Good Governance

**Item: 09.11**

**Subject: ZERO BASED BUDGETING**

**Presented by: Corporate & 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. Note the information contained within the report.**
- 2. Adopt Option 3 being a trial of the Zero Based Budgeting approach for a select number of Council services with a further report to be provided to Council detailing findings and further recommendations.**

### Executive Summary

At the Ordinary Council Meeting held on 16 September 2015, Council resolved:

RESOLVED: Hawkins/Sargeant

That the General Manager bring a report back to the November meeting of Council on the benefits and impacts of implementing a zero based budgeting approach and the potential alignment of this approach to the current service level work being undertaken

*CARRIED: 8/0*

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

*AGAINST: Nil*

This report will explore the benefits and impacts of implementing the zero based budgeting approach with discussion as to how this could be implemented within the current service level work being undertaken.

### Discussion

Zero based budgeting (ZBB) is regarded as an alternative budgeting approach to the more commonly adopted, incremental budgeting. With incremental budgeting, each department begins with a base budget template to which a yearly incremental increase is automatically approved.

ZBB alternatively starts the budgeting process with an absolute zero budget with each individual expenditure line (whether new or existing) requiring justification to support inclusion into the budget. This review process assesses only the future needs with no reference made to any previous level of expenditure. The result being



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a full evaluation and justification of existing activities with non required activities removed.

A number of benefits to ZBB are identified, including:

1. Potential exists for the better allocation of resources based on a needs and benefits basis, rather than historical. This could allow Council to review, understand and if required, reconstruct its services so that it can deliver them to an agreed service level, rather than accepting current delivery as the norm and incrementally increasing budgets year on year.
2. Financial resources are based on planning requirements.
3. As expenditure must be tied to activities, ZBB has the potential to detect inflated budgets and areas of unnecessary spend.
4. Managers are required to identify ways to perform each activity (such as keeping it in-house or outsourcing it) as well as the effects of different levels of spending. By forcing the development of these alternatives, the process makes managers consider other ways to run the business.
5. Non key activities can be detected for elimination or outsourcing.
6. The likelihood is increased that all aspects of a company will be examined periodically.

Many of the advantages of ZBB are currently being addressed by the Service Review project.

Whilst benefits do exist for ZBB these must be balanced against the potential impacts of ZBB to Council. The main downside of zero-based budgeting is the exceptionally high level of effort required to investigate and document activities. Hence, this can be a difficult task on an annual basis which causes many entities to only use this approach every few years, or when there are significant changes within an organisation. Another alternative is to use the approach on a rolling basis through the organisation over time so that the organisation is dealing with a smaller amount of review per year.

Other drawbacks include:

1. The process of ZBB is more resource intensive than the traditional incremental budgeting requiring a greater amount of analysis, meetings and reporting. This impact will predominantly be felt across the senior levels of management across the organisation.
2. Due to the sophisticated nature of the process, it requires budget holders to be fully conversant and engaged with the financial management of their budget areas. Whilst it is recognised that the work undertaken within the service review project (ie. service summaries and service levels) and service level reviews have provided Group Managers with greater transparency and understanding of their areas, more specific training may be required.
3. Whilst savings may be identified, the process may also identify requirement for further growth and potentially additional cost to budgets.
4. ZBB will be more effective within task based areas, as project based areas should in essence be undertaking some form of ZBB with budgets and resources determined based on the project required to be delivered each year.
5. ZBB has the potential to reward short term thinking through the shifting of resources to areas that will generate revenues in the shorter term, as opposed to longer term planning and investments.

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6. With a new budget allocation commenced each year, there may be annual conflicts between departments regarding budget allocation.

### Case Study - Melbourne City Council

Melbourne City Council, as an example, have introduced a zero based approach to budgeting. Given the size of the Council and impact on resourcing, rather than taking a full council approach, the implementation of zero based budgeting was staged across the organisation over a number of years.

Tailoring the process to each department, one department adopted for its initial phase of the process a concentrated time and motion study of all employees tracking each task by time and volume for a set period of time. This was then repeated to ensure consistency of data and identify any abnormalities. Utilising these actual data results, a further continuous improvement process (the 'Lean' principle) was implemented to assess whether any opportunities for realignment of responsibilities could be made to achieve greater efficiencies.

This ZBB process averaged six months duration achieving positive results including enhanced transparency of Council expenditure, detailed justifications for budget allocations and an increased level of savings. This was particular in the area of staff costs which identified a number of task duplications. This process was however resource intensive.

It was noted that this process could allow the opportunity for the manipulation of numbers to either maintain or demonstrate a need for further staff to current levels, a negative which would require monitoring.

### Current Council position

Council currently adopts an incremental budgeting approach, utilising the previous year's budget allocations. Whilst this standard incremental budgeting approach may be seen to carry budgets that could be deemed out of date and no longer relating to the priorities of the department, Council has implemented a number of additional measures to its budgeting process over the past few years to eliminate this potential for budgetary slack.

Over the last three years Council has not provided a general uplift across all budgets but rather only on a case by case basis. One on one budget meetings with Group Managers has provided the opportunity for each budget to be interrogated on a line by line basis allowing Group Managers to justify all expenditure including any uplift requests. This has ensured that budgets remain current and in line with the changing circumstances and Council priorities.

As part of Council's service review project (lead by Council's Business Improvement Office (BIO), Council is now defining levels of service across all its public facing services. This comprehensive review aims to determine the associated costs to current levels which will allow further consideration against increased or decreased service options.

In addition, there are other considerations prior to any potential implementation of a ZBB process. These include:-

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**Lessons learnt from BIO service reviews** - The success of the BIO Phase 1 service review project was a result of a clear coordinated approach, lead by the BIO team who maintained a level of independence by controlling the process and not the content. The central coordination of the process by the BIO team ensured consistency with input and interpretation. It would be imperative that a ZBB approach would also require centralised coordination, led by the Finance team.

**Resourcing implications** - Whilst the process would require a central coordinated approach, the implementation of the ZBB would place further resourcing demands on Group Managers. For the success of the process, it is critical that a coordinated approach is taken. Additional staff would be required to monitor and assemble the data and act as a reference point to ensure consistency in interpretation and direction.

This report has considered a number of options for Council's consideration:-

### Option 1 - Current process - incremental budgeting

That Council maintains its current incremental budget process and its continued identification of opportunities for improvement. This will ensure that budgets are not deemed out of date but through the additional processes are justified, streamlined and maintained in accordance with changing circumstances and Council's current priorities. This option is at no additional cost to Council.

The service review work currently being undertaken would continue as planned.

### Option 2 - Full Council ZBB review on a yearly basis

ZBB performed on a yearly basis would be resource intensive and costly to Council.

This option involves the implementation of ZBB on a yearly basis across the entire Council. The approach taken by Melbourne City Council foreshadows a potential 6 month time frame per service.

With a total of 32 high level Council services requiring simultaneous coordination, there would be an additional resourcing requirement of approximately five project coordinators. Based on the recruitment of personnel with a level of financial and business improvement knowledge, the yearly cost to Council for these project coordinators could be in the vicinity of \$700,000 (5 x \$140,000/year). The project would be driven by the Finance Team. In addition to these costs, significant workload demands would be placed on Group Managers annually on top of existing workloads.

It could be argued that once a service has undergone zero based budgeting, repeating the process in the following year is unlikely to achieve additional significant results, and phases of incremental budgeting between ZBB periods may achieve the best balance between ZBB benefits whilst containing resourcing costs. Hence, It is not recommended that this Option be considered.

The earliest that this Option could be implemented (with additional resourcing) would be the 2017/2018 budget cycle.

The service review work currently being undertaken would continue as planned, with results informing the ZBB approach, and vice-versa where possible.

## Ensuring Good Governance

### Option 3 - A mixed ZBB/incremental budgeting approach commencing with a 12 month trial (4 services).

An alternative is a mixed approach where each service would be required to implement ZBB over time, and between ZBB cycles services would be subject to incremental budgeting. This would enable the benefits of ZBB to be realised without the annual resourcing cost.

This approach will still have a resourcing impact and would require a coordinated centralised approach driven by the Finance Team. This independent yet centralised approach would own both the coordination and control of the process.

It is envisaged that 4 - 6 services (dependent on services selected) could be reviewed on an annual basis.

The implementation of ZBB provides uncertainty as to the financial and resourcing impact to Council. Therefore it is recommended that a trial of the ZBB approach be undertaken of a select number of services as a means of ascertaining this position. A 12 month trial could be implemented which would entail the selection of four to six (4-6) services to undertake zero based budgeting. The results of which would ultimately form part of the 2017/2018 budget.

A further report would be submitted to Council in March 2017 outlining the results of the trial, including resourcing impacts and benefits, with a recommendation for the future budget approach.

The trial would require the temporary appointment of a project coordinator at an estimated yearly cost to Council of \$140,000.

The service review work currently being undertaken would continue as planned, with results informing the ZBB approach, and vice-versa where possible. For the trial, consideration would be given to the selection of services identified that aligns to the service level project to maximise benefit.

### **Options**

A number of options are outlined in the body of the report.

Council can adopt:

Option 1 - retain incremental budgeting.

Option 2 - full zero based budgeting across Council on an annual basis.

Option 3 - a mixed approach commencing with a trial.

Option 3 is the recommended option for Council being a trial of the mixed approach for a select number of departments with a further report provided to Council detailing findings and further recommendations for Council consideration.



## Ensuring Good Governance

### Community Engagement & Internal Consultation

There has been no community consultation in the preparation of this report.

There has been internal consultation between the Group Manager Financial Services, Director Corporate and Organisational Services and the Business Improvement team.

### Planning & Policy Implications

There are currently no planning or policy implications.

### Financial & Economic Implications

There are currently no financial or economic implications.

Should Council consider the implementation of the Options discussed, there will be financial implication to Council's budget position with the requirement for additional resourcing. The cost to Council for the recruitment of each additional project coordinators with the required financial and business improvement knowledge would be in the vicinity of \$140,000.

### Attachments

Nil

## Ensuring Good Governance

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**Item:** 09.12

**Subject:** QUESTION ON NOTICE - ENERGY STRATEGY

**Presented by:** Development & Environment Services, Matt Rogers

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### RECOMMENDATION

**That Council seek advice from an appropriate energy expert/s on current and future opportunities and options for the development of a long-term energy strategy.**

#### Question from Councillor Turner:

Can the General Manager please advise what Council's plans are to develop an energy strategy for the future?

#### Comments by Councillor (if provided):

Nil.

#### Response

At this point in time, Council has no formal plans to develop an energy strategy.

As Councillors would be aware, there have been discussions on the issue of renewable energy and as a result the Future Planning Portfolio have developed a draft Renewable Energy Policy for discussion with Councillors.

Informal discussions have also been held with a number of Councillors on engaging more broadly in renewable energy opportunities and the option of seeking expert advice in this regard.

Should Council wish to pursue a broader energy strategy, it is recommended that further discussions be held to determine opportunities and the scope of further work. Council would then be in a position to consider including the development of an energy strategy in the 2016 - 2017 Operational Plan.

#### Attachments

Nil

## Ensuring Good Governance

**Item: 09.13**

**Subject: COAST, ESTUARY & FLOODPLAIN ADVISORY SUB-COMMITTEE CHARTER**

**Presented by: Development & Environment Services, Matt Rogers**

### 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 adopt the Port Macquarie-Hastings Coast, Estuary & Floodplain Advisory Sub-Committee Charter as outlined in this report.**

### Executive Summary

The Coast, Estuary & Floodplain Advisory Sub-Committee met on 29 September 2015 and reached consensus that a new Sub-Committee Charter be drafted, emailed to members for comments and then presented to Council for adoption.

This report provides a draft charter for consideration by Council following consultation with Sub-Committee Members.

### Discussion

As a result of the merger of the Port Macquarie-Hastings LGA Coast & Estuaries Sub-Committee and the Port Macquarie-Hastings LGA Floodplain Sub-Committee a new charter is required.

The Coast, Estuary & Floodplain Advisory Sub-Committee considered this matter at its meeting held on 29 September 2015 and reached consensus as follows:

### CONSENSUS:

*That a draft Charter, based on the format of the former PMH Coast & Estuaries Sub-committee charter, be emailed to members for comment and then be reported to Council for consideration.*

In accordance with the above, staff drafted a new charter based on the previous Coast & Estuary Sub-committee charter and included references to floodplain management.

Comments were sought from Sub-Committee members as outlined in the Engagement and Consultation heading below.

## Ensuring Good Governance

The following charter is now presented to Council for adoption:

### Coast, Estuary & Floodplain Advisory Sub-Committee Charter

- Advise Council on conditions and management issues for the coast, estuaries and floodplains of the Port Macquarie-Hastings local government area.
- Advise Council on the development of coastal zone, estuary and floodplain risk management plans for the Port Macquarie-Hastings local government area.
- Advise Council on the implementation of adopted coastal zone, estuary and floodplain risk management plans.
- Act as a committee for the purpose of relevant NSW guidelines as they relate to estuary, coastline and floodplain management.

### **Options**

Council has a number of options in relation to this matter including:

- Adopting the Charter as proposed.
- Adopting an amended Charter.
- Deferring this matter for further consultation among Councillors and/or with Sub-Committee Members.

It is recommended that the Charter be adopted as outlined above.

### **Community Engagement & Internal Consultation**

The revision of the charter has been discussed at previous meetings of each Sub-committee with the final format of the draft charter being discussed at the first meeting of the merged Sub-committee.

It was agreed that staff would draft a new charter based on the previous Coast & Estuary Sub-committee charter and expand it to include reference to floodplain management.

The revised charter was drafted and then issued to all Sub-committee members for review and input prior reporting the charter to Council for adoption. Two weeks were provided for members to review and provide feedback.

Four Sub-committee members, including the Chair, responded positively to the charter and suggested that it be adopted as drafted.

Constructive feedback was received from the Sub-committee's DPI - Lands representative resulting in minor changes being made to the final wording of the charter as a result of the suggestion.

### **Planning & Policy Implications**

This matter has no planning or policy implications.

## **Ensuring Good Governance**

### **Financial & Economic Implications**

This matter has no financial or economic implications.

### **Attachments**

Nil

## Ensuring Good Governance

**Item: 09.14**

**Subject: 2015-2016 OPERATIONAL PLAN QUARTERLY PROGRESS REPORT  
AS AT 30 SEPTEMBER 2015.**

**Presented by: Community & Economic Growth, Tricia Bulic**

### Alignment with Delivery Program

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

### RECOMMENDATION

**That Council note the 2015-2016 Operational Plan Quarterly Progress Report as at 30 September 2015.**

### Executive Summary

This quarterly progress report covers the period between 1 July 2015 to 30 September 2015. The report assesses Council's delivery against the actions and performance measures adopted in the 2015-2016 Operational Plan. It seeks to provide concise and accurate information about what Council has delivered in the first quarter of the financial year.

Meeting the targets and performance measures in the annual Operational Plan contributes to the achievement of the overall 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 2016.

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 is then listed according to each Focus Area.

The attachment provides the full 2015-2016 Operational Performance Report, which includes a comprehensive listing of each individual Operational Plan 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.



## Ensuring Good Governance

### Discussion

#### Overview: 2015-2016 Operational Plan - Quarterly Progress Report

The 2015-2016 Operational Plan contains 357 actions with the total number of performance measures being 455. The attachment provides details of the Operational Plan action and commentary against progress in quarter one.

As at 30 September 2015 the end of quarter one, 87% of Operational Plan actions are on target, including those not scheduled to commence, with the remaining portion recorded as behind target or behind schedule.

2015-2016 Operational Plan Summary of performance measures by Focus Area				
Focus Area	Total number performance measures	Measures that are behind	Measures that are on target	Overall % of delivery
Governance	78	7	71	91%
People	85	5	80	94%
Prosper	43	4	39	91%
Environment	28	2	26	93%
Infrastructure	221	40	181	82%
Totals	455	58	397	87%

#### Detailed Analysis by Focus Area

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

#### Guiding Principle - Ensuring good governance

Focus Area	Performance Measures	Behind target	On target
Ensuring good governance	78	7	71

#### Highlights

- Council Matters advertising now printed in the Port Express local paper to increase readership from 15,000 to 30,000 readers
- Over 100 media releases, media statements, media alerts and community announcements were distributed.
- Over 3,600 people are following on Council's social media platform, which is an increase of 13% in the first quarter and over 2,600 users registered to the PMHC listening online engagement tool



## Ensuring Good Governance

- A range of community engagement activities were conducted during the quarter, discussing topics such as, playground upgrades, Hastings River Drive improvements, war memorial relocation and community sessions with business users about commercial activities on public land.
- Investment returns exceeded the Office of Local Government benchmarks
- Preparation of Councils 2014-2015 financial statements complete
- Over 23,000 calls and 24,000 counter transactions were processed by the customer service branches across the region.
- Waste campaign conducted for residents to upgrade the yellow bin service with over 800 residents taking up the option
- Over 320 Development Applications, Construction Certificates and Complying Development Certificates were determined from July 2015-September 2015 within the agreed processing times

### Operational Plan Actions Behind Target

- The e-connect newsletter was not delivered during the first quarter as the community connect newsletter was distributed with rates notices to residents
- Review of the current Community Reference Group membership is behind schedule and has been deferred to November due to staff resourcing
- Lunchtime conversations across the Local Government Area has been rescheduled to November to be in line with Stage 2 of the Your Voice Our Community engagement program
- Implementation of the Councillor Training plan is currently behind target as scheduling is yet to be complete.
- The Listening and Engaging with our Community program was postponed in Laurieton in August, however has been rescheduled to 2016.
- The review of best practice approaches to Council business intelligence and reporting is currently behind schedule; however, initial planning work has begun.
- Construction of the new works depot is behind schedule due to limited project management resourcing, the tender documentation has also been delayed

### Focus Area - Looking after our people

Focus Area	Performance Measures	Behind target	On target
Looking after our people	85	5	80

### Highlights

- Building related complaints, environmental issues, on-site sewer management and compliance issues all responded to above the set service standard
- Over 200 risk based audit inspections carried out in relation to on-site sewer management
- Implementation of strategies from the Disability Action Plan included Dementia By Design Forum with over 80 people attending and commencement of project planning for wheelchair accessible platform at Lake Cathie
- A successful NAIDOC Week supported

## Ensuring Good Governance

- Community engagement and consultation around the Cultural Plan has commenced
- Over 170 reserve bookings and sports field allocations have been processed during the first quarter
- Eight Performing Art events have been presented at the Glasshouse including Erth's Dinosaur Zoo, Hamlet by Bell Shakespeare and I am Jack
- Nine visual arts exhibitions opened at the Glasshouse, some of which included Jada, Karla Dickens and the Postcard show
- The 2014-2015 Mayors Sporting Fund Annual Report was presented to Council in September. Over \$15,000 was provided to support young local athletes across the region
- Sports forums regarding recreation services have been held in Wauchope and the Camden Haven

### Operational Plan Actions Behind Target

- Slightly behind target completing fire safety inspections, however the annual target is expected to be achieved
- Behind set service standards for responding to public health issues due to staff resourcing
- Due to competing priorities the aboriginal interagency meetings were not attended in August and September
- Acquisition and collection to expand the Artwork collection is on hold pending the Collection Management Policy review
- The Library Local Priority Grant is currently behind schedule as focus is on expending the Library Development Grant

### Focus Area - Helping our community prosper

Focus Area	Performance measures	Behind target/schedule	On target
Helping our community prosper	43	4	39

### Highlights

- Implementation of actions within the Construction, Manufacturing and Transport and Warehouse Industry Action Plans continues
- Implementation of the ticketing system and website review for the Glasshouse is ongoing
- Currently there are over 1,000 members in the Glasshouse Membership Program
- Over 64,000 people have visited the Glasshouse in the first quarter
- A 22% positive variation to the operating income budget at the Glasshouse was recorded for the first quarter
- A review of the Event Development Sponsorship Program was completed with key stakeholders
- Implementation of actions from the Major Events Strategic Action Plan included continuing to link major events and destination/place marketing, promotion of capacity to host major events and advocate for major events which offer hosting opportunities across the region

## Ensuring Good Governance

- Four major events have been staged and supported this quarter which included NSW Junior State surfing titles, Three Rivers Mini Marathon, Ekam Yoga Festival and King of the Mountain Fun Run
- Marketing campaign results indicate a 5% increase in visitor numbers compared to the same period last year

### Operational Plan Actions Behind Target

- Operating revenue of Council business units including the Airport, Crematorium and the Glasshouse is behind target
- Preparation of the draft planning proposal for amendments to the business park near Port Macquarie Airport is behind schedule due to delayed submission of bio certification assessments and is now pending response from the NSW Office of Environment and Heritage
- Business proposal for establishment of a Property Business Unit has been delayed pending resourcing of the Property Development Manager
- Preparation of planning amendments to Major Innes Rd/Charles Sturt University Precinct and surrounds is dependent on results of the landfill gas migration study

### Focus Area - Looking after our environment

Focus Area	Performance measures	Behind target/schedule	On target
Looking after our environment	28	2	26

### Highlights

- Over 200 hectares of land has been treated for invasive weeds and over 190kms of weed dispersal routes were treated on roads across the region and including Pappinbarra, Thone River, Comboyne and Wingham Roads
- Over 400 hectares of bush regeneration has been undertaken on Christmas Bells Plains, Lighthouse and Dunbogan beach as part of the Bio-Fund Coastal Corridor project
- Over 500 customer requests have been taken in relation to tree management requirements
- Initial analysis for preparation of the Koala Plan of Management is complete
- Review of Development Contribution Plans for compliance with new legislation is ongoing with project plan prepared
- Development of a Flood Awareness Program has commenced

### Operational Plan Actions Behind Target

- Construction of the Kew Transfer station is yet to commence pending detailed design finalisation and approvals
- Slightly behind target meeting the effluent requirements of the Environmental Protection Licence due to a discharge at a sewerage treatment plant during the reporting period.

## Ensuring Good Governance

### Focus Area: Planning and providing our infrastructure

Focus Area	Performance measures	Behind target/schedule	On target
Planning and providing our infrastructure	221	40	181

### Highlights

- Picnic shelter and BBQ's upgrades at Bartlett's Beach Reserve complete
- Completion of the Wauchope Skate Park upgrade
- Rising main construction associated with Stingray Creek bridge along Ocean Drive from North Haven is complete
- Preliminary sewer main upgrades associated with Stingray Creek bridge have been complete
- New trailer mounted 400KVa generator purchase complete and ready for use
- Refurbishment of the extended aeration tank at Port Macquarie Sewer Treatment Plant complete
- Short Street drainage investigation works complete
- Preconstruction design works for Ocean Drive duplication - Greenmeadows Drive south to Matthew Flinders underway
- Hastings River Drive upgrade works on track to commence in October
- Beechwood Road construction from Bains Bridge to Rosewood Road complete
- Road resealing program on target with works planned to commence in November 2015
- Schools to schools footpath program ongoing with works continuing east from Camden Haven High School
- Annual maintenance programs including sealed and unsealed roads, vegetation management, furnishing, road drainage, bridge and culverts maintenance and repairs are on target
- Major slipping of the Settlement Point vehicular ferry on track and planned to commence in October
- Concept of landscaping complete for redevelopment of Goal Point
- Preliminary designs underway for heat pump replacement at Port Macquarie pool
- Maintenance programs for parks, reserves, sporting fields and beaches are ongoing and on target
- An issues paper currently being finalised for public exhibition commencing in October on the draft structure plan for future urban land release at Wauchope

### Operational Plan Actions Behind Target

- Construction of Town Square is pending detailed designs and further discussion with the Town Centre Master Plan committee to determine priorities
- Preconstruction and design for the Works Depot relocation is behind schedule due to limited project management resourcing, with options currently being investigated
- Detailed designs for dual lanes at Lake Road Port Macquarie has initial concepts for Stage 1 (Ocean Drive to Chestnut Road) underway



## Ensuring Good Governance

- Signage installation as part of the Town Centre Master Plan works is behind schedule, recommendation from of signage audit will inform changes required
- Commencement of Stages 2 and 3 for Houston Mitchell/Ocean Drive roundabout is delayed pending National Stronger Roads funding application
- Kooloonbung Creek pedestrian paths (south of William St) Town Centre Master Plan works is behind pending finalisation of changes to scope of works
- Design works for the pedestrian refuges at Bonny Hills, Lake Cathie and Laurieton are underway, however construction of projects are subject to budget constraints
- Service relocations are underway for works relating to the Lake Road intersection with civil road works expected to commence early 2016 subject to construction contract tender process
- Port Macquarie Indoor Stadium upgrade and extension pending confirmation of construction tender
- Flynn's Beach sea wall upgrade is pending announcement of additional Coastal Grant funding which is expected towards year end
- Preparation of contract documents for Wauchope swimming pool upgrade is underway with tender advertising expected late in 2015
- Westport boat ramp Stage 2 upgrade is expected in April 2016 with a project plan currently being developed
- New amenities block at Bonny Hills Community Hall Reserve is under review with options being developed for design and construction within allocated funds and is under review
- Construction of Town Beach public toilets is pending detailed designs and approvals
- Additional funding is being sought to allow for full scope of works for replacement of the revetment wall and boat ramp repairs at Dunbogen Reserve
- Implementation of the Town Green Master Plan is behind schedule due to other project demands
- Replacement of playground equipment at Pappinbarra Reserve is behind schedule due to competing priorities in the works program
- Replacement of floodlighting and associated works at Findlay Park, Lake Cathie Sporting Complex, Stuart Park and Wood Street Sportsfields, Tuffins Lane and Vince Inmon Sporting Complex are pending approval of project plans
- Community consultation will occur and coincide with the release of exhibition documents for the Mid North Coast Regional Strategy which is likely to be in early 2016
- The draft planning amendments for urban land release at South Lindfield is behind as liaison with landowners occurred later than anticipated, report to Council now planned for November 2015
- Draft planning amendments for neighbourhood planning at Thrumster (Area 13) is pending principle agreement with Roads and Maritime Services. The revised draft of Koala Plan of Management (KPoM) is on hold until the Coastal Areas KPoM is more advanced
- The staged review of the Port Macquarie-Hastings Local Environmental Plan 2011 will be presented to Council in October, slightly behind the September target

## Ensuring Good Governance

- The ongoing review of the Port Macquarie-Hastings Development Control Plan 2013 is on hold pending higher priority of program of works associated with preparation of the Draft Growth Strategy
- The upgrade to the Camden Haven Sewer Pump Station 22 is pending changes to land titles. The application has been submitted to Crown Lands
- Council resolved in July to rewrite contract specifications to allow for greater tender flexibility which will impact on program timing for small town sewerage schemes at Comboyne, Long Flat and Telegraph Point
- Stormwater remediation works at Kendall - Batar Creek Road system and Calwalla Cres have commenced detailed designs with finalisation expected in early 2016
- Property matters associated with stormwater remediation works at Skyline Terrace Bonny Hills and Blackbutt Creek Wauchope is delaying commencement

1.

### 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 table under separate cover and reflects the financial implications of these actions.

### Attachments

1 [View](#). 2015-2016 Operational Plan Quarterly Progress Report as at 30 September 2015

## Ensuring Good Governance

**Item: 09.15**

**Subject: 2014-2015 ANNUAL REPORT**

**Presented by: Community & Economic Growth, Tricia Bulic**

### Alignment with Delivery Program

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

### RECOMMENDATION

**That Council:**

- 1. Adopt the 2014-2015 Annual Report, comprising Parts A, B and C.**
- 2. Submit the adopted 2014-2015 Annual Report to the Minister for Local Government by the 30 November 2015.**
- 3. Publish the adopted 2014-2015 Annual Report on Council's website and make copies of the report available at all Council Offices and Libraries.**
- 4. Note distribution proposal for Part A Community Report Card 2014-2015.**

### Executive Summary

The Annual Report is the key reporting document for Council to keep the community informed as to what was achieved in the financial year. By reporting on the actions undertaken against the 2014-2015 Operational Plan the community and Council can assess the progress of Council's broader objectives as stated in the 2013-2017 Delivery Program.

Under Section 428 of the Local Government Act (1993) Council is required to submit its Annual Report to the Office of Local Government no later than the 30 November each year.

Part A of the Annual Report is a summary of the key achievements against the Operational Plan actions and Delivery Program objectives. This Community Report Card also contains a snapshot of community satisfaction statistics and the financial position. The document has been expanded to include case studies of major initiatives and aims to give the community an overview that is both interesting and informative.

Part B contains the statutory detail that Council is required to provide under the *Local Government Act (1993)* and *Local Government (General) Regulation (2005)* and the requirements of the New South Wales Integrated Planning and Reporting Framework. This information gives a technical insight into the legislated obligations that Council must meet each year.

Part C consists of the audited financial statements which give the public a very detailed insight into the financial management of the organisation.



## Ensuring Good Governance

### Discussion

In accordance with Section 428 of the Local Government Act (1993) and Local Government (General) Regulation (2005), Council must, within 5 months of the end of each financial year, prepare an Annual Report which must include its audited financial statements, a range of statutory requirements and outline achievements in implementing the Delivery Program. This includes the achievements in achieving the Operational Plan actions which contribute to the overall Delivery Program objectives.

This report is separated into three parts;

Part A of the Annual Report, the Community Report Card is a reader friendly summary that provides an overview of the key achievements against the Operational Plan actions and Delivery Program objectives. Council has produced the Community Report Card for the previous two years to coincide with the Annual Report. The document has been expanded upon this year to reference the community satisfaction survey, increased financial detail and case studies on major initiatives conducted throughout 2014-2015.

The distribution proposal for the Community Report Card will see it made available on Councils website, with reference hard copies available from Council offices and libraries. Printed copies will also be made available to Councillors for their distribution to community groups and networks, with additional copies used in coming months as a reference tool for community engagement activities.

Part B is a compilation of reporting details to meet statutory requirements including:

- Outlining achievements in implementing the 2013-2017 Delivery Program and 2014-2015 Operational Plan.
- Amount of rates and charges written off during the year.
- Total cost during the year of the payment of expenses and the provision of facilities to Councillors, in relation to their civic functions.
- Details of overseas visits by Councillors, Council staff or other persons representing Council.
- Details of contracts awarded for amounts greater than \$150,000.
- Summary of the amounts incurred by the Council in relation to legal proceedings.
- Summary of resolutions made under Section 67 of the Local Government Act concerning work carried out on private land.
- Statement of all external bodies that exercised functions delegated by Council.
- Statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies in which Council held a controlling interest.
- Statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies in which the Council participated.
- Total amount of grants, financial assistance and contributions made by Council.
- Statement of activities to implement Council's Equal Employment Opportunity management plan.

## Ensuring Good Governance

- Statement of the total remuneration comprised in the remuneration package of the General Manager.
- Statement of the total remuneration comprised in remuneration packages of all senior staff members.
- A statement detailing the stormwater management services provided.
- A statement detailing the coastal protection services provided.
- Particulars of any environmental upgrade agreement entered into.
- Report on special rate variation expenditure.
- Statement on activities relating to enforcing and ensuring compliance with the Companion Animals Act.
- Statement on Public Interest Disclosures.
- Information included on Government Information Public Access (GIPA) activity.
- Particulars of compliance with and effect of planning agreements in force during the year under the Environmental Planning and Assessment Act.

Part C of the Annual Report is made up of Council's audited financial statements. These statements are being presented to Council under separate cover at the November Ordinary Council meeting.

The development of the Annual Report 2014-2015 completes the suite of reporting documents Council is required to deliver for the 2014-2015 financial year under the Integrated Planning and Reporting framework of the Local Government Act (1993).

### Options

Council could seek additional information on the Annual Report.

### Community Engagement & Internal Consultation

- General Manager
- Directors
- Group Managers and relevant staff

### Planning & Policy Implications

The submission of the Annual Report meets Council's legislative requirements under the Local Government Act (1993) and Local Government (General) Regulation (2005) .

### Financial & Economic Implications

Nil directly to this report, noting Financial Statements under separate cover.

### Attachments

- 1 [View](#). 2014-2015 Annual Report - PART A - Community Report Card
- 2 [View](#). 2014-2015 Annual Report - PART B - Statutory Detail
- 3 [View](#). 2014-2015 Annual Report - PART C - Financial Statements

## 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

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**Item: 10.01**

**Subject: WAUCHOPE MAIN STREET PLAN - EXHIBITION**

**Presented by: Community & Economic Growth, Tricia Bulic**

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### **Alignment with Delivery Program**

2.1.1 Provide leadership in implementing safety initiatives.

### **RECOMMENDATION**

**That Council;**

- 1. Note the submissions for the Wauchope Main Street Plan.**
- 2. Adopt the Wauchope Main Street Plan and continue with detailed design for the commencement of stage one construction to enhance pedestrian safety.**

### **Executive Summary**

Earlier this year, Port Macquarie-Hastings Council in partnership with Roads and Maritime Services (RMS) engaged the services of a consultant to develop an urban design concept plan for the main street of Wauchope.

The Wauchope Main Street Plan was prepared with engagement with the Wauchope Community, Wauchope Chamber of Commerce, Wauchope Business Network, Port Macquarie-Hastings Council and RMS.

RMS is committing \$300,000 for Stage one works, which will incorporate design preparation and the subsequent works to enhance pedestrian safety in the main street which is to be completed in the 15/16 financial year

The Plan identifies works to improve the urban structure on the Main Street and associated intersections of Wauchope so that walking and cycling trips are convenient, pleasant and safe and the character of the town and landscape is enhanced and respected.

RMS are the key drivers of this project and have indicated that further funding will be available to complete various stages of this plan and that this is reliant on the Wauchope Main Street Plan receiving endorsement by Council.

## Looking After Our People

At the 16 September 2015 Ordinary Council meeting, Council resolved:

### 10.02 WAUCHOPE MAIN STREET PLAN

*RESOLVED: (Intemann/Turner)*

That Council:

1. Endorse the Wauchope Main Street Plan for the purposes of public exhibition for a period of 28 days and proceed with such public exhibition.
2. Note the commencement of works for the upgrades to pedestrian safety following the development of detailed designs.

*CARRIED: 8/0*

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

*AGAINST: Nil*

Following the resolution, the Wauchope Main Street Plan was put on public exhibition between 25 September 2015 and 23 October 2015. Based on community interest around the Plan, the exhibition period was extended by one week until October 30 2015. Overall the Plan was very well received by the community, with a number of comments specifically in support of Council's consultation process and the opportunities for the community to have their views heard and considered.

This report presents the community submissions and the project team's response to those submissions.

### Discussion

The public exhibition of the Plan took place from 25 September 2015 and 30 October 2015. This process saw 29 written submissions ranked from positive - 16, constructive or neutral - 12 and specifically negative - 1, the results of which are provided below.

Previously, extensive community, stakeholder and Council engagement was initially undertaken as part of the Concept Plan's development over five days from 28 May - 3 June 2015 with a pop-up shop front location on High Street, Wauchope. Over 180 people attended the shop and the community workshops, which included the following events:

- A retailers and traders breakfast;
- Community evening meeting;
- A senior year primary school workshops;
- Door to door informal interview with main street shop fronts; and
- Workshops with Council staff, Managers and Councillors.

The engagement generated some clear ideas and direction from the community that fed directly into the development of the Plan.

The Wauchope community had further discussions during the exhibition phase at a 'town hall' meeting on October 21 facilitated by the Wauchope Chamber of Commerce and supported by Council's Place Making team. Over thirty people from a cross-section of the community attended with the results of the discussion collated and submitted by the Wauchope Chamber of Commerce.



## Looking After Our People

In March 2015, Council received a grant (\$60,000) from RMS to assist in the development of an urban design plan for High Street in Wauchope. John Mongard Landscape Architects were engaged through Councils procurement process and commenced work with Council in May 2015. The town and community maintain a strong sense of civic pride, a creative culture, deep connections to the landscape and cultural heritage of the area. Vehicle and pedestrian movements within the Wauchope main street has steadily increased in recent years.

Community and business stakeholders have raised concerns about the safety, amenity and economic impacts of the current traffic and pedestrian conditions. As a result, a number of plans have been prepared over the past six years including the Wauchope Framework plan and the Draft Transport Strategy report released in 2014. The Wauchope Business community has also produced its own priority plans for the area, *Community Strategic Plan - Wauchope Report, October 2010* - Wauchope Chamber of Commerce and Industry Inc - 2446 Looking Forward. The reviews identified short and long term strategies including infrastructure improvements in the Wauchope town centre to enable safer walking and cycling.

The NSW Government, Transport for NSW and Roads and Maritime Services, have recently introduced an Active Transport Program. The Active Transport Program provides potential funding opportunities for infrastructure improvements and enables the State Government to work with councils to make walking and cycling safer, more convenient and enjoyable transport options that benefit everyone.

The overall urban design vision for Wauchope Main Street is to create a lively town that celebrates its river, forest and people.

To create a pedestrian friendly main street, Wauchope needs to implement traffic calming, improved pedestrian crossings and reduce congestion at key places. Streets will be made more legible and comfortable using a whole-of-town approach. In the process, public spaces can become greener gathering spaces increasing people attachment to their place. Great streets move beyond roads and footpaths and become place experiences and destinations.

Wauchope should celebrate its timber heritage and great forest trees. Sitting areas could feature local timber created by locals. With intersection improvements new public spaces and gathering places will be created. This will enable an activated street and places for public art, alfresco dining and additional planting areas. The Wauchope Main Street Plan also looks at the Wauchope town more broadly and looks at better connection to the river through cycling and interpretive signage, as well as streetscape treatments.

Some of the key proposals include:

- Reducing speed in the heart of the town centre to 40km/hr;
- Creating gateway entrance to the town centre (east and west) with planting and pavement treatments;
- Hastings Street intersection improvements;
- Bransdon Street intersection improvements
- Relocation of the two pedestrian crossings;
- Line marking for car parking to make more efficient use of space;
- Loading Zones;
- 15 minute parking areas;



## Looking After Our People

- Improved signage for off street parking in the areas
- Reorganised Taxi Ranks; and
- Oxley Lane to be redirected - one way traffic to achieve more efficient use of space.

RMS has indicated approval for a grant of \$300,000 for the initial stages of works to be completed in the 15/16 financial year and have stated that they will be able to secure further funding when the Plan has been endorsed by Council. This will demonstrate a commitment by Council to the RMS to continue to source additional funding for subsequent stages however; these will require further detailed design work.

On 16 September Council resolved to put the draft Wauchope Main Street Plan on exhibition between 25 September 2015 and 23 October 2015. Based on community interest around the Plan, the exhibition period was extended by one week until October 30 2015. The community feedback was supportive of the Plan, with none of the submission detailing significant changes.

Submissions were received electronically and in hard copy with themes captured and presented in the body of this report. Those submissions received via email are attached.

Constructive suggestions will be explored further and considered during the upcoming detail design phase of the project. A number of submissions featured comments around car parking immediately adjacent to businesses, however it should be stressed that the Plan does not specifically target on-street parking. Currently many of the car bays in the Wauchope CBD are unmarked on the street so it is difficult to quantify and compare specific numbers. Under the current concepts it is possible that there will be more parking in some areas and less in others and the consultant has also proposed marking car space lines to increase the productive parking area on the street. Access to parking and adequate clear signposting of off street parking will be considered during the upcoming detail design phase of the project.

### Options

That Council seeks additional clarification on the public exhibition process and community submissions.

### Community Engagement & Internal Consultation

#### Submissions

Due to the volume of submissions, the project team grouped responses by theme. Table 1 below identifies the submissions and broadly groups the issues raised during the exhibition period, while Table 2 groups the issues and provides the project teams responses to those issues submitted:

## Looking After Our People

Table 1: Ranked Issues

Wauchope Main Street Upgrade - Ranked Issues		
	Submission	Issue
1	Christine Jones	1. Trees/shade (Lasiandras)
2	Dr Tracey Nixon	1. Parking 2. Trees/shade 3. Bike Paths
3	Graeme Murray	1. Footpaths
4	Norm Hollis	1. Trees/Shade 2. Footpaths 3. Pedestrian Crossings
5	Michele Malstead	Broad/general support
6	Terry White	1. Sense of Place/Townscape Aesthetics
7	Steve Gale	1. Trees/Shade 2. Parking
8	Bill Cowdery	1. Parking 2. Trees/shade
9	Paul Murphy	1. Trees/Shade 2. Footpaths
10	Petr Kanturek	1. Parking 2. Loading Zones 3. Footpaths
11	Beverley Izard	1. Parking 2. Trees/Shade
12	Jeanette Rainbow	1. Parking 2. Disability Access 3. Traffic Access
13	M. Avery	Broad/general support
14	Ray Duck	1. Parking 2. Footpaths 3. Sense of Place/Townscape Aesthetics
15	David Johnson	1. Parking 2. Traffic Access

## Looking After Our People

16	Wauchope Chamber of Commerce	1. Parking 2. Bike Paths 3. Traffic Access 4. Disability Access 5. Sense of Place/Townscape Aesthetics
17	Wauchope Community Progress Association	1. Sense of Place/Townscape Aesthetics 2. Traffic Access
18	Alick G Rogers	1. Trees/shade (Lasiandras) 2. Pedestrian Crossings 3. Sense of Place/Townscape Aesthetics 4. Disability Access
19	Joy Saville	1. Parking 2. Trees/Shade 3. Footpaths 4. Traffic Access
20	Doug Sutton	1. Trees/Shade 2. Traffic Access
21	Allan Clulow	1. Traffic Access 2. Loading Zones
22	Mark Hughs	1. Parking 2. Trees/Shade 3. Traffic Access
23	Dr. Vern Harvey	1. Traffic Access
24	Allan Gordon	1. Traffic Access
25	Geoff McNeil	1. Parking 2. Trees/Shade 3. Traffic Access 3. Loading Zones
26	Clive Smith	1. Parking
27	Ron Tisdell	2. Trees/Shade

## Looking After Our People

Table 2: Project Team Response to Submissions

Wauchope Main Street Upgrade - Response to Submissions	
Submission Issue	Response/comment
Trees/shade	The plans propose an increase in tree plantings throughout the Wauchope CBD as part of beautification and to better provide for pedestrian and customer amenity. These plantings will see an occasional reduction in either footpath or street width, depending on location and will be decided upon during the detail design phase. The proposed plantings align with the Wauchope Framework Plan 2009 and will be further refined during the detail design process.
Parking	<p>While a core element of the Plan is certainly better traffic and pedestrian flow, there have been no firm decisions made on either the addition or loss of car spaces. Currently many of the car bays are unmarked on the street so it is difficult to quantify and compare specific numbers. Under the current concepts it is possible that there will be more parking in some areas and less in others and the consultant has also proposed marking car space lines to increase the productive parking area on the street. The Plan does not propose any impact to off-street car parking, of which there is currently quite a lot in close proximity to the CBD, and The Plan suggests more signage to highlight where parking is available. Specific element of car parking impacts and loading zones will be considered during the detail design phase, and again will involve direct consultation with affected businesses.</p> <p>Associated with questions of parking are proposals around outdoor dining areas, increased street seating and shade and generally a safer pedestrian and traffic environment and the usability of the main street.</p> <p>The Plan also proposes implementing 15min parking zones in a number of specific areas. These are currently broad suggestions and the location and precise timing of these zones will be considered in more detail during the Detail Design Phase.</p> <p>Access to parking will be considered during the detail design phase.</p>
Bike Paths	The Plan seeks to encourage a broader range of bike users to feel comfortable passing through Wauchope's main street. Referencing the Port Macquarie-Hastings Bike Plan 2015, The Plan anticipates a combination of shared paths and on road bike areas over time, with on-road bike paths painted green where there is sufficient space. A town-to-river bicycle connection is one of the community's highest priorities and is why it was considered as part of the overall plan.

## Looking After Our People

Footpaths	The Plan identifies existing concrete footpaths on the main street as functional and proposes honing areas of concrete paving rather than undertake new pavements. The Plan suggests creating clearer and cleaner footpaths as well as accommodating outdoor dining. The final designs will be determined through the next phase of detail design work.
Loading Zones	The Plan talks to rationalising the loading zones. Again, this is currently broad suggestions and the location these zones will be considered in more detail during the Detail Design Phase.
Disability Access	Concerns about the quality and availability of disabled parking was a consistent theme of the engagement that informed the development of the Plan. The disabled parking along Hastings Street is currently in the centre parking bays. Where it can be accommodated, best practice would have the disabled parking adjacent to the kerb. Relocating the disabled parking will increase pedestrian safety and reduce traffic and pedestrian conflict in this area. These issues will be further considered during the detail design phase and will involve the participation of the PMHC Access Committee.
Traffic Access	<p>The Plan advocates for improved traffic and pedestrian flows around the Hastings Street/High Street intersection. The proposed redesign seeks to have no reduction in capacity and therefore no increase in vehicular delays. The relocation of the pedestrian crossings and the possible relocation of the disabled parking spots to the kerb will also reduce traffic and pedestrian conflict in this area and is more suited to current guidelines and community expectations.</p> <p>Access to a number of key delivery routes for large commercial operations (i.e. High Street into Branson Street) will be accommodated. The specifics of this element will be dealt with during the Detail Design process.</p> <p>The Plan and the supporting reports and studies indicate that Oxley Lane in its current format contributes congestion. The Plan proposes to modify Oxley Lane to allow safe exit visibility and assist with passive traffic calming by providing line marking, signage and reversing the traffic direction. This is proposed to be undertaken in later stages of the project and will be further reviewed during the Detail Design process.</p>



## Looking After Our People

### Sense of Place/Townscape Aesthetics

Council and the Plan acknowledge and values that Wauchope has a distinctive history and character. The Plan seeks to maintain or enhance Wauchope's sense of place, character and destination quality and provide opportunities for both Council and community to be involved in that process. Utilising local materials and local craftspeople can build long term civic quality. Some of the suggestions included in the Plan include:

- Building on local history and forest landscape
- Free standing and integrated storyboards adding character and points of interest
- Structures featuring local hardwoods
- Colour banners and customised street lights
- Utilising locally crafted furniture, local forest timbers, local materials and local craftspeople
- Street seating can incorporate decorative metalwork
- Benches could feature local timbers and railway line steelwork
- Sitting areas bounded by balustrade with vine wines or glass wind barriers
- Light posts, bollards and signage can feature local hardwood timber in the main street
- Existing concrete footpaths can be honed to revitalise them
- Stone paving bands and hardwood edges could be used in key areas to highlight trees and gardens
- Stone paved areas could be used in low and alfresco pedestrian areas to create a higher quality streetscape.
- Street gardens to provide low flowering local colour and elevated shade, with clear sightlines in between
- Street gardens will feature native plants of the region as well as cultural plantings which provide low maintenance flowering species.

These ideas will be further developed during the detail design phase and will involve further consultation with the community.

Extensive community, stakeholder and Council engagement was initially undertaken as part of the Plan development over five days from 28 May - 3 June 2015 with a pop-up shop front location on High Street, Wauchope. Over 180 people attended the shop and the community workshops, which included the following events:

- A retailers and traders breakfast;
- Community evening meeting;
- A senior year primary school workshops;
- Door to door informal interview with main street shop fronts; and
- Workshops with Council staff, Managers and Councillors.

The engagement generated some clear ideas and direction from the community that fed directly into the development of the Plan.

Further consultation took place as part of the public exhibition of the Plan from 25 September 2015 and 30 October 2015. This process saw 29 written submissions ranked from positive - 16, constructive or neutral - 12 and specifically negative - 1.



## Looking After Our People

The next stage of engagement will be managed by RMS to ensure the community is aware of the outcomes of the plan and the proposed staging and funding of any future works.

### Planning & Policy Implications

The Wauchope Main Street plan is in line with the adopted Wauchope Framework plan of 2009. The material palette and tree species chosen are in line with the framework and supported by the community.

### Financial & Economic Implications

RMS has provided initial support for the project with \$60,000 contribution for the development of the Urban Design. Council contributed \$10,000. RMS has also announced its support and funding for the first stages of implementation of the project with \$300,000 being provided for the project.

The upcoming detailed design process will produce preliminary budget estimates for negotiation and consideration between the key stakeholders including Council, RMS, Wauchope Chamber of Commerce, and the Wauchope community. Initial RMS funding of \$300,000 will predominantly focus on the road reserve, traffic flow and pedestrian safety with elements of the kerbside and pavements and enhancements to be considered and negotiated during the upcoming detail design phase.

RMS has indicated that further funding will be available to complete various stages of this plan once Council and the Community have endorsed the proposal. Council has currently not specifically identified funding for upgrades to the Wauchope Main Street within any forward budget processes, however many of the elements of the Plan can be undertaken within existing budgets including upgrades to some garbage bins, some pavement treatments and street plantings, and interpretive and way finding signage. Council's Place Making team are well placed to leverage relationships and community groups in Wauchope around elements of the Plan and it is anticipated that Council and RMS will continue to partner in this project into the future to enable the vision to be achieved.

There are many opportunities for the Council, the local community and Chamber of Commerce to co-create aspects of the proposed concept including:

#### *Council Contribution:*

- Council's Place Making Team is continuing its support of the Wauchope community through an array of assisted workshops, community grants and facilitating local ideas into action through engagement with community place champions.
- Council has a current budget allocation for new bins of \$10,000 in the adopted 15/16 budget

#### *Community Contribution:*

- Labour to produce infrastructure items such as seating, garden beds, bike racks and public art through Men's Shed, High School and Wauchope Arts
- Participation in development of bespoke pieces for Wauchope Main Street.

## Looking After Our People

### *Chamber of Commerce*

- Council to work with the Executive and members of the Chamber to see what they can contribute to improving the street including facade improvements, management/ maintenance of garden areas, footpath treatments, street activation and alfresco dining opportunities.

### **Attachments**

- 1[View](#). Wauchope Main Street Submission - Joy Savile
- 2[View](#). Wauchope Main Street Submission -Wauchope Chamber of Commerce
- 3[View](#). Wauchope Main Street Submission - Jeanette Rainbow
- 4[View](#). Wauchope Main Street Submission - Ray Duck
- 5[View](#). Wauchope Main Street Submission - Wauchope Community Progress Association
- 6[View](#). Wauchope Main Street Submission - Geoff McNeil 1 of 2
- 7[View](#). Wauchope Main Street Submission - Geoff McNeil 2 of 2
- 8[View](#). Wauchope Main Street Upgrade - Submissions Table - Redacted
- 9[View](#). Wauchope Main Street Plan\_John Mongard Landscape Architect

## Looking After Our People

**Item: 10.02**

**Subject: SECTION 355 COMMUNITY HALLS MANAGEMENT COMMITTEES  
MEMBERSHIP 2015**

**Presented by: Community & Economic Growth, Tricia Bulic**

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### Alignment with Delivery Program

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

### RECOMMENDATION

**That Council:**

- 1. Endorse the membership of Bonny Hills Community Hall Management Committee as elected at their 2015 Annual Review Meeting, comprising:**
  - F. Hoad - President
  - B. Howell - Vice President
  - A. Drury - Treasurer
  - L. Winner - Minutes Secretary
  - C. Power - Secretary
  - A. Drury - Booking Officer
  - B Howell - Maintenance Officer
  - P Barlow - Committee member
- 2. Endorse the membership of CC "Mac" Adams Music Centre Management Committee as elected at their 2015 Annual Review Meeting, comprising:**
  - Ms Leanne Howlett - President
  - Mr Maurie Griffin - Vice President
  - Mr Allan Kearns - Treasurer
  - Mr Glen Stanley - Booking Officer / Secretary
  - Mr Dale Bleasdale - Maintenance Officer
  - Mr Brian Corrigan - Committee Member
  - Ms Betty Hobby - Committee Member
- 3. Endorse the membership of Lorne Recreation Centre Management Committee as elected at their 2015 Annual Review Meeting, Comprising:**
  - Mr Bryan Alley - President
  - Ms Janet Lewin - Vice President
  - Ms Nicola Nosworthy - Secretary
  - Ms Stephanie Philips - Treasurer
  - Ms Helen Anderson - Committee Member
  - Mr Alan Anderson - Committee Member
- 4. Endorse the membership of Port Macquarie Historic Court House Management Committee as elected at their 2015 Annual Review Meeting,**

## Looking After Our People

comprising:

- Mr Roger Heath - President
- Mr Ramsey Collins - Vice President
- Ms Lyn Stevenson - Secretary
- Ms Angela Old - Treasurer
- Ms Veronica Heath - Booking Officer
- Ms Audrey Prowse - Maintenance Officer

5. Endorse the membership of Port Macquarie Seniors Centre Management Committee as elected at their 2015 Annual Review Meeting, comprising:
  - Mr Allen Ross - President / Booking Officer
  - Ms Tess Peters - Treasurer / Secretary
  - Mr Fred Evens - Maintenance Officer
  - Ms Marj Utley- Committee Member
  - Ms Di Last - Committee Member
  - Mr Norm Bodenham- Committee Member
6. Endorse the membership of Upper Pappinbarra Recreation Ground s355 Committee as elected at their 2015 Annual Review Meeting, comprising:
  - Ms Robyn Flanagan - President/Secretary
  - Ms Kelly Gould - Treasurer
  - Mr Damian Privatt - Booking Officer
  - Mr Steve Ostler - Maintenance Officer
  - Ms Sue Frost - Committee Member
7. Endorse the membership of Wauchope Community (Arts) Hall Management Committee as elected at their 2015 Annual Review Meeting, comprising:
  - Ms Krissa Wilkinson - President
  - Ms Lis Tuck - Vice President
  - Ms Susan Ashton - Secretary
  - Ms Deb Murrell - Treasurer / Maintenance officer
  - Ms Vana Ford/Amy Hubers - Booking Officer
  - Mr Douglas Gilbert - Committee Member
8. Endorse the membership of Wauchope Rotary Youth Hall Management Committee as elected at their 2015 Annual Review Meeting, comprising:
  - Mr Kevin Whitbread - President & Secretary
  - Ms Marie Winter - Treasurer & Booking Officer
  - Mr Stuart Weir - Committee Member
  - Mr Barry Thompson - Committee Member
  - Ms Pat Howarth - Committee Member
  - Mr Andy Neal - Committee Member
9. Resume direct management of the Pembroke Community Hall as there was no interest in the local community to volunteer on the s355 Management Committee and that the Recreation & Building team review this asset and add it to Council's Property section's 2015/16 Land Review.

## Looking After Our People

### Executive Summary

Eight section 355 volunteer management committees of community halls have reported their current committee members and office bearers for the 2015-2016 financial year, following their annual review meetings held between 1 July and 12 September 2015.

The ninth s355 committee at Pembroke Community Hall had no bookings in 2014/15 and the s355 volunteer management committee became defunct during the year due to lack of interest in the community at that time. Recently, Council staff have been made aware of a new community group who are interested in this space and are exploring available options.

### Discussion

Eight of Council's 17 community halls are managed by active section 355 volunteer management committees. These volunteers greatly assist Council in managing these important community facilities.

The committees ideally consists of six members. Each committee holds regular meetings to manage the operation of the facility. These meetings may be monthly, bimonthly or quarterly, as deemed appropriate, according to the frequency of bookings of the facility. A quorum of four members is required to open a meeting.

Council's Place Making Team are the direct contact for the Committee's through-out the year and also attend the Annual Review meetings. Council's Building Services manage all maintenance and any capital works to these facilities. This ensures all work complies with Council's Procurement Policy, Buildings Assets Management Plan and all relevant policy and legislation.

Each year, usually between 1 July and 31 August, each committee holds an Annual Review Meeting (ARM). This meeting is conducted in accordance with Council's Community Facilities Operations Manual, adopted by Council on the 18 April 2012.

The following is a brief description of this process:

Reports from the President, the Treasurer and the Booking officer will be tabled at the ARM. During the meeting the operation of the facility over the previous 12 months is discussed and suggestions may be made to improve the operation for the following period.

At the conclusion of the meeting, the President declares all committee positions open and oversees the election of a new committee.

The ARM is open to the public and is advertised in the local newspapers 21 days prior to this meeting. All residents of the Port Macquarie-Hastings local government area are eligible to nominate for committee membership. Membership is also sought from regular users of the facility.



## Looking After Our People

When committee members are decided, the new committee nominate and vote for the positions of office bearers. These are typically:

- President
- Vice President
- Secretary
- Treasurer
- Booking Officer; and
- Maintenance Officer.

Other office bearers may be appointed as agreed by the committee, such as promotions officer, assistant secretary (or assistant to other roles) as deemed necessary by the committee.

Committee members who are not office bearers assist the office bearers as required. The current members and office bearers of the nine section 355 volunteer management committees, as elected at their ARMs of 2015 are as listed in the recommendations section of this report.

### Options

Council could seek additional information on this report.

### Community Engagement & Internal Consultation

Consultation has occurred with the eight s355 volunteer management committees of community halls.

Consultation has occurred with Council's Recreation Buildings section.

### Planning & Policy Implications

Nil change required to the 2013-2017 Delivery Program or the 2015/2016 Operational Plan.

### Financial & Economic Implications

Nil.

### Attachments

Nil



## Looking After Our Environment

### What are we trying to achieve?

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

### What will the result be?

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

### How do we get there?

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

## Looking After Our Environment

**Item:** 12.01

**Subject:** DA2015 - 0506 ALTERATIONS AND ADDITIONS TO DWELLING INCLUDING CLAUSE 4.6 OBJECTION TO CLAUSE 4.3 (HEIGHT OF BUILDINGS) UNDER THE PORT MACQUARIE HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 AND AN ANCILLARY SHED AT LOT 222 DP 208479, 42 ANDERSON STREET, PORT MACQUARIE

**Report Author:** Matt Rogers

**Property:** Lot 222 DP 208479, 42 Anderson Street, Port Macquarie  
**Applicant:** Jackson Rafferty Design  
**Owner:** D Scarlett  
**Application Date:** 28 September 2015  
**Estimated Cost:** \$253,835  
**Location:** Port Macquarie  
**File no:** DA2015 - 0506  
**Parcel no:** 545

### Alignment with Delivery Program

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

### RECOMMENDATION

That the determination of DA2015 - 506 for alterations and additions to dwelling including Clause 4.6 objection to Clause 4.3 (height of buildings) under the Port Macquarie Hastings Local Environmental Plan 2011 and an ancillary shed at Lot 222, DP 208479, No. 42 Anderson 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 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%.

The proposal was considered by Council's Development Assessment Panel on 28 October 2015 and it was resolved:

*That DA 2015 - 506 for alterations and additions to dwelling including Clause 4.6 objection to Clause 4.3 (height of buildings) under the Port Macquarie Hastings Local Environmental Plan 2011 and an ancillary shed at Lot 222, DP 208479,*

*No. 42 Anderson Street, Port Macquarie, be determined by granting consent subject to the recommended conditions.*

The Department of Planning and Infrastructure circular PS 08-003 provides for the Director General's assumed concurrence.

## 1. BACKGROUND

The site has an area of 569m<sup>2</sup>.

ENVIRONMENT





## Looking After Our Environment



### 2. DESCRIPTION OF DEVELOPMENT

Key aspects of the proposal include the following:

- Additions to a dwelling that is currently two storey and erection of an ancillary storage shed. Following the proposed additions, the dwelling will change to contain a three storey component, due to the site already being cut in.
- Clause 4.6 variation is proposed to Clause 4.3 (Height of Buildings) of Port Macquarie-Hastings Local Environmental Plan 2011.

#### Attachments

Nil

## Looking After Our Environment

**Item:** 12.02

**Subject:** QUESTION ON NOTICE - WASTE STRATEGY

**Presented by:** Development & Environment Services, Matt Rogers

### RECOMMENDATION

**That Council note the information contained in the “Question on Notice - Waste Strategy” report.**

#### Question from Councillor Turner:

Can the General Manager please advise what are Council's plans to develop a waste strategy for the future?

#### Comments by Councillor (if provided):

Nil.

#### Response

Council's current Waste and Resource Management Strategy 2011-2015 was designed to provide strategic direction in the lead up to the renewal of the domestic waste collection and the organics processing contracts. The contract renewal process is complete and it is now time for a review of Council's waste strategy.

In recognition of the above, specialist consultants Mike Ritchie & Associates, have recently been appointed to assist with the development of a new waste strategy.

Briefings will be scheduled in due course to enable Councillors to have input into the development of the strategy. Key briefings and portfolio meetings will be held in relation to options and opportunities associated with the future of waste management and prior to the exhibition of a draft strategy.

The scope of works for the consultant engagement is outlined below.

#### Waste Strategy Development Scope of Works

##### *Stage 1: Desktop review*

Research issues/trends - review and assessment of existing waste information including but not limited to the following:

- Confirm high level strategy objectives and key focus areas;
- Port Macquarie-Hastings area community profile and demographic;

## Looking After Our Environment

- The success of the existing Waste and Resource Management Strategy 2011-2015;
- Existing policies, studies/reports (local, regional, state, federal), including specifically;
  - The NSW Waste and Resource Recovery Strategy 2014-2021;
  - Changing Behaviour Together: Draft Waste Less Recycle More Education Strategy;
  - The Bin Trim Business Grants Program;
  - Waste Less Recycle More Grants program;
  - Recent changes to the 2014 waste regulation, including changes to the waste levy, reporting requirements and new requirements for weighbridges; and
  - NSW Draft Environmental Guidelines of solid waste landfills.
- Emerging waste technologies/trends (local, regional, state, federal and international);
- Education initiatives, including the recent domestic 'Choose your Bin' campaign;
- Federal Emissions Reduction Fund implications for current and potential projects;
- Community attitudes to waste management and recycling (eg recent community survey data);
- Recent audit results;
- Current waste generation, disposal and recovery data;
- Charges and levies;
- Overview of current waste management, recycling and collection contracts. This includes comparison of local processing options against transport to alternate regional or metropolitan processing facilities;
- Existing waste assets, infrastructure and operational requirements;
- Consider the need for long term continuity at the Cairncross Landfill (stages 2-5). This will require liaison with the consultant developing the current Environmental Impact Statement (EIS); and
- Regional collaboration.

### Stage 2: Background and Options Report

Produce a Background and Options Report detailing research and study outcomes from Stage 1 above, including cost benefit analysis of viable options. The background report should result in:

- Suggested programs, prioritised and related to each waste sector;
- Suggested actions related to specific waste types;
- Specific strategies for each waste site; and



## Looking After Our Environment

- A program timetable that spans the strategy time period of 2016-2024.

After this Report has been developed a Workshop will be held to discuss possible options derived from the Background Report with Stakeholders, and document outcomes.

### Stage 3: Draft Waste Strategy Document

Prepare the Draft Waste Strategy including a financial analysis of recommended actions.

### Stage 4: Consultation and Review

- Provide input into the review of public and agency submissions following Council exhibition of the draft Waste Strategy.

### Stage 5: Final Waste Strategy Document

- Finalise Waste Strategy and provide final report to Council as required by the RFQ.

### **Attachments**

Nil

## Looking After Our Environment

**Item: 12.03**

**Subject: CAIRNCROSS LANDFILL GAS TRIAL**

**Presented by: Development & Environment Services, Matt Rogers**

### Alignment with Delivery Program

4.6.1 Investigate and implement cost effective renewable energy generation for Council assets and promote outcomes to the community.

### RECOMMENDATION

#### That Council:

1. **Register the Landfill Gas Project at the Cairncross Waste Management Facility with the Clean Energy Regulator to ensure eligibility for Carbon Credits under the Emission Reduction Fund.**
2. **Include a trial landfill gas project in the 2015 - 2016 Operational Plan, to be funded by \$200,000 from reserves held within the Waste Fund.**
3. **Report back to Council on the results of the trial.**

### Executive Summary

In July 2014 Council resolved to reject all tenders for a Landfill Gas Trial and to provide a briefing to Councillors before progressing the project.

The primary purpose for proposing the trial was to determine landfill emissions and investigate the potential liabilities and opportunities as a result of the *Clean Energy Act 2012*. With the repeal of the Clean Energy Act and the establishment of the Federal Emissions Reduction Fund (ERF) there are now opportunities for financial benefits to Council in progressing the trial.

This report presents a business case for landfill gas management , identifies experiences of other Council's undertaking landfill gas management and examines the financial implications of progressing such a project.

Based on the likely financial returns to Council from the sale of Carbon Credits associated with landfill gas management it is recommended that Council proceed with a trial system to determine the potential future options associated with managing landfill gas.

Importantly, where sufficient gas flows exists, landfill gas management presents a renewable energy generation opportunity for Council.

### Discussion

Under the previous Clean Energy Legislation, Council would have been liable for landfill gas emissions from the Cairncross landfill. As a response to this potential liability, a trial landfill gas system was proposed to determine the extent that Council

## Looking After Our Environment

could reduce the future liability under the legislation by extracting and combusting landfill gas.

Funding was included in Council's 203-2014 & 2014-2015 budgets for a landfill gas trial and tenders were sought in 2014 for the work. However, tenders were rejected in 2014 due to a failure by tenderers to adequately address the tender criteria. Further to this Council resolved at the 16 July 2014 Council meeting:

*That Council:*

1. *Reject all tenders for the Landfill Gas Pumping Trial at the Cairncross Waste Management Facility due to failure by tenderers to adequately address the tender criteria.*
2. *Maintain the confidentiality of the documents and considerations in respect of tender T-13-41.*
3. *Provide a briefing to Councillors before progressing this project.*

**CARRIED:** 8/0

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

In accordance with the resolution, a briefing was provided to Councillors in July 2015 in relation to progressing the project.

Following the briefing, a report was presented to Council in August 2015 recommending that Council proceed with a trial and that the trial project be registered as a project with the Clean Energy Regulator to ensure it would be eligible as a project under the Emission Reduction Fund. Council subsequently resolved:

**RESOLVED:** Hawkins/Cusato

*That Council request the General Manager to prepare a revised, comprehensive report to the October 2015 meeting of Council noting the following:*

1. *The information is to be presented and packaged in the format of a business case and is to include data and commentary around the relevant experience of other councils in Australia, particularly in NSW and where most comparable with / relevant to PMHC.*
2. *In preparing the business case, staff are requested to include all significant relevant information known at the current time as well as provide informed advice with respect to its most likely impact and relevance to the business case to proceed with the trial.*

**CARRIED:** 5/4

**FOR:** Besseling, Cusato, Griffiths, Hawkins and Turner

**AGAINST:** Intemann, Levido, Roberts and Sargeant

The attached Landfill Gas Management Business Case has been prepared to address item 1 of the resolution above and includes information and commentary on the experience of other councils.

In response to item 2 of the resolution, the Business Case and the report cover the following significant and relevant information known at this time as it relates to the proposed trial:

- Landfill gas management background

## Looking After Our Environment

- The relevance and relationship of the Emissions Reduction fund to landfill gas management
- The regulatory environment
- The proposed trial
  - o Stages of a landfill gas trial
  - o Financial considerations
- Future Opportunities
- Risk
- Project timing

### Landfill Gas Management in Australia

Landfill gas management is a routine part of waste management activities for many councils across Australia. Landfill capping is a standard regulatory requirement across all jurisdictions and is part of Port Macquarie-Hastings Council routine landfill operations.

However, active extraction and management of landfill gas has traditionally been limited to larger landfills - this is now changing in an environment where the need to respond to climate change is becoming more prevalent and also in an environment where alternate energy sources are becoming more important.

While there is no central database of landfill gas systems in Australia, research suggests that there are more than 70 landfill gas systems currently operating and more in the planning and design phases. There are currently 90 landfill gas projects approved under the ERF (and former Carbon Farming Initiative , CFI).

### Emission Reduction Fund

With the repeal of the 'Carbon Tax' legislation and the introduction of the Federal Governments ERF there is no longer a current legislative liability for carbon emissions from landfill, which was the initial purpose of the proposed landfill gas trial. However, the new ERF will provide an opportunity for Council to generate revenue through the sale of carbon credits.

Landfill gas combustion is an approved methodology and as identified above, there have been 90 such projects approved by the Clean Energy Regulator and the majority of these proposals have received carbon credits for emissions abated to date.

Carbon credits under the ERF are sold through an auction system where the government buys carbon credits at the lowest cost. The first auction was held in April 2015 and saw the price of carbon credits generate an average price of \$13.95 per credit. There is also the potential for the sale of carbon credits through a secondary market to businesses that wish to proactively reduce their carbon impact.

## Looking After Our Environment

The proposal to initiate a trial to test the flow and quality of landfill gas at the Cairncross landfill would itself be eligible for carbon credits under the ERF.

Landfill gas projects have been highly successful in gaining carbon credits through the ERF (and the former CFI). Over 7.5M credits have been issued with a value exceeding \$105M.

### Regulatory Environment

Currently, Council's Environment Protection Licences (issued by the NSW Environment Protection Authority) for its landfills require the following in relation to landfill gas management:

- Installation of a final cap over completed sections of landfill to contain landfill gas emissions.
- Installation of landfill gas monitoring wells.
- Monitoring and reporting of landfill gas emissions to monitor landfill cap integrity and gas accumulation in surrounding structures.

At this stage the Environment Protection Licences do not require the installation and operation of landfill gas extraction and flaring systems.

However, in a regulatory environment where standards are always increasing, it is considered that it is only a matter of time before landfill gas management is mandated. It is noted that the issue of landfill gas management was raised by Department of Planning staff as part of the pre-lodgement discussion held in relation to the proposed application and Environmental Impact Statement for the expansion of the Cairncross landfill, confirming this is an issue for regulators.

It is important to note that once it becomes a regulatory requirement, then landfill gas management will not be eligible for carbon credits under the Emission Reduction Fund. It should also be noted that once a project is approved by the Clean Energy Regulator, then it will be eligible for carbon credits even if it subsequently becomes a regulatory requirement to carry out the project.

### Proposal

The proposal for a landfill gas trial includes the following steps:

- Registration of a landfill gas extraction trial with the Clean Energy Regulator
- Procurement of a landfill gas system and landfill gas monitoring and analysis services
- Construction of the landfill gas trial system - wells, pipe lines and flare (flaring of the emissions will generate carbon credits)
- Analysis of landfill gas quality and quantity
- Reporting the results to Council with recommendations for next steps (if any)
- Securing an appropriate carbon credit price through an ERF Auction
- 

Following the trial, Council would be in a position to determine whether to extend the landfill gas system, including whether to look at opportunities associated with generation of renewable energy.



## Looking After Our Environment

The attached Business Case examines the viability of this proposal. The following is a summary of how this has been examined, looking at a range of scenarios that take account of the following variables:

- Carbon price uncertainty
- Capital costs
- Operational costs
- Organic waste diversion trends
- Gas extraction efficiency

Three scenarios, reflecting best, probable and worse case have been selected. These scenarios are described as follows:

- Best Case - lower capital and operational costs, high carbon credit value, average gas extraction rate, low organic waste landfilling rates.
- Probable case - expected capital and operational costs (based on previous tender prices), moderate carbon credit value, average gas extraction rate, low organic waste landfilling rates.
- Worse case - high capital and operational costs, lower carbon credit value, low gas extraction rate, low organic waste landfilling rates.

Net Present Value (NPV) calculations for a number of scenarios are presented in the table below, along with the key assumptions relating to each scenario:

Scenario	Capital cost (inc. trial costs)	Annual Operational Cost	Carbon Credit Value	Gas Extraction Efficiency	NPV 5 yrs	NPV 10 yrs	NPV 15 yrs	NPV 20 yrs
1. Best Case	\$670,000	\$20,000	\$15.50	75%	\$42,424	\$1.2M	\$2M	\$2.8M
2. Probable	\$820,000	\$30,000	\$14.75	75%	-\$159,049	\$849,949	\$1.6M	\$2.4M
3. Worst Case	\$920,000	\$40,000	\$13.50	50%	-\$594,054	-\$230,581	- \$5,556	\$165,162

The table above shows the input variables used for each scenario and the resulting NPV calculations at 5, 10, 15 & 20 year intervals. The NPV values are an indication of the cost of each of the scenarios at these intervals, expressed in today's dollars.

The analysis shows that the Best Case and Probable Case scenarios provide positive returns in the short-term and that the Worst Case scenario provides returns in the long-term.

Expressed another way, the Probable and Best Case scenarios are both attractive from a financial perspective with payback periods of 5 and 6 years respectively. While the Worst Case scenario is less attractive financially, it can still be considered worthwhile given it will deliver positive returns, albeit over a longer payback period of 16 years.

The NPV calculations recognise the reduced level of organic material being landfilled. The waste stream characterisation that was used to model emissions growth was based on the actual waste composition for the Port Macquarie-Hastings, so this takes into account the reduced organic waste landfill as a result of the 3 bin system that has been in place since 2001. In addition to this, a conservative



## Looking After Our Environment

landfilling growth rate has been used to reflect predicted reductions in organic waste disposal resulting from recent strategies implemented by Council.

Sensitivity testing of the NPV model reveals that operational costs and carbon credit value are the dominant factors affecting financial viability. The assumptions used for these variables are an important feature of the modelling and have been verified through discussions with other councils and industry experts.

### Future Opportunities

Should the trial demonstrate that sufficient volume and quality of landfill gas is available, Council would be in a position to explore the option of including a power generator as part of any expansion to a full landfill gas extraction system.

The addition of power generation to a landfill gas system will enable additional revenue through the offsetting of electricity consumption at the Cairncross Waste Management Facility and the export of any surplus power to the electricity network. A separate business case be developed to examine this future opportunity.

Following the trial, Council will be in a position to determine how landfill gas might fit into a broader strategy on renewable energy.

### Risk

The business case identifies levels of risk and mitigation strategies associated with the landfill gas extraction proposal.

It is considered that the risk mitigation strategies identified are realistic and can be readily implemented.

### Key Issues

Key issues for Council's consideration include:

- The Best and Probable Case scenarios are both attractive from a financial perspective with payback periods of 5 and 6 years respectively.
- While the Worst Case scenario is less attractive financially, it can still be considered worthwhile given it will deliver positive returns, albeit over a longer payback period of 16 years.
- As noted above, a landfill gas system will not be an eligible project under the ERF should it become a regulatory requirement and therefore revenue from carbon credits generated would not be able to be realised.
- A landfill gas system will have positive environmental benefits through the reduction of greenhouse gas emissions from landfilling of waste.
- Undertaking a landfill gas system is consistent with Port Macquarie-Hastings Council's past record of taking a leading role in proactive waste management in regional Australia.
- Undertaking a landfill gas system is consistent with Port Macquarie-Hastings Council's Delivery Program which aims to *"Investigate and implement cost effective renewable energy generation for Council assets and promote outcomes to the community"*.
- A landfill gas system has the potential to be augmented to generate renewable energy which will have positive financial impacts for Council

## Looking After Our Environment

(consistent with Council's Fit For the Future plans) and demonstrate local leadership in renewable energy.

Given the above, it is considered that proceeding with a landfill gas trial as a project under the ERF is a relatively low risk proposition.

Should a trial proceed, staff will report the result of the trial to Council so that an informed decision can be made about subsequent action and landfill gas management and renewable energy generation opportunities.

### Options

Council has a number of options in relation to this matter:

- Not proceeding
- Proceeding with a landfill gas trial without pursuing revenue through the ERF (i.e. using Council funding only).
- Proceeding with a landfill gas extraction trial as recommended by this report.

It is recommended that Council proceed with a landfill gas trial in conjunction with potential funding from the Emissions Reduction Fund, and continue to explore opportunities for renewable energy following the initial trial.

### Community Engagement & Internal Consultation

Internal consultation included:

- Group Manager Environmental Services
- Director Development & Environment
- Waste and Environmental Engineer
- Business Analyst

External consultation has been held with:

- Coffs Harbour City Council
- Clarence Valley Council
- Corporate Carbon (industry Expert)
- Landfill Gas Industries (provider)

This issue was the subject of a Councillor Briefing held in July 2015 and has been discussed with Councillors through previous briefings and budget discussions.

The proposed landfill gas extraction was also exhibited with the Operational Plan and budgets for the 2013-2014 and 2014-2015 financial years.

### Planning & Policy Implications

The proposal has no planning or policy implications.

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### Financial & Economic Implications

Financial implications of the project have been discussed above.

The proposal is based upon linking the landfill gas extraction project with funding through the ERF. The outcome of an NPV analysis of 3 scenarios reveals that:

- The Best Case and Probable scenarios are both attractive from a financial perspective with payback periods of 5 and 6 years respectively.
- While the Worst Case scenario is less attractive financially, it can still be considered worthwhile given it will deliver positive returns, albeit over a longer payback period of 16 years.
- 

It should be noted that there will be a timing lag for carbon credit revenue relative to capital and operational expenditure. However, this is not a significant issue as cash flow implications can be adequately managed by the Waste Fund and \$200,000 is available in the Waste Fund Reserve to cater for project implementation.

It is not expected that the proposal will have any significant adverse economic implications. Given the relatively small scale of the trial project, it is considered that the proposal would have a low level of positive economic impact through the procurement of services related to the trial.

### Attachments

1 [View](#). Landfill Gas Trial Business Case

## 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: REGIONAL SHARED PATH FROM KENDALL TO LAURIETON - STRATEGIC ALIGNMENT STUDY**

**Presented by: Infrastructure & Asset Management, Jeffery Sharp**

### 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 receive and note the report for the Regional Shared Path from Kendall to Laurieton - Strategic Alignment Study.**

### Executive Summary

The purpose of this report is to provide Council with an overview of the Strategic Alignment Study for the Regional Shared Path from Kendall to Laurieton. This path is also known as the Schools to Schools shared pathway.

### Discussion

The 2015 Port Macquarie-Hastings Bike Plan includes a long term vision for a regional shared path between Kendall and Laurieton. The path would typically be at least 2.0m wide and would cater for both pedestrians and cyclists. It would most likely follow the main roads of Kendall Road, Ocean Drive and Kew Road.

Roads and Maritime Services provided Council with a \$20,000 grant under the Active Transport Funding program to prepare a Strategic Alignment Study to guide the ongoing development of the path. The study, which was undertaken by King & Campbell Pty Ltd, involved:

- Identification of a strategic alignment for the 14km shared path
- Division of the strategic alignment into a number of smaller sections with similar characteristics
- Prioritisation of the sections on the basis of benefits and costs
- Preparation of a strategic cost estimate for each section

The Strategic Alignment Study for the Regional Shared Path from Kendall to Laurieton report, prepared by King & Campbell, is provided as Attachment 1.

The report highlights that there are numerous physical issues to deal with including major drainage channels and structures, topography, vegetation, utilities, road intersections, driveways and potential property acquisitions. It also highlights the



## Planning and Providing Our Infrastructure

costly nature of the project, estimating the construction cost would be at least \$13 million.

It should be noted, however, that the study is very high-level, limited in scope and strategic in nature. All recommendations are preliminary and subject to further investigation at concept and detailed design stages.

The study provides a guiding framework for future planning, design and construction of the various sections. It informs other Council works in the vicinity such as upgrades to water and sewer infrastructure, upgrade plans for Ocean Drive and future land use developments. It will also be used to support funding applications for construction under various state and federal programs including the RMS Active Transport Program.

As at October 2015 three separate sections of the path have been constructed (refer to Attachment 2):

- Comboyne Street (Kendall) between Graham Street and Albert Street (600m)
- Kendall Road (Kew) between Kew Country Club driveway and Nancy Bird Walton Drive (160m)
- Ocean Drive (Kew) between Glen Haven Drive and Mountain View Road (1000m)

### Options

Council has the option of accepting or amending the recommendations presented within this report, or rejecting the recommendations and determining an alternate resolution.

### Community Engagement & Internal Consultation

Broad community engagement did not form part of the Strategic Alignment Study due to the limited scope of works, budget and the strategic objectives of the study. However, the Schools to Schools Incorporated community group provided input into the study and their input is believed to be representative of the views of the broader community. This group was formed in 2014 with the purpose of “working with Council to see a sealed pathway built from Kendall Public School to Laurieton Public School allowing children and all members of the community to walk or ride safely off-road to schools, shops, clubs, places of worship, sporting facilities, medical centre and other amenities”.

Internal consultation has occurred with:

- Group Manager Transport & Stormwater Network
- Group Manager Strategic Land Use Planning
- Transport & Traffic Engineer
- Water and Sewer Planning Manager
- Design Engineer
- Stormwater Engineer
- Natural Resources Officer
- Landscape Architect



## Planning and Providing Our Infrastructure

### Planning & Policy Implications

There are no planning or policy implications from undertaking the Strategic Alignment Study. However there may be implications resulting from the proposed investigations of each section.

### Financial & Economic Implications

Currently there is a \$250,000 budget allocation in the 2015-16 Operational Plan for construction activities for the Regional Shared Path from Kendall to Laurieton. \$125,000 of this was contributed by RMS under the Active Transport Program. This funding was used for the recently completed section of path west of Mountain View Road.

### Attachments

- 1 [View](#). Regional Shared Path from Kendall to Laurieton - Strategic Alignment Study, Final Report
- 2 [View](#). Regional Shared Path from Kendall to Laurieton - Current Status, October 2015

## Planning and Providing Our Infrastructure

**Item: 13.02**

**Subject: PORT MACQUARIE RECLAIMED WATER TREATMENT PLANT  
UPGRADE FOR GROWTH**

**Presented by: Infrastructure & Asset Management, Jeffery Sharp**

### Alignment with Delivery Program

5.5.3 Plan, investigate, design and construct sewerage assets.

### RECOMMENDATION

**That Council:**

- 1. Note the overall project budget required to complete the upgrade to the Port Macquarie Reclaimed Water Treatment Plant is required over two financial years.**
- 2. Increase the existing 2015/16 budget allocation for 5.5.3.1 (c) Port Macquarie Reclaimed Water Treatment Plant Upgrade for growth by an amount of \$500,000.**
- 3. Allocate an additional budget figure of \$2,000,000 in the 2016/17 Draft Operational Plan to complete the project.**

### Executive Summary

The Port Macquarie Reclaimed Water Treatment Plant was commissioned in 2006 to provide an alternative (high level of treatment) water supply to commercial and Council sites for non-potable water use. Since then, the number of users of the system has increased and the demand on the plant is nearing its capacity of 1 ML/day (one million litres per day). The reclaimed water system presently has approval to supply reclaimed water to industrial laundries, car yards, toilet flushing (e.g. Council administration building), commercial car washing, irrigation and dust suppression.

In addition to the take-up of reclaimed water through Port Macquarie, the plant is required to supply reclaimed water to the new development at Thrumster for the dual reticulation system to residential properties. In order to meet the projected water demands, the Reclaimed Water Treatment Plant capacity will need to be increased.

Even without the anticipated additional demand from Area 13, the plant is unable to meet existing demand during peak seasonal requirements. During the months of November, December, January and February the Morton Street reservoir requires regular supplementary top-up from the potable water supply.

## Planning and Providing Our Infrastructure

### Discussion

The plant was originally designed to allow upgrading to meet increasing demand. As a result, it is proposed to upgrade the Hindman Street reclaimed water treatment plant as follows:

#### Objectives:

- Upgrade the Port Macquarie Reclaimed Water Treatment Plant from 1 ML/day to 2 ML/day, and
- Fitout of the Water Stabilisation Plant (Lime and CO<sub>2</sub> Building).

The project is to consider:

- Capacity review of the RWTP (including treatment requirements such as water stabilisation)
- Contract preparation
- Tendering
- Design and Construction of the upgraded plant:
  - Feed pumps
  - Strainer
  - Duplication of Microfiltration / RO
  - Chemical dosing pumps
  - Switchgear / instruments / PLC
  - Final water pumps
  - Pipework / valves / tanks
- Verification testing, and
- Installation of lime and CO<sub>2</sub> dosing plant.

Pre-construction activities for this project commenced in early 2015, and involved a review of the existing Reclaimed Water Treatment Plant capacity and development of technical specifications to tender for the upgrade. Expressions of Interest for the treatment plant upgrade were called in August 2015 and as a result, three contractors have been shortlisted for invitation to tender.

A pre-tender estimate was completed by NSW Water Solutions (NSW Public Works) at the same time, with the work valued at \$2,303,775 (ex GST).

A budget figure is included in the 2015/16 operational plan, however it is insufficient to progress into the tender phase. With additional funds, the tender phase can commence immediately as the project is now ready to proceed, and is required to meet Council's commitment to provide dual reticulated water to Sovereign Hills.

It is proposed to increase the 2015/16 budget allocation by \$500,000, commence the project in the 2015/16 budget year, with completion programmed in the 2016/17 financial year. A budget figure of \$750,000 is already allocated in the draft 2016/17 sewerage works program. It is proposed to increase the 2016/17 budget allocation to an amount of \$2,000,000. Outcome of the tenders will confirm this amount prior to adoption of the 2016/17 operational plan, however this figure is in accordance with current detailed cost estimates.

## Planning and Providing Our Infrastructure

If the recommendation is adopted, the shortlisted firms will be invited to submit tenders for the project, with a tender report to Council for the February 2016 Council meeting.

It is anticipated that work on the upgrade of the Port Macquarie Reclaimed Water Treatment Plant would commence most likely in March / April 2016, with completion anticipated later in 2016.

### Options

Council has the option of not proceeding with the Reclaimed Water Treatment Plant upgrade, however as identified in the report, the plant is already not meeting current demand.

### Community Engagement & Internal Consultation

Consultation has taken place with the Director Infrastructure & Asset Management, the Group Manager Water & Sewer, and the Water & Sewer Process Manager.

### Planning & Policy Implications

Commencing the project earlier will have little impact on staff or internal resourcing as the project is now at the tender stage, with NSW Public Works engaged for project management. Council has not yet received a Section 60 approval for dual reticulation at Area 13, however current peak demands are not being met by the reclaimed water treatment plant and the plant has reached its current capacity.

### Financial & Economic Implications

There are sufficient funds within the sewerage fund reserves to bring forward these works. Continued refinement of the sewer fund forward works program is in progress, with particular emphasis for the next 10 years. Subsequent financial modelling will identify where adjustments will be required, including revised tariff charges and potential revision of the sewerage developer serving plan .

Although the fund is currently in a healthy position, construction of the three village sewer schemes, construction of the Thrumster sewage treatment plant, commitments to dual reticulation requirements and the bringing forward of a number of significant projects, will drain sewer fund reserves. As development activity increases, further out-of-sequence works will require funding and a suitable reserves balance will be required to fund these works, as well as considering loans to fund some works.

### Attachments

Nil

## Planning and Providing Our Infrastructure

**Item: 13.03**

**Subject: AREA 15 SEWERAGE UPGRADE**

**Presented by: Infrastructure & Asset Management, Jeffery Sharp**

### Alignment with Delivery Program

5.5.3 Plan, investigate, design and construct sewerage assets.

### RECOMMENDATION

**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.**
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.**

### Executive Summary

The Area 15 (Lakewood / Kew growth area) is limited in capacity for additional development due to the capacity of the existing sewer network. Currently all sewage flows are transported to the Dunbogan treatment plant. As the Area 15 / Lakewood area expands, the longer term plan for the area is to direct sewage to the Kew / Kendall treatment plant.

In accordance with planned augmentation of the scheme, to enable further development in Area 15, a new pump station is required to transport flow to the Kew / Kendall sewage treatment plant and the plant itself requires augmentation to cater for the projected additional flow.

These works have been identified for some time and have been included in the sewer forward works program. Previous projections have identified that these works would be required in a number of years from now, and accordingly are funded from 2019/20 in the current works program.

Area 15 development works are now proceeding ahead of original projections and are dependent on the upgrade of the sewerage network as outlined above to proceed.

### Discussion

The Laurieton Residential Resort is now proceeding to the construction phase and consists of 301 manufactured housing sites, with lot sizes around 250m<sup>2</sup>. The projected sewage loadings from this development have triggered the upgrade works



## Planning and Providing Our Infrastructure

to be carried forward. This site is located to the west of Lakewood, east of Lake Ridge Road and is accessed off Botanic Drive.

Council's current capital works program includes the following:

- The design and construction of the Kew STP upgrade commencing in 2019/20 at an estimated cost of \$4.12M. This estimate has been reviewed based on NSW Reference Rates Manual for Valuation of Water Supply, Sewerage and Stormwater Assets and includes design and construction of a new inlet works, aeration tank and UV disinfection facilities. This estimate would require further consideration including development of a concept design and confirmation of the estimate.
- The design and construction of the Area 15 pump station and rising main at an estimated cost of \$2.4M. This has been reviewed based on NSW Reference Rates and is considered reasonable. This would also be confirmed prior to proceeding to construction.
- Redirection of the Lakewood precinct pump stations from the Laurieton system to the Kew STP. Costs for this work would be in the order of \$150,000 which have been included in the current DSP.
  1. Initial pre-construction work is required prior to entering into the construction phase:
  2.
    - a) Design and upgrade of the Kew STP and determination of an updated effluent management / discharge strategy, and
  3.
    - b) Design and construction of the Area 15 Sewer pump station and rising main .

Revised staging would include bringing forward these works, commencing both the investigation into the upgrade of the Kew/Kendall STP, and construction of the new Area 15 pump station this financial year. Based on an assumed program of works, it is likely the pump station could be completed within the 2016/2017 financial year, and the STP could be delivered within the 2017/2018 financial year.

It is recommended Council bring forward the STP upgrade (\$4.12 million) and SPS / SRM (\$2.4 million) with construction to commence in the 2015/16 financial year. Based on a preliminary program consideration, funding may include the following staging: 2015/2016 - \$1,250,000; 2016/2017 - \$3,000,000; 2017/2018 - \$2,370,000). Funding would be sourced from sewer fund reserves, with the potential to recover some of this expenditure in the long term from development contributions.

An estimated lot yield from Area 15 is in the order of 800 lots. At the current DSP rate this would equate to \$3614 per lot: 800 lots = \$2.8 million in developer contributions.

These numbers would increase with indexing and possible changes in the future to the DSP charge.

## Planning and Providing Our Infrastructure

### Options

Council has the option of not proceeding with the Area 15 sewerage scheme upgrade, however development in the area will not proceed.

### Community Engagement & Internal Consultation

Consultation has occurred with the Director Infrastructure & Asset Management and the Water & Sewer Planning section.

### Planning & Policy Implications

The inclusion of this project will also place additional pressure on the Water & Sewerage section to manage the works, however development of Area 15 will not be able to proceed without the upgrade works described in this report being completed. The projects have already been identified in the forward works program and require escalation due to renewed development activity. Provision for dual reticulation / reclaimed water has not been considered in this report, however will need to be addressed through development of a revised effluent management strategy for the Kew/Kendall STP.

### Financial & Economic Implications

There are sufficient funds within the sewerage fund reserves to bring forward these works. Continued refinement of the sewer fund forward works program is in progress, with particular emphasis for the next 10 years. Subsequent financial modelling will identify where adjustments will be required, including revised tariff charges and potential revision of the sewerage developer serving plan .

Although the fund is currently in a healthy position, construction of the three village sewer schemes, construction of the Thrumster sewage treatment plant, dual reticulation requirements and the bringing forward of a number of significant projects will significantly drain reserves. As development activity increases, further out-of-sequence works will require funding and a suitable reserves balance will be required to fund these works, as well as considering loans to fund some works.

### Attachments

Nil

## Planning and Providing Our Infrastructure

**Item: 13.04**

**Subject: CAMDEN HAVEN SEWER PUMPING STATION NUMBER 22 -  
ACQUISITION OF EASEMENTS**

**Presented by: Corporate & Organisational Services, Rebecca Olsen**

### Alignment with Delivery Program

5.5.3 Plan, investigate, design and construct sewerage assets.

### RECOMMENDATION

**That Council:**

1. Pursuant to Section 186 of the Local Government Act 1993, make application to the Minister for Local Government and His Excellency the Governor for the compulsory acquisition of the easement for electricity purposes and the easement for the drainage of sewage as depicted (A) and (B) respectively in Deposited Plan 1212278; the easements being required to facilitate an upgrading of the Camden Haven Sewer Pumping Station Number 22.
2. Define the terms of the easement for electricity purposes as those set forth in Memorandum No AG189384 registered at the Land Titles Office.
3. Exclude mines and minerals from the compulsory acquisition.
4. Delegate to the General Manager authority to sign the Land and Property Information:
  - a) Transfer of Easement in Gross form;
  - b) Extinguishment or Cancellation of Easement form.

### Executive Summary

A report to consider the acquisition of easements required as part of the upgrading of Camden Haven Sewer Pumping Station Number 22.

### Discussion

Planning is underway to upgrade the Camden Haven Sewer Pumping Station Number 22 (CHSPS22) to assist in mitigating environmental impacts on the nearby Queens Lake. As part of the upgrade, a new sewer rising main will be laid in proximity to an 11,000 volt underground electricity cable. An easement for the sewer rising main and an easement for underground electricity supply will be required. A plan showing the general location of CHSPS22 and the easements to be acquired is attached. The easements have been surveyed and are depicted in greater detail in the attached copy of unregistered plan DP1212278.

As the acquisition of the easement for the sewer rising main will negate the use of the currently in use easement that was acquired in 1993, it is proposed to extinguish the 1993 easement once the upgrade works have been completed.

## Planning and Providing Our Infrastructure

Whilst the underground electricity cable will be the property of Essential Energy, as a Council funded and driven project it is appropriate that Council acquire both the easement for electricity and the easement to drain sewage. Indeed, it is a requirement of Essential Energy that Council conduct the easement acquisition. The easement for electricity, being what is termed an 'easement in gross', can be transferred to Essential Energy post acquisition. As Essential Energy require easements terms in addition to those 'standard' terms set forth in the Conveyancing Act 1919, they have registered a Memorandum (AG189384) with the Land Titles Office to meet their requirements. The transfer of the easement in gross for electricity purposes will be required to meet the terms set forth in Memorandum AG189384.

### Options

There is the option to:

Apply for the compulsory acquisition of the easements. This will allow the upgrade to proceed.

Not apply for the compulsory acquisition. This would mean that the upgrade would not proceed.

### Community Engagement & Internal Consultation

There has been consultation with the landowner - Crown Lands. Written agreement to the acquisition has been received.

The Queenslake Sailing Club, as a holder of a lease within the Crown Reserve through which the easements will pass, have been notified of the proposed upgrade and the necessity to acquire the easements. No comments have been received from the Club following the invitation to comment on the proposal.

Checks of the Aboriginal Land Claims Register and National Native Title Registers indicate no interests exist (at the time the searches were conducted) in regard to undetermined land claims or Native Title.

### Planning & Policy Implications

The acquisition of the easements is being conducted having regard to the provisions of the Land Acquisition (Just Terms Compensation) Act 1991.

### Financial & Economic Implications

Compensation will be payable for the acquisition of the easements. Whilst compensation is determined by the NSW Valuer General after a Notice of Compulsory Acquisition has been published, Council's Consulting Valuer has assessed that it would be likely that compensation approximating \$1,900 (GST Exclusive) would be fair compensation that could be assessed by the Valuer General. There is funding available in the upgrade budget to meet the easement acquisition costs.

## Planning and Providing Our Infrastructure

### Attachments

- 1 [View](#). Plan showing general location of CHSPS22 and easements to be acquired
- 2 [View](#). DP1212278 (unregistered)



## Planning and Providing Our Infrastructure

**Item: 13.05**

**Subject: DEVELOPMENT ACTIVITY AND ASSESSMENT SYSTEM  
PERFORMANCE**

**Presented by: Development & Environment Services, Matt Rogers**

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### 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 Development Activity and Assessment System Performance Report for the first quarter of 2015-2016.**

### Executive Summary

This report provides a summary of development assessment, building certification and subdivision certification activities for the July to September 2015 quarter. Data on the number of applications and processing times, together with a commentary on development trends is provided for the information of Council.

### Discussion

The following table provides data on the volume of applications received and determined over the quarter relative to the year-to-date average and monthly average of the preceding three years.

The number of development applications and engineering related approvals (subdivision certificates, roads act applications and infrastructure construction certificates) determined per month continues to track at higher levels than previous years. The month of September saw over 500 building inspections undertaken, which is a good indicator for 'on the ground' activity.

Compared to the 14/15 monthly averages, there is a slight decrease in the number of building construction certificates determined by Council and an increase in privately certified building construction certificates and complying development certificates. This is largely a result of increased competition in the sector, with two former Council staff now operating in the private certification market.

## Planning and Providing Our Infrastructure

Applications Received and Determined								
Applications Type	2012- 13	2013-14	2014-15	2015-16	2015-16 Total	Jul-15	Aug-15	Sep-15
	Monthly Average	Monthly Average	Monthly Average	Monthly Average				
DAs Received	52	70	76	80	239	79	69	91
DAs Determined	53	65	74	76	229	70	73	86
DA Modifications Received	11	11	14	15	45	14	21	10
DA Modifications Determined	11	11	14	14	42	10	14	18
Complying Development Certificates Received by Council	11	13	10	6	19	6	5	8
Complying Development Certificates Determined by Council	9	12	10	7	20	7	4	9
Complying Development Certificates Determined (Private Certifier)	11	14	15	21	63	14	26	23
Construction Certificates (Building Work) Received by Council	35	42	46	40	120	47	33	40
Construction Certificates (Building Work) Determined by Council	33	38	45	38	115	41	40	34
Construction Certificates Building Work Determined (Private Certifier)	12	17	20	28	85	29	28	28
Building Inspections Undertaken	286	371	393	485	1455	480	458	517
Plumbing & Drainage Applications Determined	42	52	64	62	187	66	62	59
Infrastructure Construction Certificates Received	2	5	8	8	25	7	13	5
Infrastructure Construction Certificates Determined	2	4	6	8	24	9	8	7
Subdivision Certificates Received	3	8	10	14	41	14	16	11
Subdivision Certificates Determined	7	7	9	13	38	17	11	10
Roads Act Applications Determined	30	30	38	47	142	55	46	41

The following table outlines the estimated value of works per development type approved for the quarter. As with application volumes, the total value for development work has increased, with \$197 million in 2013/14 increasing to \$245 million for 14/15. The 1<sup>st</sup> quarter result for 15/16 of \$72 million suggests this upward trend will continue. Residential related development continues to be the dominant development type.

Estimated Value	Jul-15	Aug-15	Sep-15	Total to Date 2015 - 2016	Total 2014 -2015	Total 2013-2014	Total 2012-2013
<b>Ancillary</b>	\$1,982,021	\$1,068,362	\$1,344,132	<b>\$4,394,515</b>	\$7,269,155	\$7,144,054	\$3,732,090
<b>Commercial</b>	\$674,500	\$5,228,500	\$84,359	<b>\$5,987,359</b>	\$5,095,040	\$26,482,821	\$16,377,463
<b>Community</b>	\$0	\$90,000	\$2,000,000	<b>\$2,090,000</b>	\$36,827,280	\$29,328,620	\$7,800,750
<b>Industrial</b>	\$0	\$180,000	\$344,800	<b>\$524,800</b>	\$6,672,864	\$6,617,002	\$6,692,245
<b>Residential</b>	\$9,970,568	\$10,525,297	\$32,232,971	<b>\$52,728,836</b>	\$143,995,310	\$112,608,913	\$58,959,874
<b>Rural</b>	\$0	\$1,029,280	\$1,058,860	<b>\$2,088,140</b>	\$8,383,305	\$8,965,554	\$11,962,472
<b>Subdivision</b>	\$100	\$1,000	\$0	<b>\$1,100</b>	\$25,407,500	\$5,232,000	\$25,802,630
<b>Tourist</b>	\$5,000,000	\$0	\$100,000	<b>\$5,100,000</b>	\$12,292,240	\$966,066	\$2,310,001
<b>Total</b>	<b>\$17,627,189</b>	<b>\$18,122,439</b>	<b>\$37,165,122</b>	<b>\$72,914,750</b>	<b>\$245,942,694</b>	<b>\$197,345,030</b>	<b>\$133,637,525</b>

Applications of note during the quarter include:

- DA2015-345 - alterations and additions to Panthers Club, Port Macquarie.
- DA2015 -343 - Alterations and additions to tourist and visitor accommodation (Sails Resort).
- DA2014-105 - Residential flat building containing 64 units, Waugh Street, Port Macquarie.
- DA2015-184 - Childcare centre, Fernhill Road, Port Macquarie.

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- DA2012-507 - Alterations and additions to tourist and visitor accommodation (El Paso).
- DA2015-230 - residential flat building containing 45 seniors housing units, Cameron St, Wauchope (Wauchope RSL).

Quarterly application processing data and longer term trends for the various application types is provided in the table below. PMHC is still tracking ahead of state averages, however it is noted that there is pressure on current resources and processing times for some application types need to improve.

In response to this, a new development engineering position and a vacant building surveying position have been filled with the successful candidates to commence during November 2015 and December 2015 respectively.

Management continues monitor processing times and resourcing levels to ensure appropriate levels of service are provided.

PMHC Application Processing Performance								
	2012-13 Monthly Average	NSW 2013-14 Monthly Average	2013-14 Monthly Average	2014-15 Average to date	2015-16 Average to date	Jul-15	Aug-15	Sep-15
DAs Processing - Net Median Days	32	30	26	30	27	23	29	28
DA Processing - Net Average Days	35	39	31	36	31	28	32	33
DA Processing - Gross Average Days	67	61	55	56	53	47	55	57
Complying Development Processing - Net Average Days	5		7	13	12	13	11	13
Complying Development Processing - Gross Average Days	5	19	8	14	13	15	11	13
Building Construction Certificate Processing - Net Average Days	11		7	12	14	30	9	3
Building Construction Certificate Processing - Gross Average Days	60		41	49	53	86	39	35
Plumbing & Drainage Applications Processing - Net Average Days	30		19	17	15	21	9	16
Plumbing & Drainage Applications - Gross Average Days	45		57	61	53	69	43	46
Infrastructure Construction Certificate Processing - Net Average Days	35		41	41	28	26	31	28
Infrastructure Construction Certificate Processing - Gross Average Days	48		52	114	81	58	113	71
Subdivision Certificates Processing - Net Average Days	78		32	33	26	21	31	25
Subdivision Certificates Processing - Gross Average Days	78		39	72	40	37	51	32
Roads Act Applications Processing - Net Average Days	36		26	16	12	12	10	14
Roads Act Applications Processing - Gross Average Days	36		36	41	33	42	30	27

### Options

This is an information report.

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### Community Engagement & Internal Consultation

Development assessment statistics are discussed internally as the key indicator of system performance.

Building on the customer survey in 2014, the same survey has recently been completed in October 2015. A total of 180 individuals who received an approval over a six month period were emailed the survey, with 52 responses being received, representing a 29% response rate. A summary of 2015 survey results compared to the 2014 survey results is provided in the tables below. Answers are expressed as a percentage of respondents for each ranking category.

Q1 - If you used Council's Duty Planner/Surveyor service, how useful was this service to you?

	Very useful	Useful	Somewhat useful	Slightly useful	Not useful	N/A
2014	27	29.7	5.4	8.1	0	29.7
2015	34.6	19.2	3.8	5.7	3.8	32.7

Q2 - If you used Council's pre-lodgement meeting service, how useful was this service to you?

	Very useful	Useful	Somewhat useful	Slightly useful	Not useful	N/A
2014	29.7	10.8	2.7	2.7	2.7	51.3
2015	17.3	17.3	3.8	0	1.9	59.6

Q3 - If you used Council's website, how satisfied were you with the information you were able to obtain?

	Very satisfied	Satisfied	Somewhat satisfied	Slightly satisfied	Not satisfied	N/A
2014	8.1	37.8	29.7	8.1	5.4	10.8
2015	15.4	30.8	19.2	13.5	1.9	19.2

Q4 - How easy to use was the development application form?

	Very easy	Easy	Somewhat easy	Slightly easy	Not easy
2014	16.2	46	16.2	8.1	13.5
2015	19.2	30.7	30.8	9.6	9.6

Q5 - How satisfied were you with the electronic application lodgement process and electronic approval you received?

	Very satisfied	Satisfied	Somewhat satisfied	Slightly satisfied	Not satisfied
2014	32.4	37.8	10.8	5.4	13.5
2015	42.3	42.3	3.9	3.9	7.7

Q6 - If you used the DA Tracker on Council's website, how useful did you find this service?

	Very useful	Useful	Somewhat useful	Slightly useful	Not useful	N/A
2014	5.4	16.2	5.4	10.8	10.8	51.3

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2015	9.6	13.5	9.6	3.9	5.8	57.7
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Q7 - How satisfied were you with the service provided by the officer processing your application?

	Very satisfied	Satisfied	Somewhat satisfied	Slightly satisfied	Not satisfied
2014	46	38.1	8.1	8.1	2.7
2015	53.9	25	11.5	3.9	5.8

Q8 - If you experienced any difficulties. How helpful were Council staff in resolving these issues?

	Very helpful	Helpful	Somewhat helpful	Slightly helpful	Not helpful	N/A
2014	27	51.3	5.4	5.4	0	10.8
2015	34.6	25	9.6	13.5	1.9	15.4

Q9 - How satisfied were you with the time it took to receive your approval?

	Very satisfied	Satisfied	Somewhat satisfied	Slightly satisfied	Not satisfied
2014	18.9	29.7	18.9	13.5	18.9
2015	25	38.5	11.5	9.6	15.4

Q10 - If you were required to undertake related applications and approvals (e.g. Plumbing and Drainage, Construction Certificate, Roads Act, Subdivision Certificate) how satisfied were you with this process?

	Very satisfied	Satisfied	Somewhat satisfied	Slightly satisfied	Not satisfied	N/A
2014	10.8	24.3	16.2	5.4	21.6	21.6
2015	15.4	25	9.6	5.8	11.5	32.7

Q11 - Overall, how satisfied were you with the experience of seeking an approval from Council?

	Very satisfied	Satisfied	Somewhat satisfied	Slightly satisfied	Not satisfied
2014	18.9	51.4	10.8	10.8	8.1
2015	26.9	44.2	15.4	9.6	3.8

Noting the above results, it is evident that levels of satisfaction with Council's development assessment service is quite good and generally there is an overall slight improvement in results from 2014 to 2015.

The electronic lodgement and approvals process has been embraced by customers with 85% of people either being very satisfied or satisfied with this system. 79% of respondents were either very satisfied or satisfied with the service provided by the assessing officer. 63% of respondents were either very satisfied or satisfied with the time it took to receive their approval.



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The questions with the lowest levels of satisfaction relate to the time taken to receive an approval (15% not satisfied), related approvals and applications (11.5% not satisfied and application form (9.6% not satisfied). While these are recorded as being issues for which there is a higher proportion of unsatisfied responses, it should still be noted that the majority of respondents to these questions expressed satisfaction.

Feedback on the customer experience has continued to be sought through monthly meetings with specific applicants who regularly lodge applications with Council. Survey results and feedback from these monthly meetings are discussed with development assessment and administration staff. From this, refinements to the application form, website and electronic lodgement/approval process have been made. Additional gains have been realised in terms of assisting applicants understand the assessment process whilst also providing an insight for Council staff in the variety of challenges and external factors affecting the viability of development generally. Monthly staff meetings further highlight the importance of maintaining effective communication between Council staff and development assessment customers.

### **Planning & Policy Implications**

Nil.

### **Financial & Economic Implications**

This report does not have direct financial or economic implications. However, monitoring the performance of the development assessment system is an important undertaking given the role of development regulation in the broader economy and the need to minimise costs to business and the community in managing development.

### **Attachments**

Nil

## Planning and Providing Our Infrastructure

**Item: 13.06**

**Subject: DESIGN EXCELLENCE PROVISIONS FOR THE PORT MACQUARIE  
FORESHORE: RESULTS OF COMMUNITY ENGAGEMENT**

**Presented by: Development & 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. As a result of consideration of the submissions set out in this report, approve the planning proposal as exhibited.**
- 2. Take the necessary steps under section 59 of the *Environmental Planning and Assessment Act 1979* to finalise Local Environmental Plan 2011 (Amendment 37).**
- 3. Thank in writing all those who made a submission for their contribution and provide information on Council's decision on the matter.**

### Executive Summary

The purpose of this report is to present the results of the recent public exhibition of the attached planning proposal to include the Plaza Car Park and adjoining land as a Significant Urban Area in the Port Macquarie-Hastings Local Environmental Plan 2011 (LEP).

The general effect of this change is that any future development application on the site would be required to address the Design Excellence provisions of the LEP. Changes are also proposed to the text of the Design Excellence provisions to clarify that the design criteria set out in a master plan or development control plan must be taken into consideration.

Four submissions were received. Council staff have not identified any significant issues for the planning proposal arising from the submissions.

Once Council has considered the submissions, it may determine whether to proceed with the proposal.

As described in this report, staff recommend that Council proceed to make the local environmental plan.

### Discussion

On 15 August 2015, Council resolved as follows:

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That Council:

1. Note the urban design significance of the Plaza site and adjoining lands and the intent of the Port Macquarie Foreshore Final Vision & Master Plan (2009), the Hastings Regional Crown Reserve Precinct A Plan of Management (2014), Development Control Plan 20 Port Macquarie Town Centre (2009) and Port Macquarie-Hastings Development Control Plan 2013, to support excellence in urban design for this land.
2. Prepare a draft planning proposal, pursuant to section 55 of the Environmental Planning and Assessment Act 1979, to amend the provisions of Port Macquarie-Hastings Local Environmental Plan 2011, in relation to Lot 701 DP1026899, Lot 2 Sec 70 DP 758852 & Lot 7084 DP 1105463 Short Street, Port Macquarie and Lot 7003 DP 1026692 William Street, Port Macquarie and Lot 702 DP 729806, Lot 703 DP729806, Lot 704 DP 729806 & Lot 705 DP 729806 Clarence Street, Port Macquarie to: a) Include the land in the Significant Urban Areas Map so that Clause 7.11A Design Excellence applies. b) Amend Clause 7.11A to include provisions that require the consent authority to have regard to the activation of foreshore frontages.
3. 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.
4. Request that the Secretary 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.
5. Note that Development Control Plan 20 Port Macquarie Town Centre (2009), which is the basis for the Port Macquarie Town Centre provisions in Port Macquarie-Hastings Development Control Plan 2013, was prepared with assistance from the Department of Planning's Urban Design Advisory Service (UDAS) and GM Urban Design and Architecture Pty Ltd.

1. *CARRIED: 8/0*

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

*AGAINST: Nil*

This report deals with items 2 to 4 above and provides the results of the public exhibition of the planning proposal.

Between 16 and 31 July 2015, Council staff prepared a planning proposal to facilitate item 2 of the recommendation, in particular to include the Plaza Car Park site and surrounding land in the Significant Urban Areas map of the local environmental plan (LEP) and amend the text of the Design Excellence provision. These changes would require future development on the subject site to address the Design Excellence criteria in the LEP. See the attached planning proposal for details of these changes.

On 31 July 2015, Council staff forwarded the planning proposal to the Department of Planning and Environment (the Department) requesting a Gateway Determination and also seeking authorisation to exercise the functions of the Minister for Planning with regard to the final steps in the plan making process under section 59 of the Environmental Planning and Assessment Act 1979 (the Act).

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On 12 August 2015, the Department issued a Gateway Determination. The determination included a standard condition for a minimum public exhibition period of 28 days and a condition to consult with the Department of Primary Industries - Lands (DPI Lands), allowing 21 days for comment. The Department also issued written authorisation to exercise the abovementioned delegation.

On 25 August 2015, Council staff referred the planning proposal to DPI Lands, requesting comments by Friday 18 September 2015. DPI Lands did not provide comments.

Public exhibition commenced 25 September 2015 and continued to 26 October 2015, a period of 32 days. Four submissions were received during the exhibition period, detailed in the Community Engagement section later in this report along with staff responses to each.

Submitters primarily offered specific design outcomes for the site. However, this planning proposal does not seek to change the desired future character statements set out in the development control plan. Rather, the changes proposed seek to strengthen the link between these design criteria and the LEP, making their consideration mandatory in any future development of the site by a requirement to address the LEP's Design Excellence criteria. No changes to the planning proposal are recommended in response to the issues raised.

### Options

In accordance with Section 58 of the Act, Council may:

1. Proceed with the planning proposal as exhibited and request the Minister's delegate to make the plan.
2. Make any changes to the planning proposal as Council sees fit and, if the changes are significant; forward the revised planning proposal to the Minister. If not significant, Council may request the Minister's delegate to make the plan.
3. Request the Minister not to proceed further with the planning proposal.

Given no changes have been identified to the planning proposal as a result of submissions, staff recommend option 1 as the preferred option.

Deciding not to proceed with the planning proposal would see key urban design matters for future development guided only by the development control plan, a less robust document when there is no link to the LEP. Given the strong interest shown by the community in the urban design outcomes of the site, this option is not recommended.

### Community Engagement & Internal Consultation

On 23 September 2015, a public notice was published as part of Council's 'Council Matters' page in the Port Macquarie News and on Council's website, advertising the public exhibition and inviting comments.

In addition, letters were sent to all landowners affected by the proposed changes, including the plaza car park and adjoining owners and Settlement City property



## Planning and Providing Our Infrastructure

owners. Minor changes are proposed to the text of the Design Excellence provisions and as such also affect Settlement City as the only other Significant Urban Area.

The attached planning proposal was on public exhibition between Friday 25 September and close of business Monday 26 October 2015. Copies of the proposal were made available for viewing and download from Council's PMHC Listening website. Hard copies were also available for viewing at the Port Macquarie Council office.

The number of community member visits was relatively good compared to other similar projects. Between the public notice and the end of the exhibition period:

- 225 people visited the webpage
- 189 people read more information
- 97 people downloaded information
- 4 people made a submission.

The submissions are set out in full in the table below. No changes are proposed in response to the issues raised.

Submission		Issue
1.	Janet Dawson	Keep the foreshore of Kooloonbung Creek attractive and with full public access. A three or four level carpark would give as much parking and use less space. Use lower level for commercial usage, ESPECIALLY the Fish Coop.
	<b>Response/ Comment:</b>	<p>The proposed changes do not deal specifically with the future design concept or changes in land use. They do not propose any changes to the desired future character expressed for the site in the development control plan.</p> <p>The aim of the proposed changes is to put in place a robust statutory control to ensure future development of the site takes into account a number of design considerations described in the development control plan.</p> <p>These considerations include, among other things, creating a vibrant, generous open space along the foreshore, creating visual permeability to maximise views to the river, and requiring businesses to present active, attractive and accessible frontages to the foreshore reserve and to streets.</p>
2.	Garry Cuttall	<p>I would like to see the following elements incorporated into the design for this area:</p> <ol style="list-style-type: none"> <li>1. Underground car parking</li> <li>2. Predominantly open space above the car park with grass areas and paved piazza style area outside bars and restaurants</li> <li>3. Public seating</li> <li>4. Public BBQs</li> <li>5. Low impact / height businesses that engage the foreshore eg. Canoe / boat hire, bars / cafes with outdoor seating in a piazza style with the grassed area between them and the water. Provide businesses dual frontage to</li> </ol>



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		<p>the grassed area and Short Street so that it looks inviting from Short Street.</p> <p>6. Tourist Information Centre, not hidden at the glasshouse.</p> <p>7. Children's play area</p> <p>8. Smoking free zone</p> <p>9. Alcohol limited to license premises</p> <p>10. Possibly a bandstand or similar for outdoor performances, maybe even a small amphitheatre</p> <p>11. Cycle way and footpath link to bridge and around to Town Green</p> <p>12. Keep the moorings and the associated buildings and incorporate jetty into scheme / walkway link</p> <p>13. Maintain the Fishermans co-op and extend it to include waterside restaurant.</p> <p>14. Plenty of bins obviously</p> <p>15. A legacy we are proud to be associated with and leave for future residents and visitors.</p> <p>Things I would NOT like to see are:</p> <p>1. Large commercial development</p> <p>2. Residential development of any kind</p> <p>3. Any form of high rise development, greater than one storey</p> <p>4. The sale of any of the land to fund the development</p>
	<b>Response/ Comment:</b>	Noted. Please see response to Submission 1 above.
3.	Eileen Binskin	<p>Council should not be a developer. This car park has apparently been under council control for years and it has been an eye saw and never maintained. Also what will happen to the food for less building if council controls it. Look what happened to the glass house. What a disgrace. Fix the roads and leave developing alone.</p>
	<b>Response/ Comment:</b>	Council is not proposing to develop the site. The matter on exhibition is a proposed change to the planning controls to ensure the design of future development is of a high standard and in line with community expectations. Please also see response to submission 1 above.
4.	Mark Hughes President, Country Labor Port Macquarie	<p>The Port Macquarie Branch of Country Labor believes strongly that the Plaza Car Park is an important part of the Foreshore and the CBD precinct and, as such, any future usage needs to be in line with the community's wishes for this site. Due to an attempt by the State Government's Crown Lands Department to sell the Car Park to Woolworths, earlier this year, Country Labor organised a petition to try and stop the sale from going ahead. That Petition gained more than 12,660 signatures and proves the huge Community opposition to a development such as a shopping centre being built on the site. While we were collecting signatures for the Plaza Car Park Petition we had a great opportunity to talk to the Community about the site</p>

## Planning and Providing Our Infrastructure

		<p>and what people would like to be done with the site in the future. The majority of the people made comments that were in agreement with the findings of the Community Engagement conducted by the Council in June 2014. The “Part 1 – Objectives or Intended Outcomes” section of this current Planning Proposal seem to be fully in line with the Outcomes of the Community Engagement of June 2014 and the community sentiment we heard during the collection of signatures for the Plaza Car Park Petition.</p> <p>We fully support the use of the land to create a public space, with a balance of park area, with decent amenities, as well as some opportunities for the creation of some small businesses such as cafes and restaurants. We believe the site should remain fully accessible to the public and with unrestricted access to walking tracks around the foreshore. Any development cannot reduce the number of available car spaces near the CBD of Port Macquarie. Ensuring the area becomes more aesthetically appealing and that lines of sight to the waterfront are kept, is also something that we believe is important. During the last few months, the community has spoken overwhelmingly about their desire for a consultative, open and transparent process to always be followed regarding any future usage and development plans for the site. The Port Macquarie Branch of Country Labor believes that Community Consultation is imperative whenever future decisions are being made about the Foreshore and Plaza Car Park (Block 6). We submit that community consultation is critical to the Gateway Determination for this Planning Proposal. In closing the Port Macquarie Branch of Country Labor supports the Port Macquarie-Hastings Council proposal to include the Plaza Car Park as a Significant Urban Area in the Local Environmental Plan (the LEP), as we believe its objectives and intended outcomes are in line with what the community expectations are, for any future development of this site.</p>
	<b>Response/ Comment:</b>	Noted. Please see response to submission 1 above. To clarify, the proposed changes do not alter the preferred design outcomes expressed in the development control plan.

## Planning &amp; Policy Implications

The project is consistent with Council's strategic planning framework. The project contributes to particular outcomes sought by the Community Strategic Plan including *'a natural environment that can be accessed by a network of footpaths, cycleways, coastal and hinterland walkways'*, and *'accessible and protected waterways, foreshores, beaches and bushlands'*.

## Planning and Providing Our Infrastructure

Although the project was not foreshadowed specifically in the Delivery Plan or Operational Plan, it is consistent with Action 5.4.3 '*Review planning framework for decisions regarding land use and development*' and is being undertaken as an ad hoc review of the LEP in light of the community interest in future development of the Plaza Car Park site.

### Financial & Economic Implications

The completion of the work in the manner outlined in this report is able to be undertaken within the team in consultation with other divisions of Council.

The work falls within the general funding allocated to Council's Strategic Planning Program.

### Attachments

1 [View](#). Planning proposal as exhibited

## Planning and Providing Our Infrastructure

**Item: 13.07**

**Subject: SOUTH LINDFIELD URBAN RELEASE INVESTIGATION AREA  
[PP2002-6.1]**

**Presented by: Development & 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:**

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 following Port Macquarie properties:
  - Lot 2 DP 1177586, Holland Cl
  - Lot 2 DP 1186806, Oxley Hwy
  - Lot 21 DP 1089272, 211 John Oxley Dr
  - Lot 2 DP 578793, 209 John Oxley Dr
  - Lot 4 DP 630393, 12 Philip Charley Dr
  - Lot 5 DP 630393, 1 Philip Charley Dr
  - Lot 1 DP 533058, 175 John Oxley Dr
  - Lot 2 DP 533058, 171 John Oxley Dr
  - Lot 3 DP 533058, 165 John Oxley Dr
  - Lot 1 DP 369206, 153 John Oxley Dr
  - part Lot 168 DP 1201505, Annabella Dr via Blackwood St
  - part Lot 1 DP 1177586, 1 Lindfield Park Rd
  - Lot 3 DP 773237, bounded by Oxley Hwy, John Oxley Dr & Philip Charley Dr (RMS)
  - parts Lots 3 & 5 DP 1105610, Blackwood St (PMHC)
  - enclosed roads and adjoining Oxley Highway.
2. Forward the draft planning proposal and 'South Lindfield KPoM Stage 2: Draft Koala Plan of Management, December 2014' (excluding proposed dog ownership restrictions) 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 Secretary 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.
4. In conjunction with the landowners, prepare Voluntary Planning

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Agreements as referred to in the report, and publicly exhibit for a minimum of 28 days in accordance with clause 25D of the Environmental Planning and Assessment Regulation 2000.

5. Prepare and publicly exhibit a draft Development Control Plan, incorporating objectives and associated development provisions relating to the matters identified in this report, for a minimum of 28 days in accordance with clause 18 of the Environmental Planning and Assessment Regulation 2000.
6. Prepare a draft Local Developer Servicing Plan for sewage services for the catchment of proposed Thrumster Sewerage Pump Station No. 4.
7. Advise the owners of properties following, that Council will separately consider revised LEP controls (including reduced minimum lot size requirements) in conjunction with a development application for these properties that addresses the issues identified in this report, in relation to:

Lot 4 DP 630393, 12 Philip Charley Dr  
Lot 2 DP 578793, 209 John Oxley Dr  
Lot 21 DP 1089272, 211 John Oxley Dr  
Lot 2 DP 1186806, Oxley Hwy.

### Executive Summary

Council has been undertaking planning for the South Lindfield area since identification of the area as an interim land release area in 1998. The investigations have been delayed for a number of reasons, including:

1. Fragmentation of land ownership
2. Uncertainty regarding the alignment of the upgraded Oxley Highway
3. Complication in coordinating infrastructure
4. The need for a Koala Plan of Management (*KPoM*), in accordance with State legislation.

Council staff have sought to work cooperatively with the landowners to establish a framework for development that provides for coordinated development in the long term. A planning agreement has been proposed by King and Campbell Pty Ltd on behalf of several landowners with the investigation area and this has formed the starting point for consultation with all landowners. Council's aim is to facilitate development outcomes and to ensure that development can be coordinated to provide a satisfactory outcome for the community in the long term.

This report provides a summary of the key issues and the proposed solutions to these issues that have been determined in consultation with the landowners. It also provides a summary of the proposed planning agreement and recent responses from landowners regarding their willingness to enter into the planning agreement.

Some landowners have either not responded or indicated that they are not willing to enter into a planning agreement to resolve key issues such as coordinated funding for sewerage infrastructure. The report therefore describes the potential implications for each infrastructure sub-catchment in the investigation area. The report also describes the options open to Council in the current circumstances.



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One key issue is the extension of Annabella Drive: it had originally been anticipated that it would extend to Philip Charley Drive, but there are gradient and sight distance problems in providing a safe intersection. Alternatives have been explored, with a connection to John Oxley Drive opposite Holland Close preferred. The less desirable alternative is to make Annabella Drive a cul-de-sac, foregoing the ideal of connectivity.

Council ordinarily takes on responsibility for stormwater management facilities, and therefore seeks to minimise the net cost, preferring larger detention and water quality basins over many smaller ones. The northern catchment of the investigation area could have had one such basin, except the relevant landowner withdrew from the landowner consultation process. It is proposed to proceed with two detention basins managed by Council and privately managed facilities on land owned by Busways and by Vilro. The solution for stormwater management in the western catchment will need to be determined in consultation with the affected landowners.

Sewerage services to the northern catchment will be provided in the long term by a series of sewer pumping stations (SPS) and rising mains through Thrumster. It is not cost-effective to bring this forward. However, subject to payment of contributions for the ultimate sewerage system, there is some interim capacity using links into the Port Macquarie sewerage network, and it is proposed to proceed on this basis.

A fourth key issue is environmental management, particularly as the investigation area is part of the home range for a koala colony, now restricted from northward movement by the Oxley Highway. In seeking to minimise conflicts between residential properties and koalas, it is proposed to focus on conservation of koala habitat separate from the residential lots. It is proposed that each landowner manage the environmental issues on their own land (including where appropriate, the option of dedication to Council).

It is proposed to exclude dog ownership restrictions from the draft KPOM prepared by Naturecall given the practical difficulties in implementing such provisions in this locality. In this instance, such provisions are less important given that koala habitat and links are largely consolidated to public areas in the centre of the site and the scope for development in the west of the South Lindfield area will not change significantly.

Having regard for the key issues above and the landowner responses on the heads of agreement for the proposed planning agreement, this report proposes that Council proceed with a planning proposal for the South Lindfield area.

In relation to the area west of Philip Charley Drive, where there is limited landowner commitment, the proposed planning controls will permit one new dwelling at this stage, and will establish a set of objectives to be satisfied in relation to any integrated development proposal that could lead to further changes to the planning controls.

To the east of Philip Charley Drive, there is greater commitment from the landowners to coordinated development and environmental management outcomes. One landowner has opted not to participate in the proposed planning agreements, however there is limited risk to Council due to the location of the property in question relative to the infrastructure requirements.

## Planning and Providing Our Infrastructure

Implementation of the recommendation will involve:

- Submission of the proposed LEP amendments and the draft Koala Plan of Management (KPoM) to the Department of Planning & Environment (DP&E) and Office of Environment and Heritage (OEH), and relevant actions with their requirements.
- Negotiations over details of the Voluntary Planning Agreements (VPA), and associated drafting (which may need to take into account requirements of DP&E and OEH).
- Drafting of associated Development Control Plan (DCP) provisions.
- Drafting of any associated changes to Contribution Plans (CP) and Developer Servicing Plans (DSP).
- Community engagement, particularly with public exhibition of the draft LEP, signed VPAs, draft KPOM, draft DCP, and possibly CP and DSP.
- A subsequent report to Council following exhibition of the planning proposal and associated documents.

### Discussion

The discussion below contains the following subheadings:

1. Context and history
2. Roads
3. Stormwater management
4. Sewerage services
5. Environmental Management
6. Proposed Planning Agreement
7. Southern catchment
8. Busways subcatchment
9. Eastern subcatchment
10. Central subcatchment
11. Western subcatchment
12. LEP changes
13. DCP objectives

#### 1. Context and history

In 1998 there was concern about potential shortages in the availability of residential land reserves, with work on the 800 ha Thrumster land release yet to commence. A decision was made to have an interim land release (mostly) west of Lindfield Park Road, covering 10 hectares and extending for 1.5 Km along the former Oxley Highway. This was interrupted by the State Government announcing that the Oxley Highway would be upgraded on the existing alignment. This had a major impact on how that area could be developed.

After a few years the Government agreed to review the route, and eventually decided to proceed with an alignment very similar to one identified in the 1970s. By this time planning investigations were underway for the Thrumster land release and that portion of the interim release area west of the new alignment was incorporated within



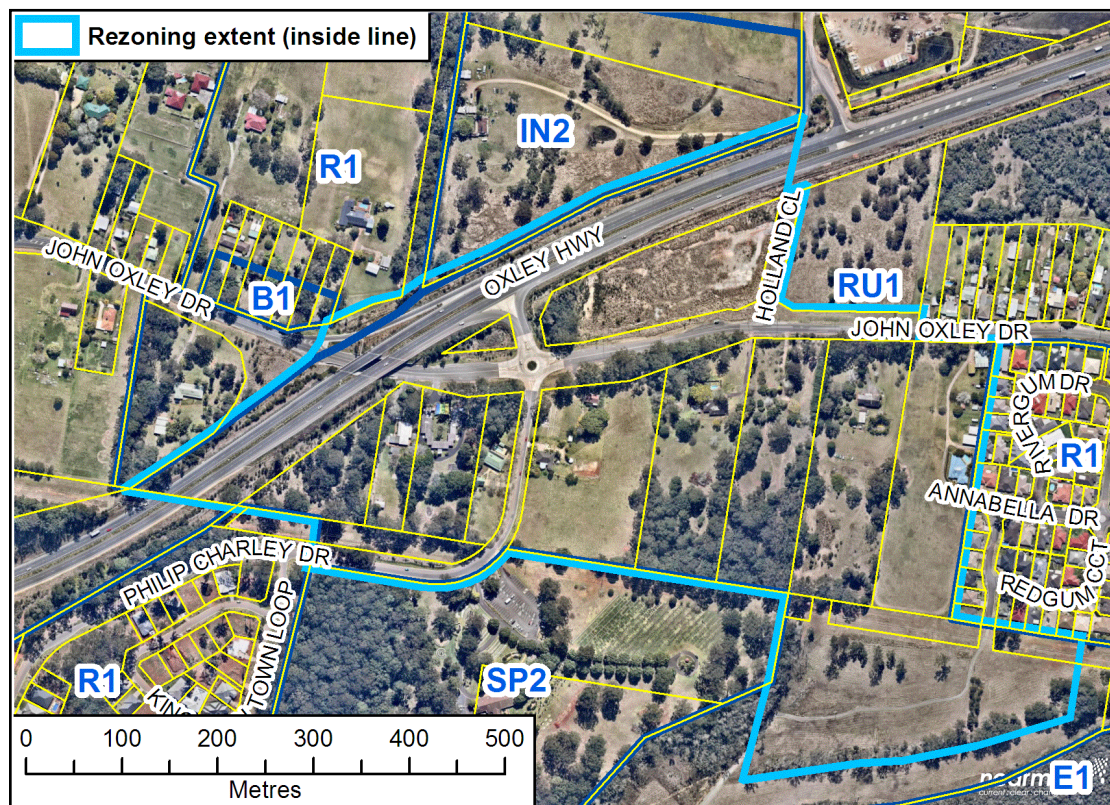
## Planning and Providing Our Infrastructure

the Thrumster planning. The residue area became what is now being referred to as 'South Lindfield'.

Other matters that have contributed to delays with this investigation have been:

1. Council needing to coordinate the landowners and seeking to advance work with limited funding.
2. Negotiations (ultimately unsuccessful) with a landowner whose property provided the optimal solution for the northern stormwater catchment. Followed by evaluation of several alternative stormwater strategies.
3. Ecological investigations and preparation of a draft Koala Plan of Management.
4. Evaluation of options for Annabella Drive.

The extent of the investigation area is shown in the following map, and includes adjoining roads to allow for continuity of zonings etc across the roads.



For consistency a proposed 5 m wide E3 Environmental Management zone is proposed on the northern side of the Oxley Highway, in the area currently zoned IN2 Light Industrial. This proposed zone change has been the subject of consultation with representatives of the affected landowner. It is intended to provide a minimum level of vegetation screening adjacent to the Oxley Highway, and will be assessed in more detail in future development applications for that land, in conjunction with stormwater and road design.

The properties included are listed below, and identified in the map following.

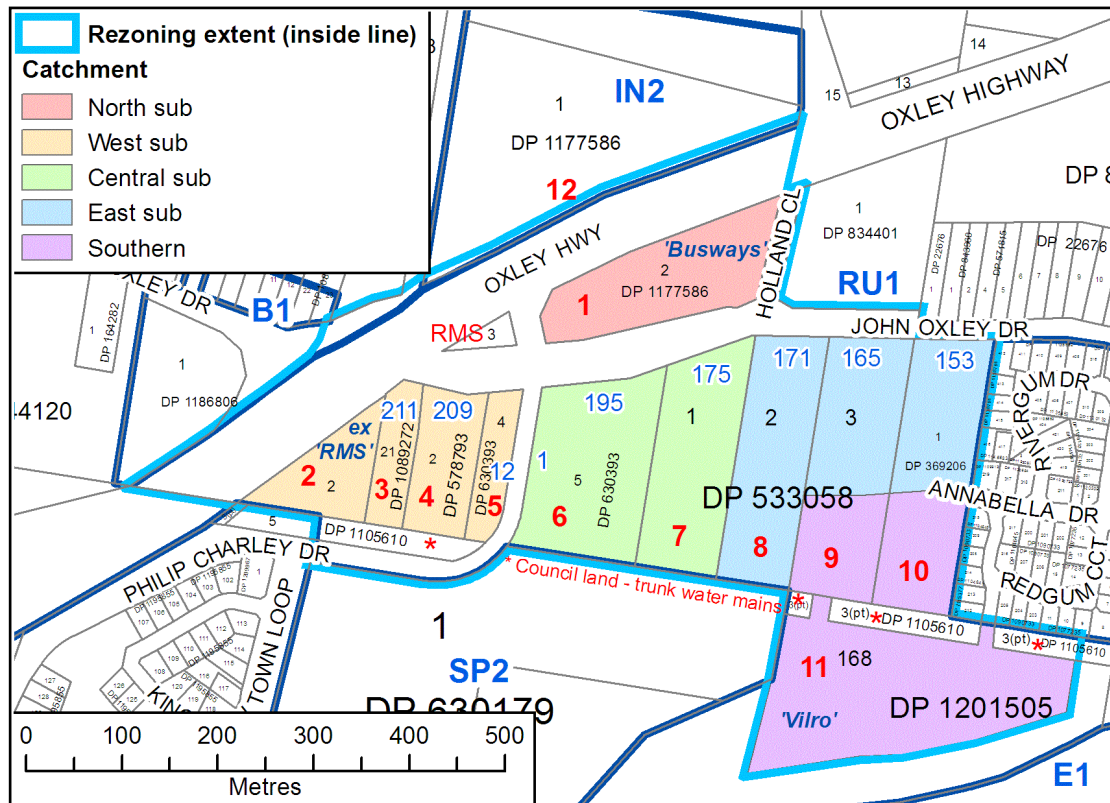
## Planning and Providing Our Infrastructure

Ref	Ownership	Property	Area (ha)	Catchment
1	Busways East Pty Ltd & others	Holland Cl Lot 2 DP 1177586	1.94	North
2	H L & D H Durant	Oxley Hwy Lot 2 DP 1186806	0.91	West
3	H L & D H Durant	211 John Oxley Dr Lot 21 DP 1089272	0.59	West
4	D Xiao (motel)	209 John Oxley Dr Lot 2 DP 578793	1.02	West
5	G B Byrne	12 Philip Charley Dr Lot 4 DP 630393	0.54	West
6	Scribbly Gums Holdings Pty Ltd & G R Priest & R C Patat	1 Philip Charley Dr Lot 5 DP 630393	2.37	Central
7	K A & B K Roberts	175 John Oxley Dr Lot 1 DP 533058	2.02	Central
8	BaptistCare NSW & ACT	171 John Oxley Dr Lot 2 DP 533058	2.02	East
9	N B & P M & P J Mann & Others	165 John Oxley Dr Lot 3 DP 533058	2.42	East / South
10	R W & J M Ramm	153 John Oxley Dr Lot 1 DP 369206	2.43	East / South
11	Vilro Pty Ltd & Port City Developments Pty Ltd	Annabelle Dr via Blackwood St <b>part</b> Lot 168 DP 1201505	3.77	South
12	D L Fanning	1 Lindfield Park Rd <b>part</b> Lot 1 DP 1177586	0.21	na
RM S	Roads & Maritime Services (detention basin)	Bounded by Oxley Hwy, John Oxley Dr & Philip Charley Dr Lot 3 DP 773237	0.14	na
-	Roads & Maritime Services (lots not shown)	Oxley Hwy (awaiting dedication) Lots 4-5 DP 773237 Lots 27, 30-31 DP 1089272 Lot 36 DP 1157283 Lot 3 DP 1186806		na
*	Port Macquarie Hastings Ccl (contains trunk water main)	Blackwood St <b>part</b> Lot 3 DP 1105610	0.68	na
*	Port Macquarie Hastings Ccl (contains trunk water main)	Philip Charley Dr <b>part</b> Lot 5 DP 1105610	0.41	na

Note that in the table the West, North, Central and East catchments are actually subcatchments of the Northern catchment.



## Planning and Providing Our Infrastructure



Note that on the western side of the Oxley Highway there is land zoned B1 Neighbourhood Business. Once developed it will provide convenient access to local shops via an underpass below the Oxley Highway.

It is also noted that for visual and acoustic reasons, it is preferable to avoid residential development adjacent to the Oxley Highway.

One of the requirements to be satisfied when proposing an LEP is whether there is adequate public infrastructure for any consequential development. This means there needs to be available capacity or specific viable proposals for how the infrastructure will be provided.

It is noted that there is no difficulty in provision of water services.

## 2. Roads

Access to and from the investigation area is via John Oxley Drive, though there is a link to the west-bound lanes of the Oxley Highway via the northern end of Philip Charley Drive. While the underpass under the Oxley Highway only provides for one lane each way, the roundabout at Philip Charley Drive allows for two lanes each way. There is the space to widen John Oxley Drive to two lanes each way to the east within this area if this becomes necessary (as considered in the *John Oxley Drive Precinct Structure Plan 2012*).

For local connectivity within the investigation area it had been anticipated that Annabella Drive would be extended westward to Philip Charley Drive (shown 'W' on

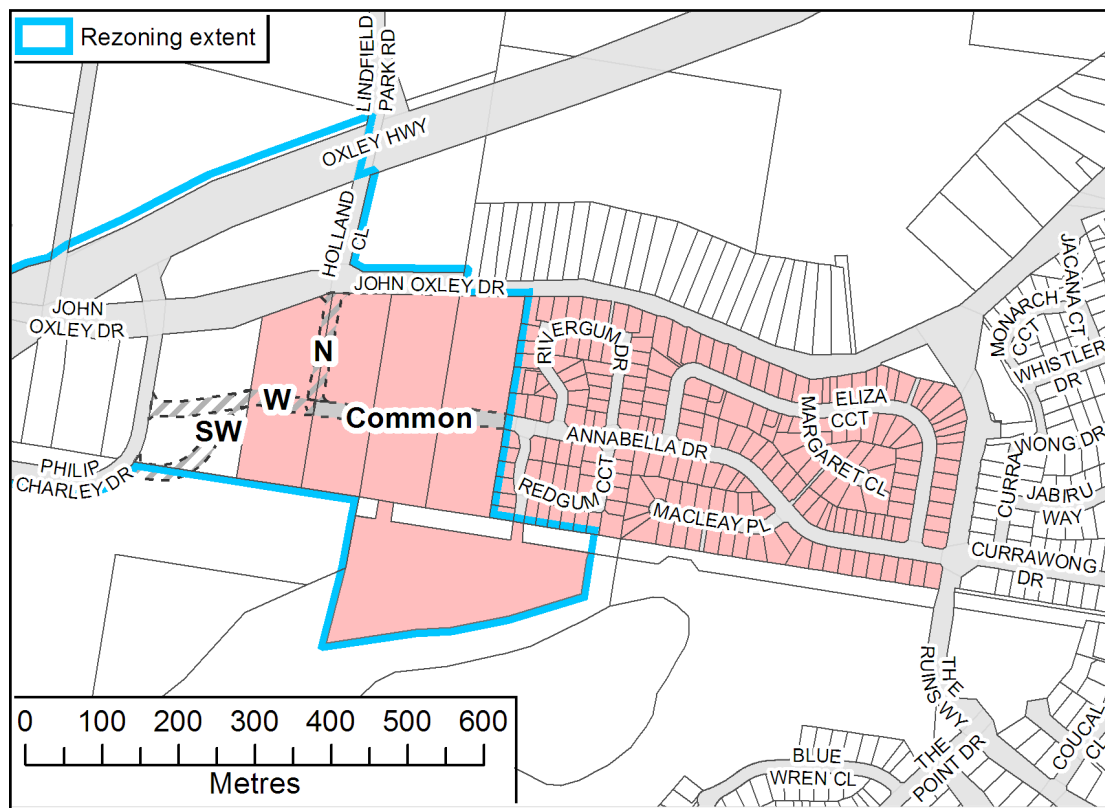


## Planning and Providing Our Infrastructure

the plan below). However detailed assessment by Council's Transport and Traffic Management Engineers revealed that the gradient and impaired visibility (from the south) made it impossible to construct an intersection at Philip Charley Drive.

To ensure that connectivity is not lost, alternatives were evaluated:

- a) relocation of the intersection to the northern boundary of the crematorium (shown 'SW' on the plan below). This option is very expensive (estimated cost \$2.1m), having regard to additional works to protect the trunk water mains underneath that location.
- b) deviation of Annabella Drive to the intersection of John Oxley Drive and Holland Close (shown 'N' on the plan below). This would necessitate construction of a roundabout (estimated cost \$1.4m). The section of road to the intersection would need to be constructed in conjunction with development of the affected properties, as is normal practice. It is acknowledged that construction of the section of the road labelled 'N' will need to be coordinated between the adjoining landowners.



- c) The South Lindfield landowners are concerned about the cost impacts, and that uncertainty for an unfunded intersection could adversely impact on their capacity to develop. The landowners have suggested that Annabella Drive end at the western end of the 'Common' section of road in the above plan. This option is not supported by Council's Infrastructure and Asset Management Division as it would remove connectivity and result in a single point of access into The Ruins Way for approximately 300 dwellings once the South Lindfield area is developed.

## Planning and Providing Our Infrastructure

It is anticipated that within the South Lindfield area development contributions would contribute around \$500,000 towards any intersection works associated with the extension of Annabella Drive. Option B is anticipated to include works in kind from Busways with a value of around \$200,000. The net cost of Option A would be \$1,600,000, and for Option B around \$700,000.

Council's Infrastructure and Asset Management Division has recommended Option 'N' above from a traffic connectivity and safety perspective. Notwithstanding current uncertainty about funding, it is recommended that the road network for South Lindfield include a collector road extending from the current end of Annabella Drive west and north to the intersection of John Oxley Drive and Holland Close. The benefits of this road connection include improved connectivity, less pressure on The Ruins Way and a four way intersection at John Oxley Drive and Holland Close, which would allow easier right turn movements of vehicles at that intersection, including any future bus movements from the proposed Busways depot.

Without a road link directly from Annabella Drive to Philip Charley Drive, it is proposed to provide a pedestrian and cyclist link across the properties east of Philip Charley Drive.

### 3. Stormwater management

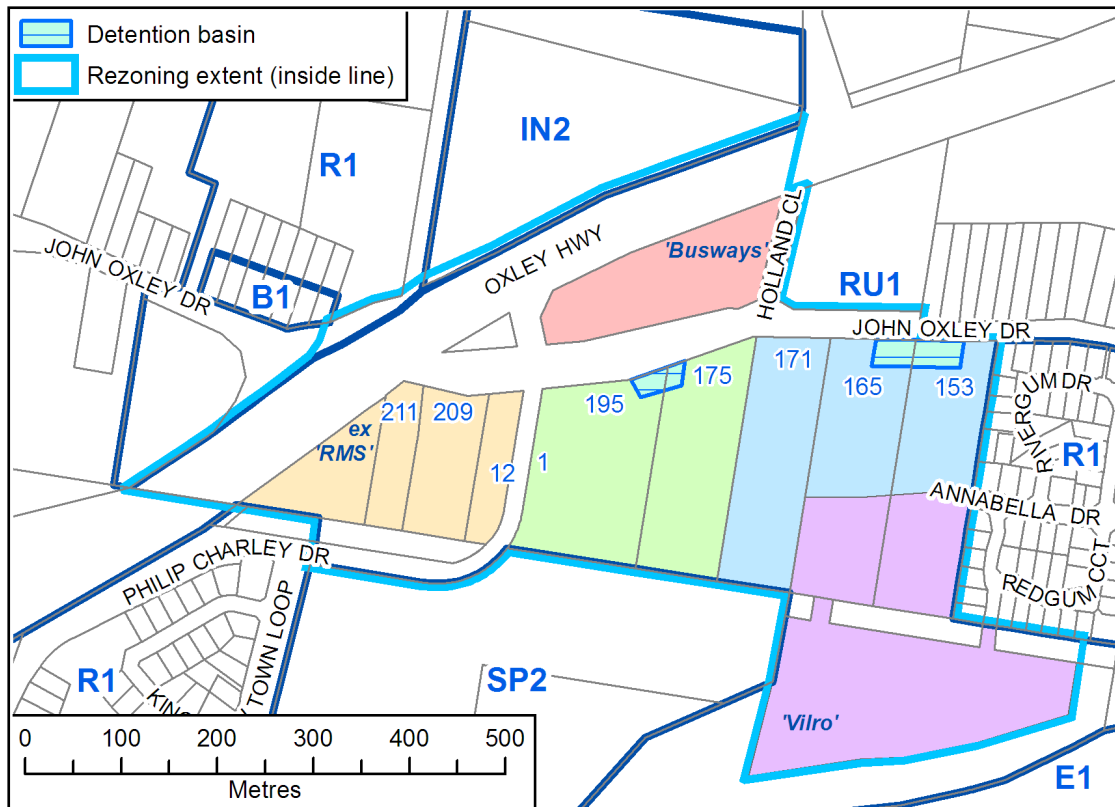
The investigation area straddles a low ridgeline, which roughly runs from Annabella Drive to midway along the northern boundary of the crematorium. Consultants were engaged to evaluate options and prepare a Stormwater Management Plan. The primary objectives are:

- a) to detain stormwater and ensure that downstream flow rates are no higher than pre-development flows, and
- b) to remove contaminants and sediment, so as not to adversely affect waterways downstream, and
- c) to minimise ongoing maintenance costs for the community (i.e. Council), and in this regard it is preferable to minimise the number of separate basins being maintained.

Note that the NSW Roads and Maritime Services (RMS) have provided their own detention basins and swales to serve the new Oxley Highway and existing surface flows. These would not have capacity to take increased flows from development in the investigation area.

The southern catchment is relatively simple, with Vilro Pty Ltd prepared to accept responsibility for a privately managed stormwater detention and water quality basin further south within their landholding. This would be a water feature and source for their proposed golf course, similar to a basin on the western side of the Innes Peninsula. This basin could also serve parts of two other lots within the southern catchment, as shown in the plan below.

## Planning and Providing Our Infrastructure



The ideal solution for the northern catchment was a detention basin in the northeast corner of the property to the east of Holland Close. While this property was initially within the investigation area, the landowner withdrew from participation in the investigations, and various alternative stormwater options were subsequently evaluated in consultation with the South Lindfield landowners.

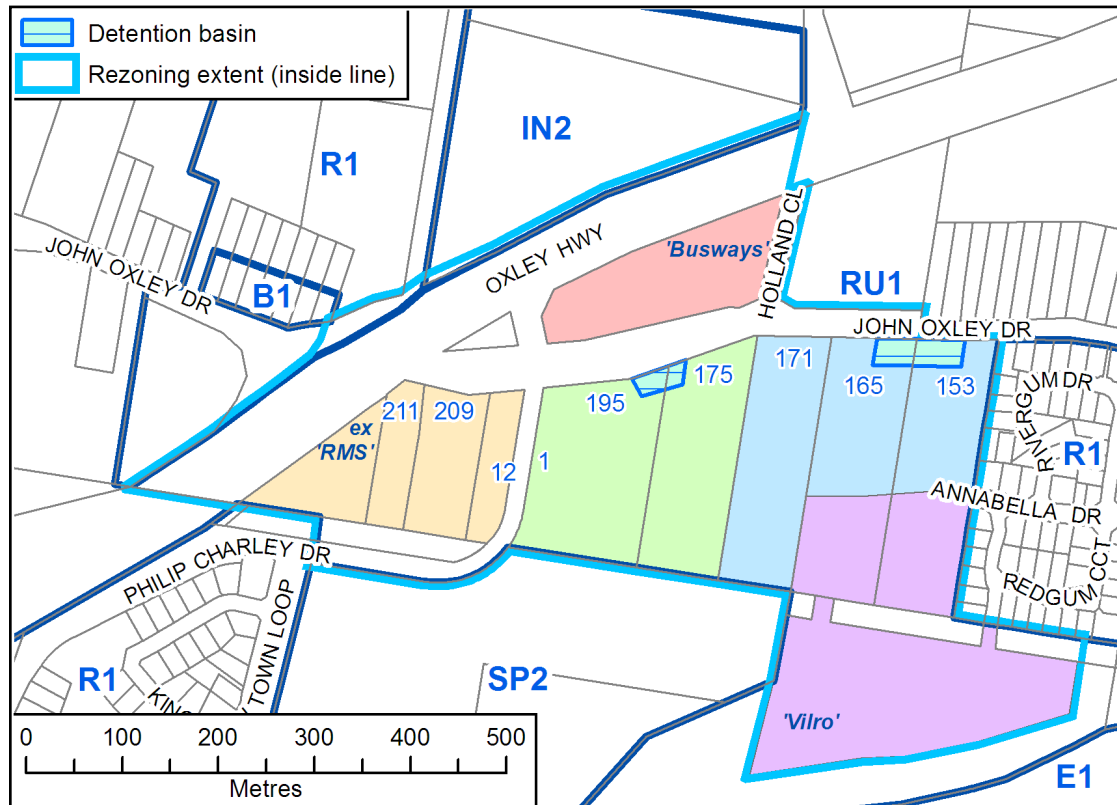
The options also needed to accommodate the proposal from Busways that they will privately manage their stormwater and recycle it in their future development.

For the eastern three lots (excluding that part draining to the southern catchment) the preferred solution is a detention basin in the eastern two lots adjacent to John Oxley Drive.

For the middle two lots (i.e. between the eastern 3 lots and Philip Charley Drive) the preferred solution was a detention basin in the northwest corner (near the current roundabout), as conceptually it could also serve (most of) the lots west of Philip Charley Drive. As discussed under 10 Central subcatchment below, it is now proposed to locate the detention basin across the common boundary between the two lots adjacent to John Oxley Drive.

In relation to the western subcatchment the current proposal for the central subcatchment means that the western area will need to provide its own solution to stormwater management, as discussed further under 11 Western subcatchment. Potentially this could mean a third detention basin for Council to maintain.

## Planning and Providing Our Infrastructure



#### 4. Sewerage services

A sewerage pumping station (SPS) has been constructed on the southern boundary of the crematorium to serve both the Ascot Park estate and development within the southern catchment of the South Lindfield investigation area. This SPS connects to the Port Macquarie sewerage treatment plant (STP).

In relation to the northern catchment, there is not sufficient long-term capacity at the Port Macquarie STP to serve this area and the undeveloped industrial zone on the northern side of the Oxley Highway - both areas are in the same sub catchment. A shared SPS has been proposed on the northern side of the Oxley Highway, and a section of sewer main is already in place under the highway for this future connection.

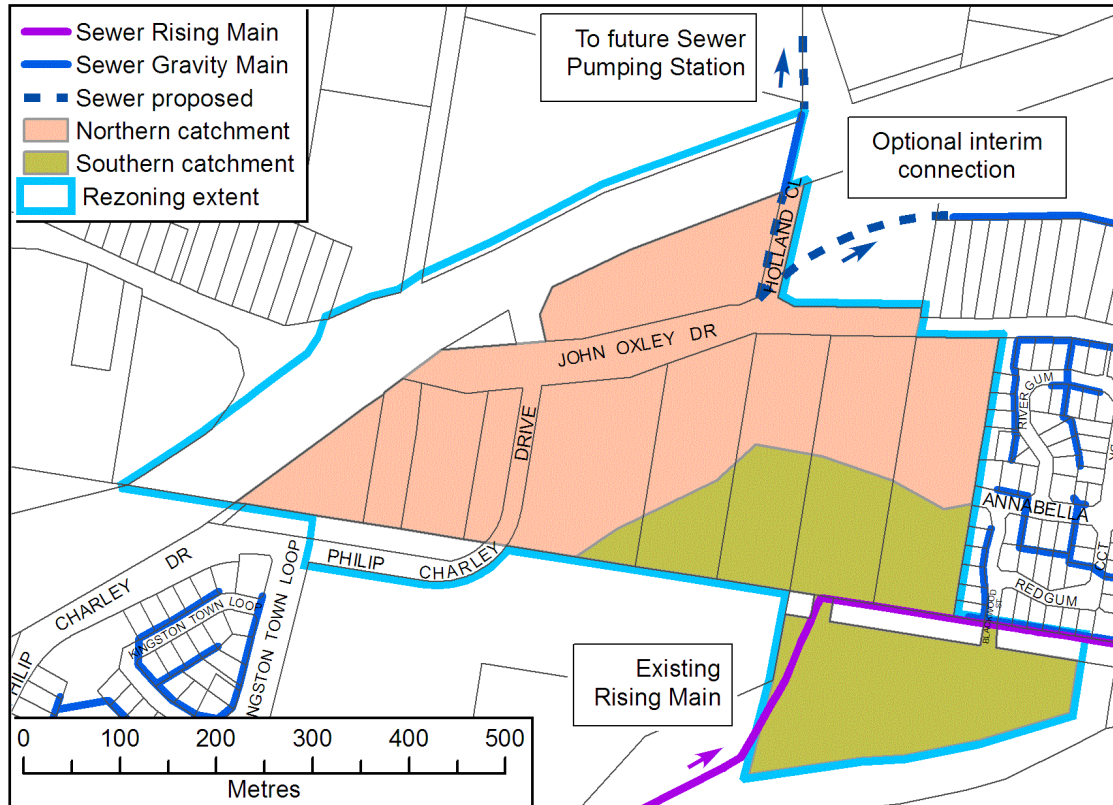
The Lindfield Park Road industrial area is the eastern extent of the Thrumster urban release area, and the sewerage strategy is to use a series of SPSs and rising mains connecting to the primary SPS in Thrumster, with subsequent connection to the future Fernbank Creek STP. (At present the sewerage from Thrumster is relayed to the Port Macquarie STP where there is spare short-term capacity.)

Expansion of the Thrumster sewerage network will be coordinated with staged urban development, and it is improbable that the network will extend to serve the northern catchment within 10 years.



## Planning and Providing Our Infrastructure

Council's Water and Sewer Engineers have identified that there is some short-term capacity to divert sewerage from the northern catchment in the South Lindfield area via an interim connection to the Port Macquarie STP, as shown on the plan below.



This assumes that the interim connection will become redundant in the future and that contributions towards the ultimate sewerage system will also be paid in accordance with current water and sewer Developer Servicing Plans.

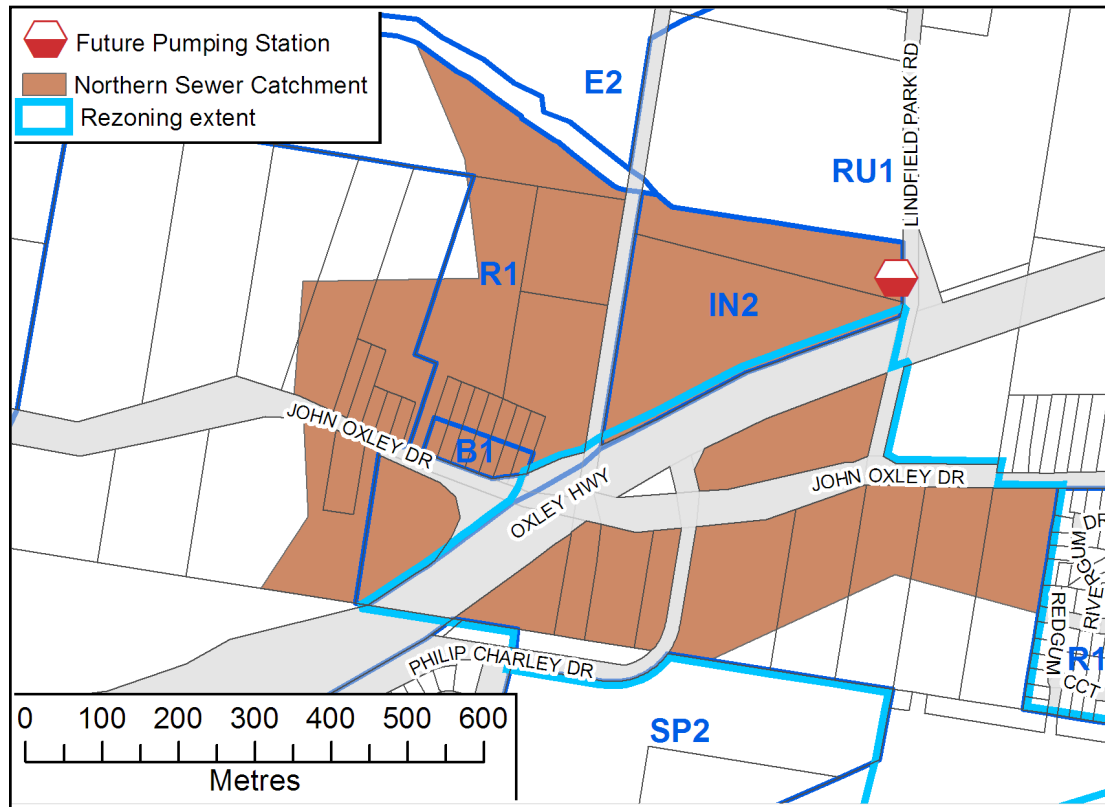
The spare capacity of the interim connection gravity main is limited to 134 et (equivalent tenement). This interim solution is unlikely to serve the Busways land, and, depending on the available alignment (and associated pipe gradients), it may not be possible to serve other areas, particularly the lower area of the western subcatchment. Bearing this in mind, any interim solution should maximise the number of properties in the northern catchment that it serves, as a way of minimising net costs per lot.

Prior to the availability of the planned sewerage network via Thrumster, rezoning of the northern catchment for urban development is conditional on resolving the above challenges.

Particularly bearing in mind any property for which there is no VPA, it is appropriate to have in place a Local Developer Servicing Plan (DSP) for sewage services for the catchment of proposed Thrumster SPS No 4, as shown on the plan below.

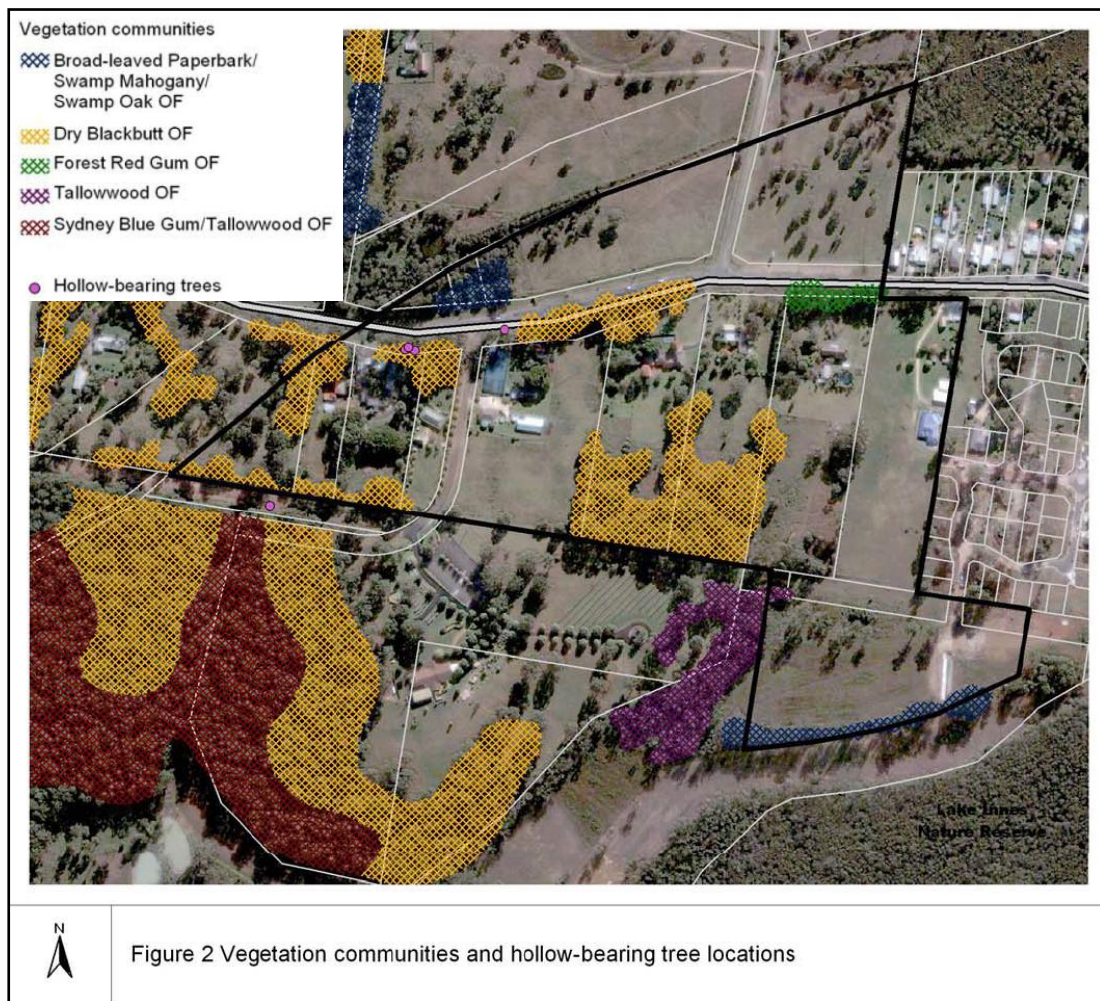


## Planning and Providing Our Infrastructure

5. Environmental Management

An Ecological Assessment was prepared for the investigation area by Biolink Ecological Consultants in 2009 - refer Attachment 1. The assessment was done prior to construction of the new Oxley Highway alignment, which has impacted on some significant vegetation communities.

## Planning and Providing Our Infrastructure



The assessment identified small remnants of the following Endangered Ecological Communities (EECs):

- Swamp Oak Floodplain Forest on Coastal Floodplains (Swamp Oak - Mixed Eucalypt Coastal Floodplain Wetland Forest Complex)
- Swamp Sclerophyll Forest on Coastal Floodplains (SSFCF) (Broad-leaved Paperbark - Mixed Eucalypt Swamp Forest Complex).

The majority of the area was identified as core or potential koala habitat.

Also identified were some hollow-bearing trees (mostly in road reserves) - the loss of hollow bearing trees is listed as a key threatening process for the purposes of the *Threatened Species Conservation Act 1995*. At least six of the threatened species known from the vicinity of the site – the Glossy Black Cockatoo, Powerful Owl, Yellow-bellied Glider, Little Bent-wing Bat, and Greater Broadnosed Bat – use tree hollows.

The site does not intersect any corridors (regional or subregional) currently proposed by Office of Environment and Heritage (OEH) key habitats and corridors mapping. The Oxley Highway reduces the opportunities for north-south connectivity.

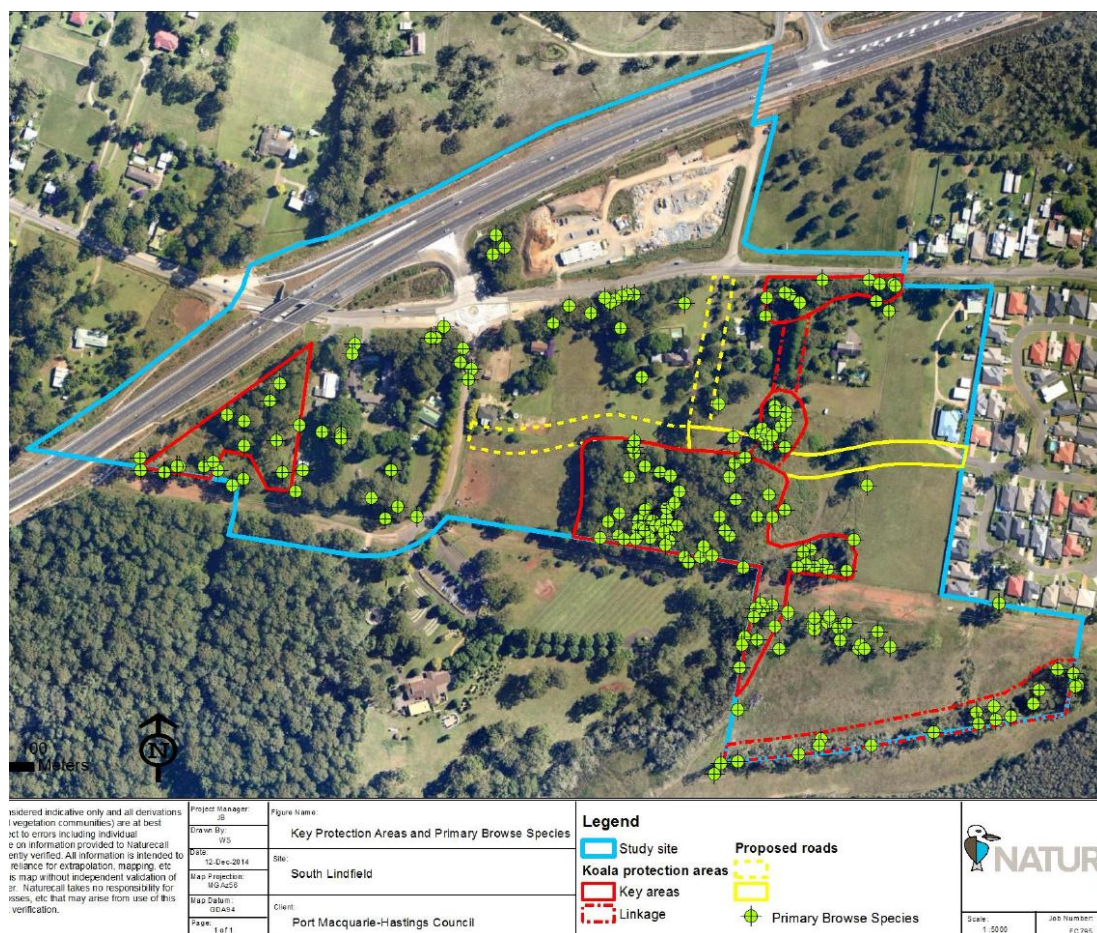


## Planning and Providing Our Infrastructure

The recommendations for management of the site's biodiversity values are summarised as:

1. Targeted survey for the Green and Golden Bell Frog in optimal season & weather conditions at dam onsite and other permanent waterbodies in the area, as well as in adjacent northern end of Lake Innes Nature Reserve.
2. Retention of high-scoring hollow-bearing trees along with suitable buffers.
3. Retention of SSFCF EEC at the southeastern boundary of the site coupled with the creation of a vegetated buffer averaging 50 m from the southeastern boundary of the site.
4. Maximise the retention of remnant vegetation across the site.
5. Adoption of development controls described herein as a minimum for management of koala habitat in keeping with the standard applied at Area 13. In this regard the presence of Core Koala Habitat mandates the preparation of a Koala Plan of Management.

A draft KPoM has been prepared for the investigation area by Naturecall Environmental - refer Attachment 2. The draft KPoM identifies koala habitat based on *SEPP No 44 - Koala Habitat Protection* (SEPP 44), and notes that 3 koalas were sighted during the period of the KPoM survey. Key details from the KPoM are shown on the plan following.



## Planning and Providing Our Infrastructure

In the past Council has sought to retain koala food trees within areas of urban development. However, the retention of koala food trees has generally proven unsuccessful when integrated within urban lots.

In this case the deliberate strategy is to ensure the koala food trees are consolidated in areas of public ownership and that trees are protected under a suitable environmental zone. In the small area west of Philip Charley Drive, it is proposed to retain koala food trees within larger urban lots under an Environmental Living zone. The proposed LEP zones have made minor modifications to the KPoM proposals, to further attain this objective.

This is consistent with *SEPP No 44 - Koala Habitat Protection*, which requires that Council include land identified as a core koala habitat within an environmental protection zone, or apply special provisions to control the development of that land.

The KPoM proposes consolidation of vegetation and koala habitat in the centre of the South Lindfield area adjacent to the crematorium, with connections to areas of core koala habitat to the north and south.

Limited tree removal is proposed in other areas, on the basis that this tree loss is compensated in areas that will be maintained in public ownership. A contribution towards ongoing maintenance of those public areas is proposed in conjunction with future development.



The plan above summarises the environmental conservation strategy for the area, though it does not show koala food trees where the location has not been precisely determined, nor other significant trees.



## Planning and Providing Our Infrastructure

Restrictions on dog ownership are proposed in the draft KPOM prepared by Naturecall for Council. However, in this instance, it is proposed to exclude such provisions given the practical difficulties in implementing such provisions and given that the habitat is largely consolidated to public areas in the centre of the site and links are provided on proposed public land. The amount of development in the west of the South Lindfield area will not change significantly and the threat to koalas from dog ownership is therefore limited.

The primary linkages provided within the investigation area are:

- Along the western boundary adjoining the crematorium, and
- Along a corridor of trees on the southern boundary, which will be a buffer between the proposed golf course fairway and urban development within the investigation area. This corridor includes some EEC, and is proposed to be retained in private ownership, subject to a Vegetation Management Plan (VMP). Asset Protection Zones (APZ) can be provided using perimeter roads adjoining those areas.

Within the Vilro land there is a cluster of koala food trees that, if retained, would generate conflicts between koalas and human activity. A preferred outcome is to use offset planting to enhance the western corridor on the Vilro land.

The small size of each landholding makes it difficult to achieve the normal ratio of offset planting of 4 new trees for each one lost. For this particular area, it is proposed to seek the approval of Department of Planning & Environment and Office of Environment and Heritage for an offset ratio of 1:1 where the land is placed in public ownership (which provides more certainty about long term management).

There are some particular challenges for determining the appropriate solution for the western subcatchment, and this is discussed in 11 Western subcatchment. In summary, it is proposed to apply a combination of E3 Environmental Management and E4 Environmental Living zones in addition to the draft KPOM, and to generally maintain the status quo in terms of development potential until a coordinated development plan is achievable in this area.

Note also that there are some significant native trees (including some hollow-bearing trees) within the John Oxley Drive road reserve, and any road upgrade plans should seek to retain them. Broadly this seems feasible.

### 6. Proposed Planning Agreement

In September a Development Concept Outline (refer Attachment 3) was circulated to landowners, and discussed at a meeting with them. The landowners were requested to respond on whether they would like to enter into negotiations over a planning agreement to coordinate the provisions of the required infrastructure associated with the proposed urban land release.

Most landowners responded positively, though sometimes wanting further discussions on issues such as roads, the northern sewerage strategy, environmental management, and the associated cost implications. No response was received from two landowners who are not interested in development at present, and the owner of No 175 John Oxley Drive declined to participate.



## Planning and Providing Our Infrastructure

In processing any proposed rezoning, it will be important that negotiations over the VPAs have been finalised and signed VPAs are ready to be exhibited concurrently with the Planning Proposal.

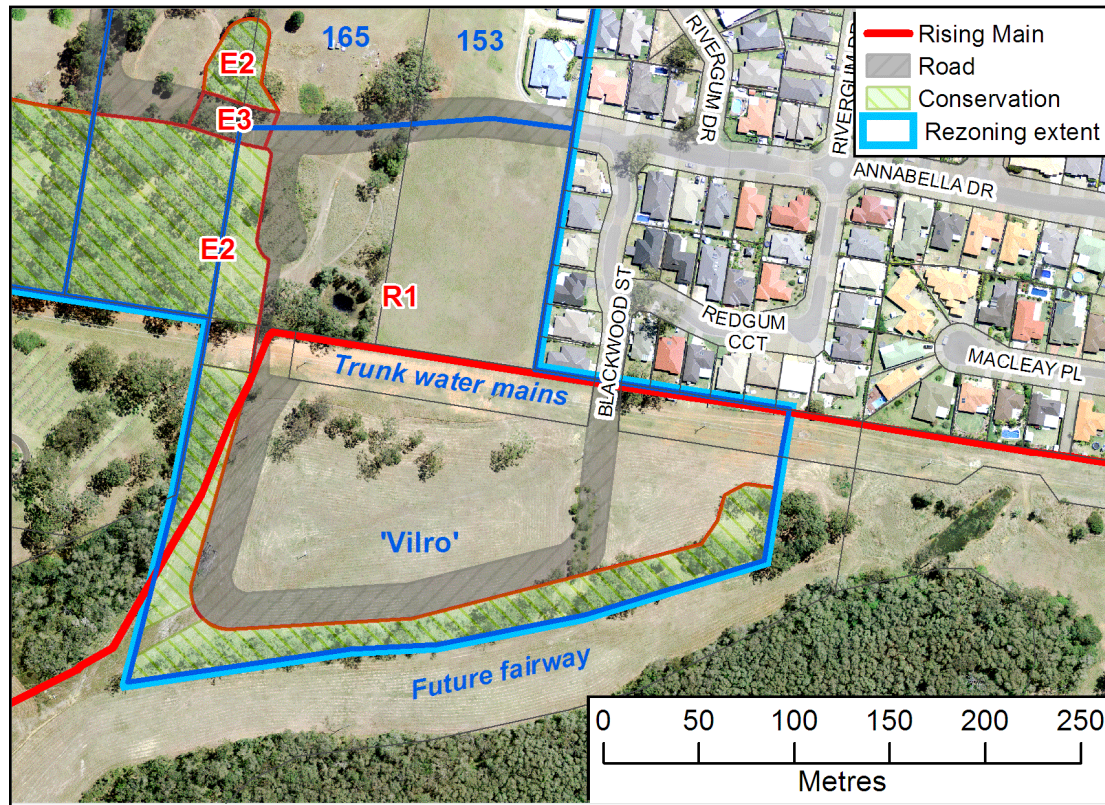
The significance of the landowner responses is discussed below for 10 Central subcatchment and 11 Western subcatchment.

### 7. Southern catchment

The issues for this catchment are relatively simple to solve and the matters to be addressed are:

1. Road access: Annabella Drive can be extended across both Nos 153 and 165 John Oxley Drive. The Vilro property has access to Annabella Drive via Blackwood Street, but it is anticipated that for bushfire safety, an alternative exit will be required, which could be achieved via an emergency egress across No 165 John Oxley Drive to the extension of Annabella Drive.
  2. Stormwater management: Vilro are willing to have a privately managed detention basin on their land, to be associated with the future golf course. This can serve their land and the relevant parts of Nos 153 and 165 John Oxley Drive. As happened off The Point Drive, it will be necessary to enter into legal arrangements for the private facility to manage stormwater from other properties on behalf of Council.
  3. Sewer: The relevant land can drain to a SPS adjoining the southern boundary of the crematorium, with the two northern properties needing to drain across the Vilro land.
  4. Environmental management: No requirements for No 153 John Oxley Drive. Some offset planting for No 165 in the southwest corner provide a good outcome by augmenting the proposed conservation area in the south of Nos 171 and 175 John Oxley Drive.
1. There is a small cluster of koala food trees within the Vilro property that would be compromised by development around them, and it is proposed that they be replaced by offset planting at a ratio of 1:1 along the western boundary (enhancing the existing vegetation), with that land being zoned E2 and dedicated to Council.
  2. Along the southern boundary of that part of the Vilro land within the investigation area is a corridor of trees (some EEC), which is proposed to be retained both as a koala corridor and as a buffer between residential development and the golf course. While there would be a future road on the northern side, providing an APZ and access for Council if it was to manage this land, the owners prefer to retain this land in private ownership. It is proposed to zone this E2, and require a vegetation management plan providing for ongoing conservation management of this land.

## Planning and Providing Our Infrastructure

8. Busways subcatchment

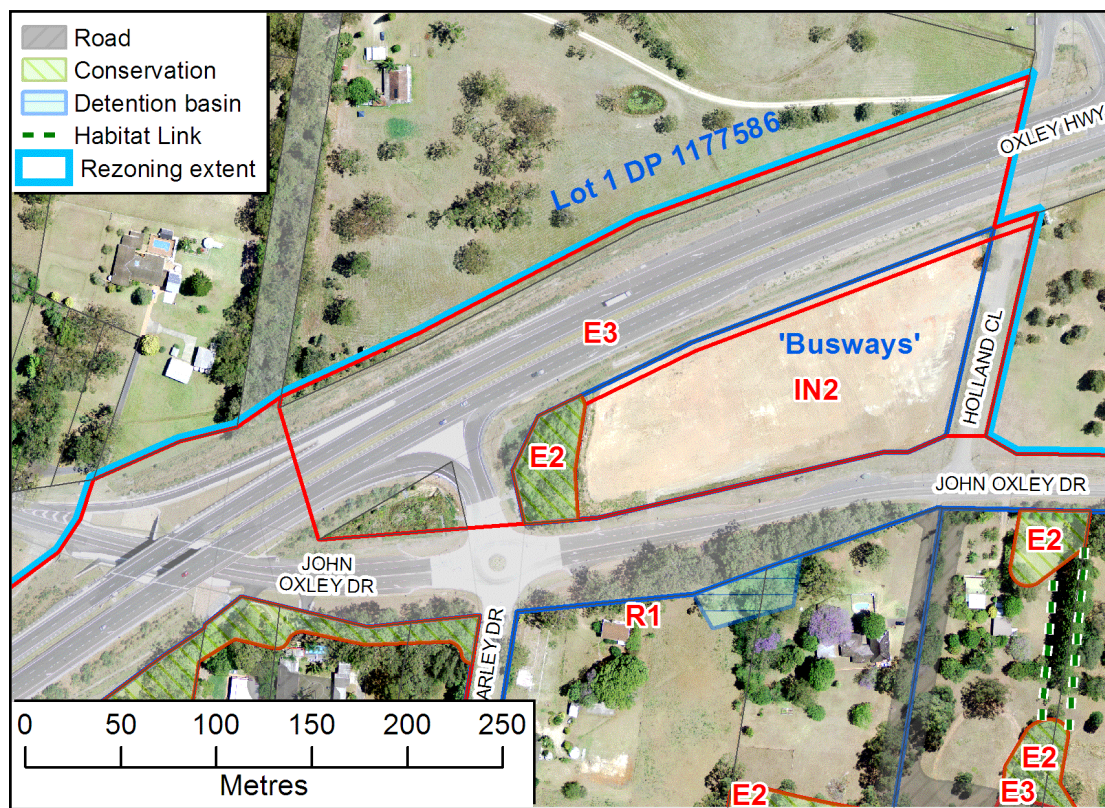
Given the proximity to the Oxley Highway, it would not be appropriate to zone this land for residential development. Busways purchased the land to provide a site for a new bus depot ('transport depot' in LEP language), though there has not been any formal request for rezoning. Staff are supportive of a rezoning (to IN2 Light industrial, excluding a northern buffer) which permits a transport depot, subject to the following specific matters to be addressed for this site:

1. Road access: There will be no direct access onto John Oxley Drive, with access via the Holland Close intersection. If this remains a three-way intersection, Busways would need to upgrade it to a suitable standard for bus movements. If Annabella Drive is extended to this intersection, then there would need to be appropriate apportionment of costs, having regard to any staging of upgrade construction.
2. Stormwater management: Busways have indicated that they propose to manage their own stormwater, to permit onsite reuse.
3. Sewer: Busways are subject to the northern catchment issues outlined in 4 Sewerage services, though their location may make it harder to access any interim sewerage strategy without the use of booster pumps.
4. Environmental management: There is some (post highway upgrade) remnant EEC, including koala food trees, in the western end of the site. Given the size and location, there is no environmental value in retention or enhancement of this vegetation. However, the vegetation does have visual screening values, and is proposed for retention on this basis.



## Planning and Providing Our Infrastructure

5. Frontage to Oxley Highway: An advantage of the upgraded Oxley Highway is the improved aesthetics of the approach into and exit from Port Macquarie. Any development adjacent to the highway should maintain or enhance that. Various options are possible, though it is complicated by the common boundary being lower than both the road and the balance of the site - any visual screening will need to be relatively high. To allow some flexibility, it is proposed to apply a 5 m wide E3 Environmental Management zone along the boundary adjoining the highway, and to have a specific DCP objective relating to the appearance of any development from the highway.



### 9. Eastern subcatchment

This subcatchment contains the eastern three lots, excluding the parts of the two eastern-most lots which drain into the southern catchment.

The southern portion of the western lot is proposed to be zoned E2 Environment Conservation as part of the central conservation area and koala habitat.

The matters to be addressed are:

1. Road access: Extension of Annabella Drive is the key requirement, which is common with the Southern catchment. In this case it will need to be extended across the western lot, and allow for possible further extension onto No 175 John Oxley Drive, though there are specific issues with this discussed in the next section of this report.



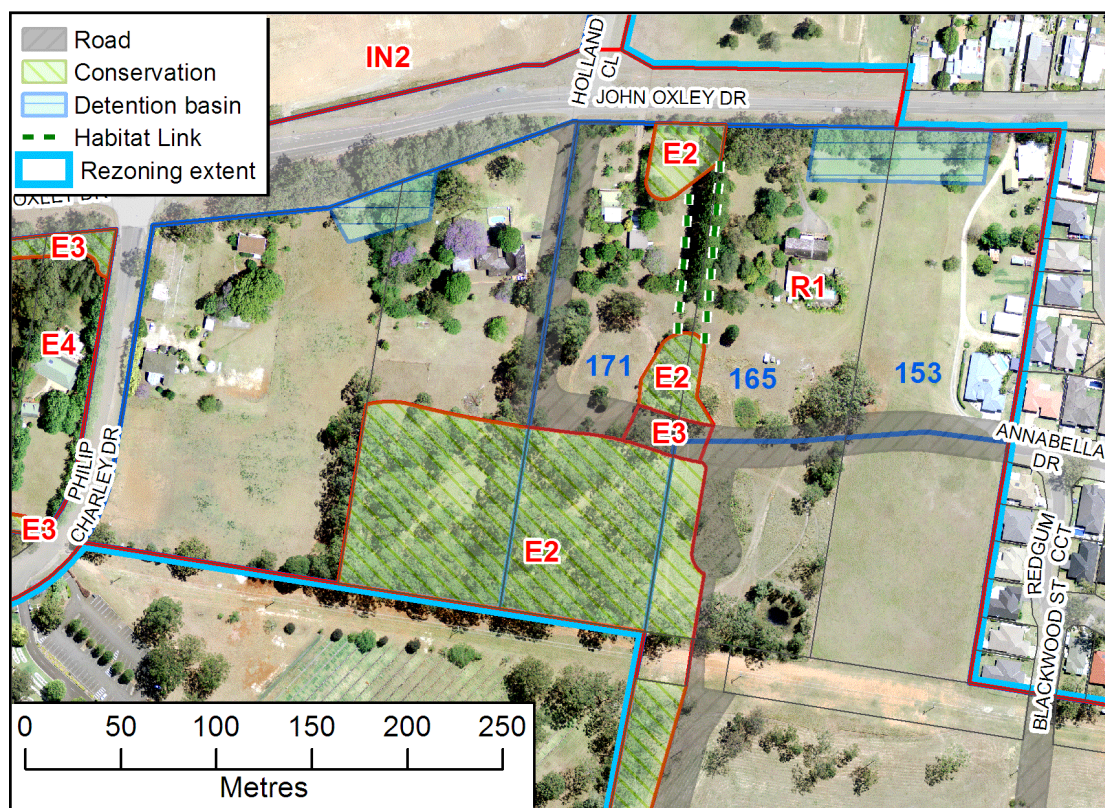
## Planning and Providing Our Infrastructure

The western lot (No 171) is affected by the proposed linkage of Annabella Drive to John Oxley Drive at Holland Close.

2. Stormwater management: It is proposed to manage this with a detention basin located adjacent to John Oxley Drive, and straddling Nos 153 and 165. It will need to be designed so that post development downstream flows (across the property on the northern side of John Oxley Drive) are no higher than pre-development flows.
3. Sewer: This is subject to the northern catchment issues outlined in 4 Sewerage services. Potentially these three lots are capable of achieving the interim sewerage solution on their own, but this should not be at the expense of the long term strategy nor complicate the interim solution for the other affected properties.
4. Environmental management: The southern portion of No 171, and the adjoining portion of No 165 are proposed to be zoned E2 Environmental Management, to protect existing significant vegetation (including koala food trees) and facilitate its embellishment with offset planting from other portions of those lots.

Part of the northern portion of No 171 contains some koala food trees, including one that is identified as a 'sweet' tree. While this is relatively isolated from the other koala habitat, and requires traversing potential residential area, its removal is not appropriate. This portion is also proposed to be zoned E2, along with a corridor linking to the south - preferably a low speed cul-de-sac. It may be possible to refine the alignment of the corridor prior to finalisation of the draft LEP if suitable supporting information is available.

There are no environmental management issues for No 153 John Oxley Drive.





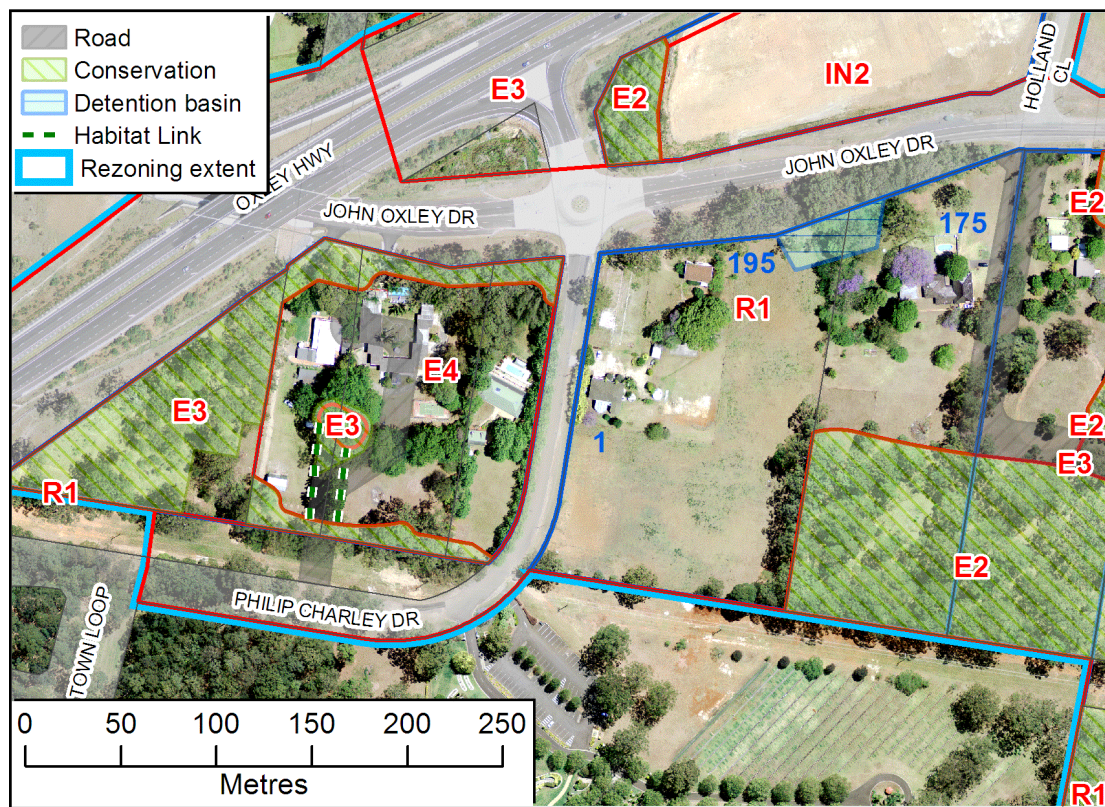
## Planning and Providing Our Infrastructure

### 10. Central subcatchment

The central subcatchment contains two properties east of Philip Charley Drive - Nos 175 and 195 John Oxley Drive, the latter also known as No 1 Philip Charley Drive. While the owners of No 195 are interested in proceeding with development, the owner of No 175 has declined to engage in negotiations over a Voluntary Planning Agreement. The primary reason is probably due to the proposal for the southern portion of his property zoned E2.

The combination of matters to be addressed for a rezoning of this area fortuitously allow for the possibility of the rezoning to proceed irrespective of a VPA for this property, as it does not impose any pre-requisites on development of other properties. The proposal described below seeks to find a way forward without a VPA from the landowner of No 175, while still ensuring that appropriate contributions are paid.

The vegetation on the southern portion of No 175 is to be zoned E2, to facilitate its protection and necessary environmental management outcomes. Council will not be liable for any compensation if the balance of the land is rezoned for urban use.



The matters to be addressed are:

1. Road access: Council's Traffic Engineers have indicated that it would be acceptable for development of No 195 to use a single road access off Philip Charley Drive, based on the limited number of expected traffic movements.



## Planning and Providing Our Infrastructure

The usual arrangement is that each landowner carries the cost of local roads upon their property. This works in relation to No 175, even without a VPA. The main restrictions are that road access will be from the extension of Annabella Drive, and that land on the eastern side will be required for the linkage to John Oxley Drive. The Innes Peninsula Contributions Plan can be amended to require a contribution from this property for any intersection works on John Oxley Drive.

2. Stormwater management: Without a VPA for No 175, it is difficult to share a detention basin, while Council would prefer to avoid separate detention basins. If the proposed detention basis is relocated to straddle their common boundary near John Oxley Drive, then it could be feasible for it to be built in stages, with the second developer expanding the first stage.

A consequence of this is that this detention basin will not be able to serve the western subcatchment, which will need its own solution.

3. Sewer: This is subject to the northern catchment issues outlined in 4 Sewerage services. It will be necessary to prepare a local Developer Servicing Plan to ensure that appropriate contributions are received from development of No 175.
4. Environmental management: Some scattered vegetation, including koala food trees, is proposed for removal in the northern portion of No 175, with offset planting proposed to embellish the existing vegetation within the southern portion of the property, and which is proposed to be zoned E2 Environmental Conservation. A vegetation management plan, and decisions on long term ownership will be determined in any development consent.

No 195 John Oxley Drive is not subject to any requirements relating to conservation of vegetation, though development will need to allow for the fact that the property is within a koala home range. Development will need to provide an APZ adjacent to the vegetation in the southern portion on No 175.

### 11. Western subcatchment

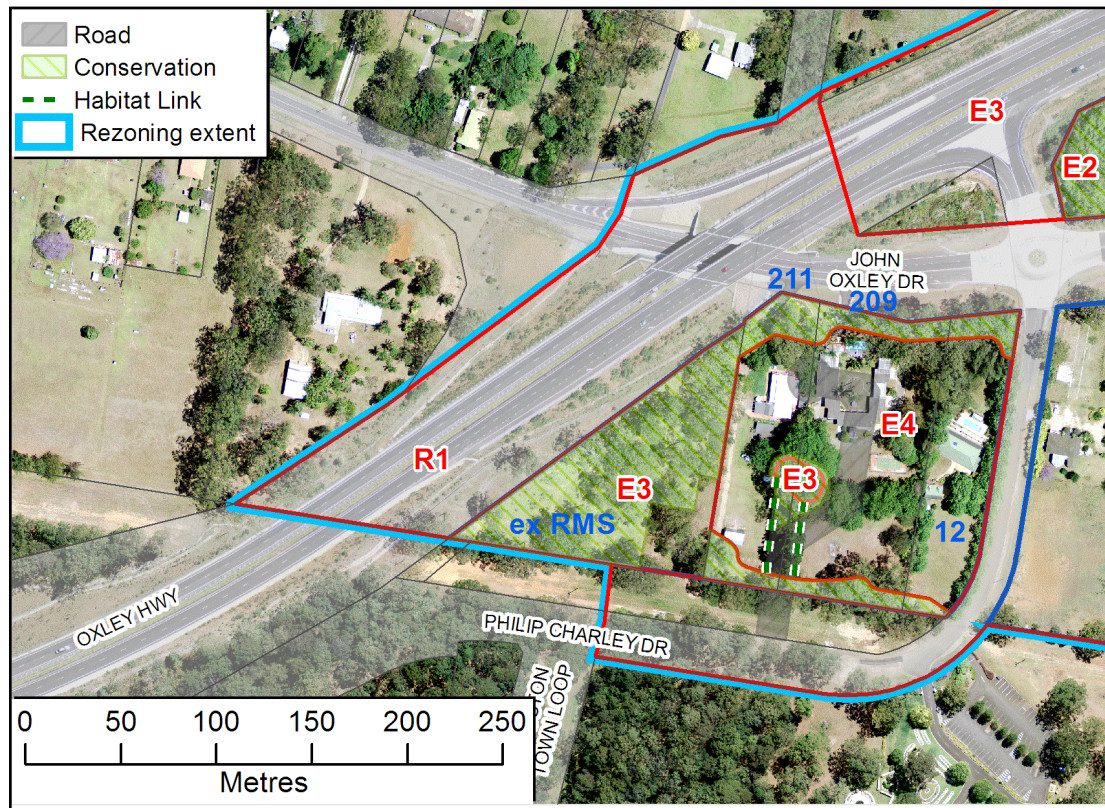
It is difficult to achieve coordinated planning outcomes for the western subcatchment in the absence of agreements from the owners of No 12 Philip Charley Drive and No 209 John Oxley Drive.

An internal road network needs to be designed to limit access to Philip Charley Drive and a coordinated stormwater management system also needs to be designed and funded equitably for any intensification of development.

It is also more difficult in this subcatchment to design a subdivision with regard to existing development, vegetation and required bushfire hazard management.

An amendment to zones is proposed from this subcatchment, to change the current RU1 Primary Production zone to a combination of E3 Environmental Management and E4 Environmental Living, as shown on the plan below.

## Planning and Providing Our Infrastructure



The effect of the proposed zones, in combination with an 8000 sq m minimum lot size, in LEP 2011 would be to essentially maintain the current level of development on three lots. The existing motel would continue to be an 'existing use'.

The one significant change applies to the westernmost lot, for which currently cannot be granted consent for a dwelling house - it was created in conjunction with the realignment of the Oxley Highway. The effect of the proposed changes to the LEP for the western subcatchment would be that a dwelling would be permitted on the westernmost lot.

The proposed draft Development Control Plan for the South Lindfield area will include a proposed local road network, including a single road access point from Philip Charley Drive over the trunk water main to the south.

It is unlikely that appropriate planning controls for more intensive development can be prepared in isolation from a specific integrated development proposal for all the properties. Therefore it is also proposed to define the objectives for any such development proposal, and in the future consider a combined rezoning and development application - this is provided for in the Environmental Planning and Assessment Act 1979.

The objectives for any combined rezoning and development proposal are considered to be:

1. Road access: Access to new development (including on No 12 Philip Charley Drive) to be via a single crossing of Council's trunk water mains on the southern side. For traffic safety it is desirable to avoid access off John Oxley

## Planning and Providing Our Infrastructure

Drive and off Philip Charley Drive on the eastern side. There are higher construction costs and potential water main failures for roads over such mains, and such crossings should be kept to a minimum.

2. Stormwater management: The outcome of any development should be that there is no increase on pre-development flows, and there should not be more than one shared stormwater facility for Council to manage.
3. Wastewater disposal: Any reticulated sewerage is to connect to the proposed sewerage pumping station at the southern end of Lindfield Park Road. If feasible the interim solution can be used, subject to agreement with the parties involved in providing that solution.
4. Environmental management: Retention of the koala food trees as identified in the (draft) Koala Plan of Management, including on the western lot, and the cluster on the boundary on Nos 209 and 211 John Oxley Drive. A visual screen of trees is to be retained along the John Oxley Drive frontage. Similarly a band of trees should be retained along the southern boundary. Offset planting could embellish those two areas where approval is given for removal of isolated koala food trees.
5. Integrated solution: Satisfaction of all the requirements requires an integrated development concept for all four lots.

Note: This does not preclude staged development, nor omission of a property from a development application. However, the application must show how all properties can be incorporated in the ultimate development.

### 12. LEP changes

Changes to the LEP text are not considered necessary.

Existing LEP map provisions will remain in relation to:

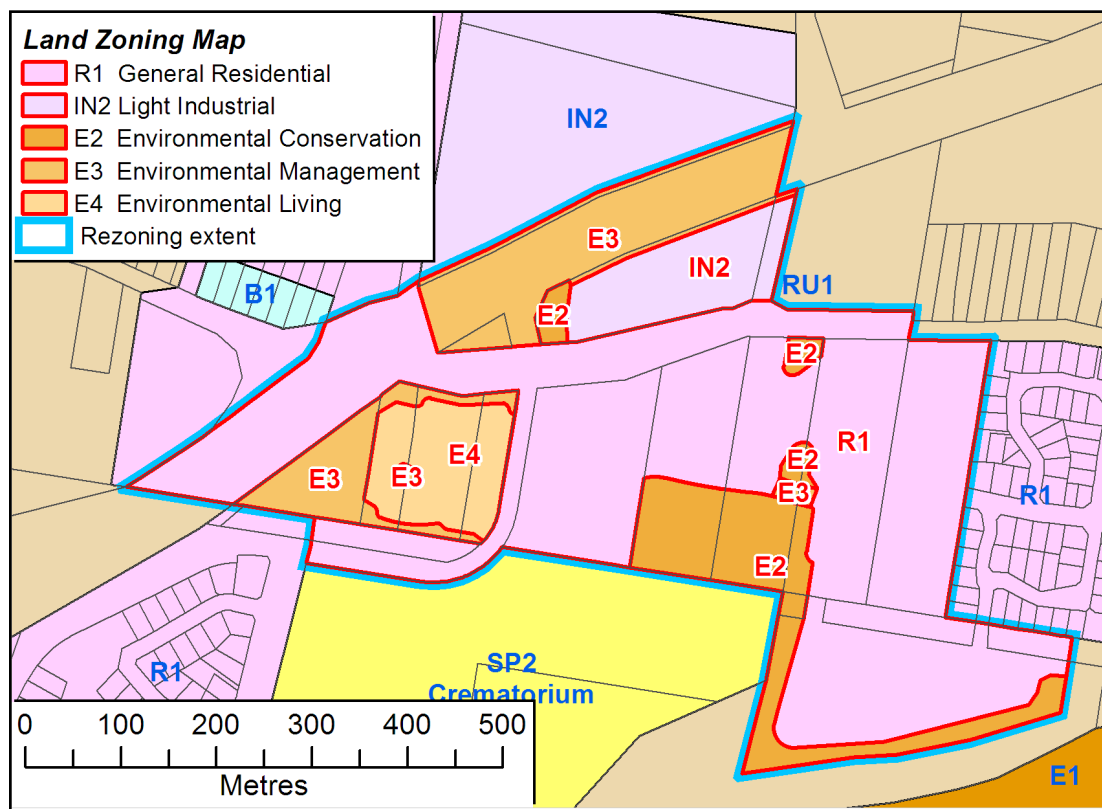
- Acoustic Control Map
- Acid Sulfate Soils Map
- Flood Planning Map.

Mapping changes are proposed within the red outlines on the following map extracts.

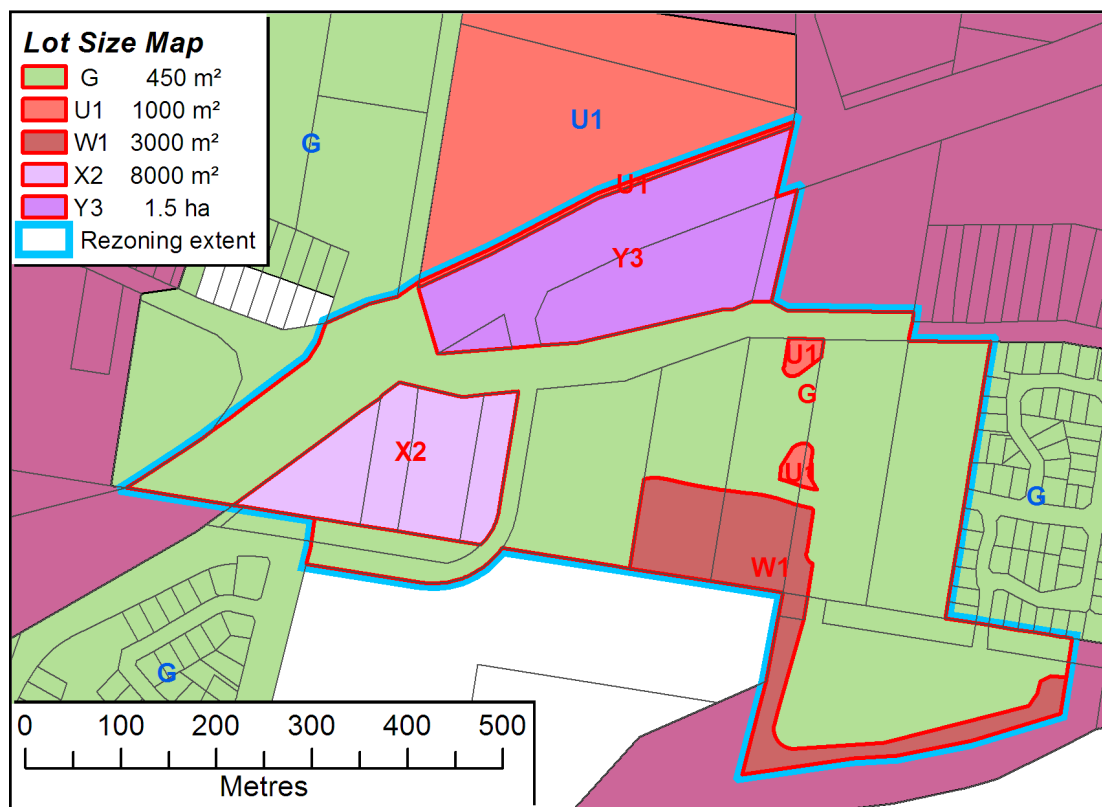
*Land Zoning Map*



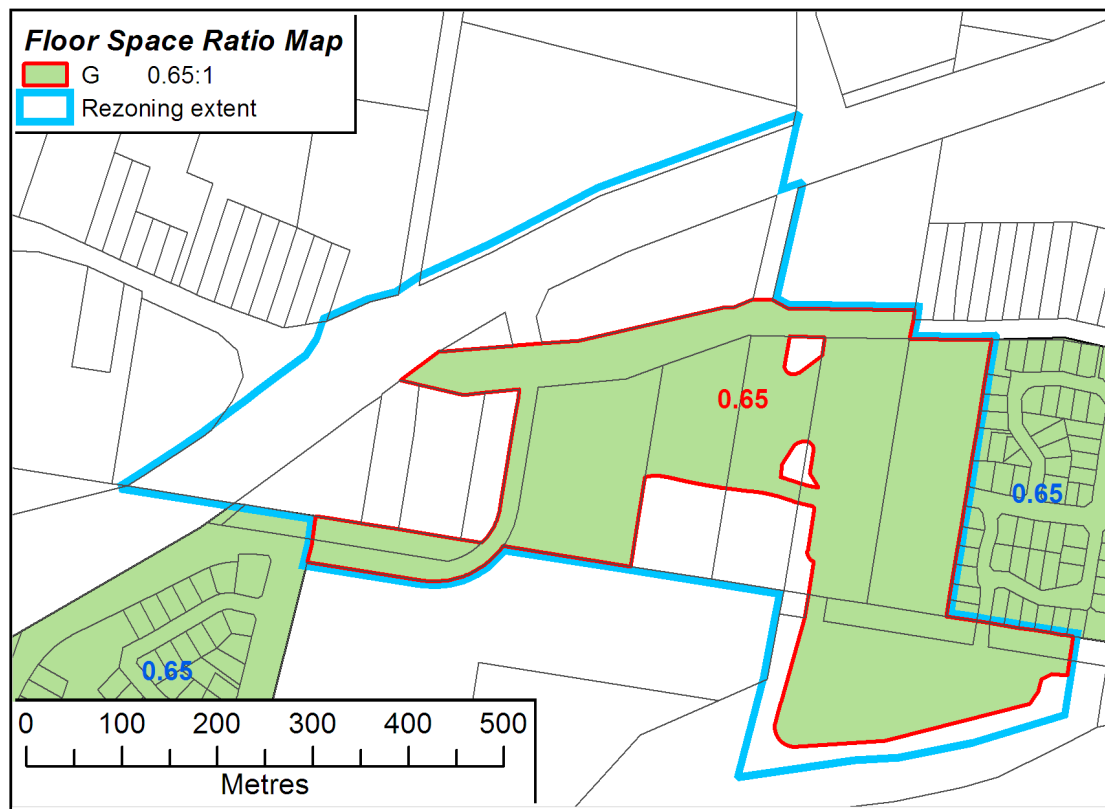
## Planning and Providing Our Infrastructure



Lot Size Map



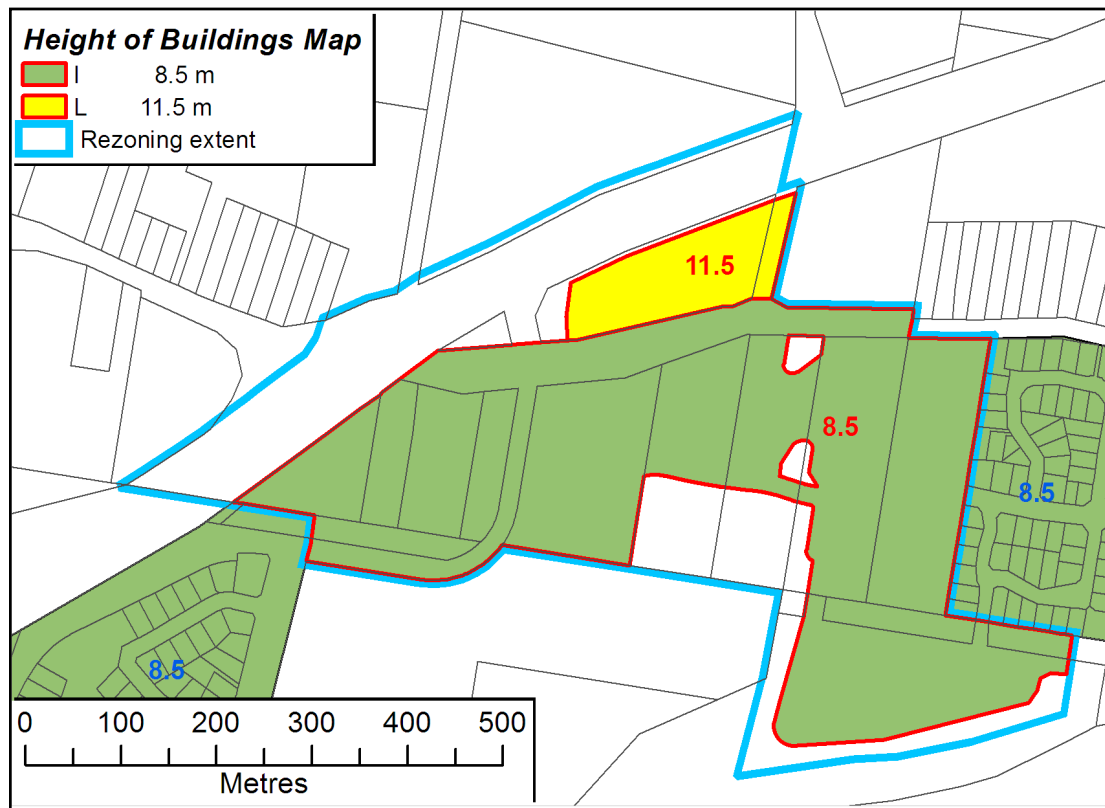
## Planning and Providing Our Infrastructure

*Floor Space Ratio Map*



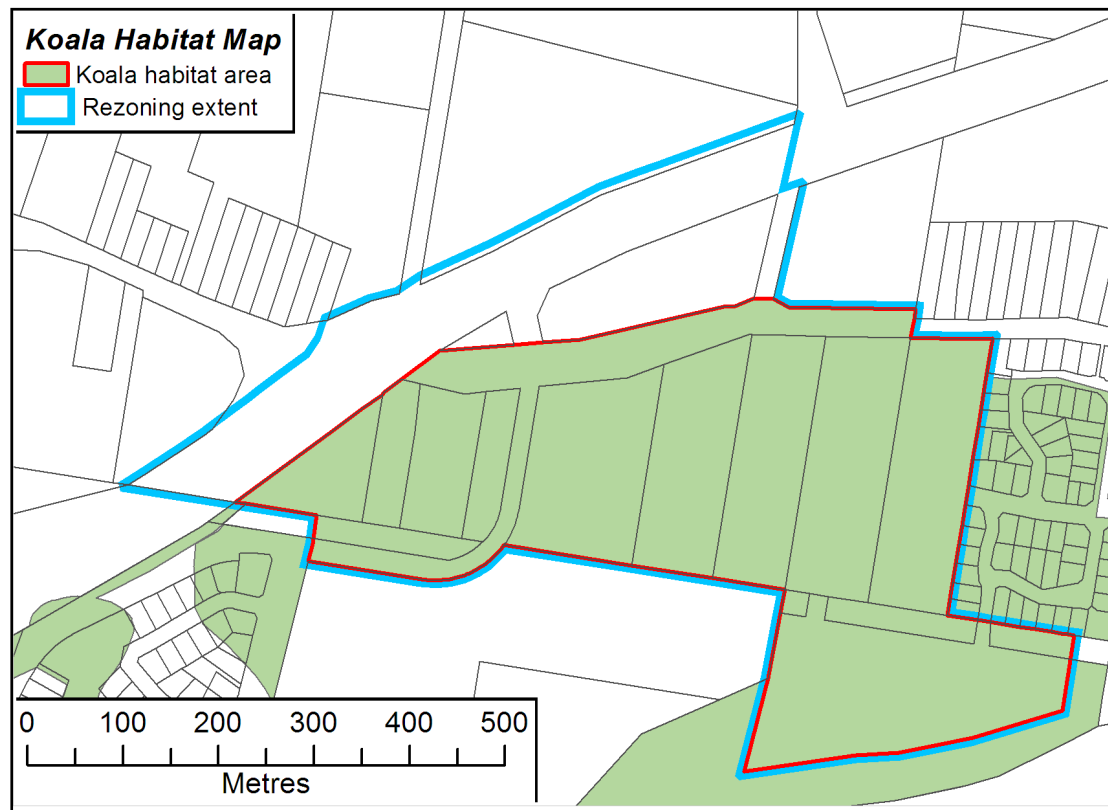
## Planning and Providing Our Infrastructure

### Height of Building Map



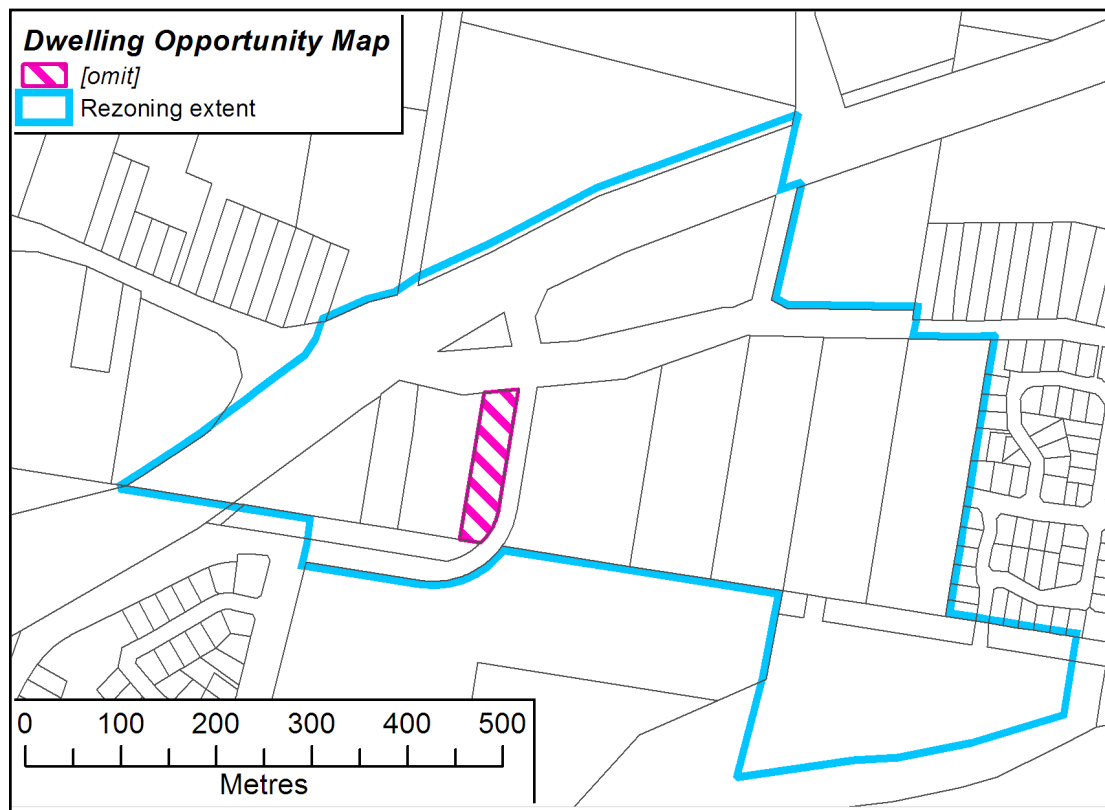
## Planning and Providing Our Infrastructure

### *Koala Habitat Map*



## Planning and Providing Our Infrastructure

### *Dwelling Opportunity Map*



The Dwelling Opportunity Map is used to identify selected undersize lots zoned RU1 Primary Production, in conjunction with LEP clause 4.2A (3)(e) - notwithstanding the small lot size, a dwelling house or dual occupancy (attached) is still permitted. This is most commonly used for small lots created in the 1960s on the North Shore and at Riverside, though it is sometimes used in other locations. No 12 Philip Charley Drive has this designation, and in conjunction with this proposal it is appropriate to remove this designation.

### 13. DCP objectives

Based on the considerations for the proposed land release, it is proposed that site specific Development Control Plan provisions be prepared and exhibited relating to the following objectives:

- Connectivity - local road alignments, intersection locations and pedestrian links.
- Stormwater management - coordination and location (particularly where not covered by a VPA).
- Sewerage services - long term arrangements, and, for the northern catchment, the coordination required for the interim solution.
- Environmental Management - identification of KPOM requirements, the principles for offset planting, standards for long term management where in private ownership.

## Planning and Providing Our Infrastructure

- e) Western sub catchment - objectives for any combined rezoning and development proposal.

### Options

There has been extensive consultation with the landowners to identify viable planning controls and infrastructure strategies that facilitate appropriate development and also provide for appropriate environmental outcomes.

No alternative coordinated solution has been put forward by the landowners at this point in time.

The options at this stage for Council are:

- To proceed as recommended,
- To defer for further investigations, or
- To discontinue work on this proposed urban release.

Council could seek to devise appropriate planning controls for redevelopment of the western subcatchment, but as mentioned in the report, the characteristics of this land make it difficult to devise appropriate and workable controls in isolation from a specific proposal.

### Community Engagement & Internal Consultation

There has been extensive ongoing liaison with the landowners and their consultants, seeking to find an agreed way forward, while assisting them to understand the process and multiple requirements that Council needs to satisfy. There has also been extensive internal consultation as part of this process, particularly in relation to infrastructure, developer contributions and environmental management.

There will be further engagement with the landowners and their consultants in the finalisation of the VPAs.

There will be formal community engagement for the planning proposal and associated documents (including VPAs), with subsequent report to Council on the community input.

### Planning & Policy Implications

Finalisation of the rezoning of this investigation area (excluding the western subcatchment) will largely complete a long-term strategy to release this land for urban development.

### Financial & Economic Implications

Usually proposals for urban land releases are largely cost neutral for Council. In this case there is a shortfall of funding for the proposed John Oxley Drive / Holland Close / Annabella Drive roundabout of around \$700,000.

The proposed rezoning will facilitate additional urban development and its associated economic activity.

## Planning and Providing Our Infrastructure

### Attachments

- 1 [View](#). Ecological Assessment West Lindfield, Biolink 2009
- 2 [View](#). South Lindfield Draft Koala Plan of Management Stage 2, Naturecall Environmental 2014 v3
- 3 [View](#). South Lindfield study area - Development Concept Outline, PMHC 2015-09



## Planning and Providing Our Infrastructure

**Item: 13.08**

**Subject: COUNCIL CONTROLLED POOLS AND POOL FACILITIES**

**Presented by: Community & Economic Growth, Tricia Bulic**

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### Alignment with Delivery Program

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

### RECOMMENDATION

**That the information in the Council Controlled Pools and Pool Facilities Report be noted.**

#### Executive Summary

This report is provided in response to a Notice of Motion associated with Council controlled pools and pool facilities:

#### 13.01 NOTICE OF MOTION - COUNCIL POOLS

*RESOLVED: Intemann/Levido*

*That Council request the General Manager to report to the November 2015 Council meeting on the current condition of all Council controlled pools and pool facilities within the Local Government Area and the future maintenance and/or redevelopment plans for those pools.*

*CARRIED: 9/0*

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

*AGAINST: Nil*

This report will inform Council about the condition of Council's pool assets and will identify any confirmed redevelopment plans for Council's four public swimming pools.

### Discussion

#### Pool condition

In recent years staff have invested significant time in getting a better understanding of the condition of councils pools and associated infrastructure.

The structural condition of Wauchope and Port Macquarie pools have been well documented in numerous reports to Council since 2010. Both structures are in very poor condition as determined by structural engineers experienced in assessing pool facilities.

## Planning and Providing Our Infrastructure

Beyond pool structures, the current focus is on improving asset condition based data for all associated infrastructure. For example, pool buildings, storage sheds, pathways, shade structures, lighting towers, fencing, etc. Staff have engaged a structural engineer to review existing condition based data, to inspect all four facilities and to develop a future program of works. This information is invaluable in prioritising asset maintenance programs and will inform the next generation Aquatic Facility Asset Management Plan.

Kendall Pool is the newest of the four pools and was constructed in 2003/04. This pool structure and the facility in general is considered to be in good condition. Since opening in 2004, the pool and its surrounds have continued to be embellished with funding provided by the Kendall Op Shop Committee. These improvements include solar heating for the pools, additional shade structures and seating areas, provision of barbecues and installation of a half-court basketball court.

Laurieton Pool was constructed in the 1970s and is considered to be in fair condition. Council staff, pool management and contract structural engineers are aware of some structural deficiencies associated with the structure of the 33 metre pool within this complex. Water loss and concourse movement has increased in recent times and staff are working with consultants to understand what can be done to address this matter. Generally, the associated infrastructure is considered to be in fair to good condition.

At this point in time, the focus for staff is on delivering the upgrade of Wauchope Pool and replacement of the existing heat pumps at Port Macquarie.

The tender process for the Port Macquarie heat pump replacement project has commenced and it is anticipated that the project will be delivered in early 2016.

### Wauchope Pool - current scope of works (2015/16 & 16/17)

This project is an action within the 2015/16 Operational Plan:  
5.3.1.2(l) Wauchope Swimming Pool \$2.295M

The current project scope includes:

- Pool rebuild or lining installation
- upgrading filtration system to comply with NSW Health requirements
- concourse replacement
- installation of wet deck gutters
- installation of heating system

The project management approach to be applied to the upgrade of Wauchope Pool is Design and Construct contract with project delivery by Infrastructure Delivery team. Tender documentation is currently being developed by staff.

The proposed delivery timeframe for this project is April - September 2016. This timeframe has been discussed with pool managers, Swimwell. They are supportive of this proposed timeframe and have indicated that they would support pool shutdown earlier in the season should this support project completion prior to commencement of the 2016 swimming season.

## Planning and Providing Our Infrastructure

### Future Redevelopment

The Recreation Action Plan, adopted by Council earlier this year, provides the key planning guidance in regard to Council's swimming pools. Pool related actions within the Plan include:

- 2015/16 - Wauchope Pool Upgrade
- 2017/18 - Port Macquarie Pool upgrade: detailed design and approvals
- 2018/19 - Port Macquarie Pool upgrade: construction
- 2024/25 - Development of Aquatic Facilities Strategy

### Wauchope Pool - Staging options and associated costs

Council adopted the Masterplan and Concept (Stage 1) Plan for Wauchope Aquatic Centre on 23 March. The Wauchope Aquatic Centre would consist of the following proposed staged elements (subject to funding being made available):

- Stage 1 Refurbishment of the existing 50 metre Olympic sized pool, construction of 6 lane indoor 25 metre lap/hydrotherapy pool, formation of new children's outdoor water play area, inclusive of shade, tiered grandstand
- Stage 2 new plant room with sufficient space to incorporate future new heating system and space for additional filtration areas for stage 4,
- Stage 3 the new amenities, kiosk/cafe and new entry,
- Stage 4 extending the current 50 metre pool size to make a total 8 x 2.2 metre lane 50 metre L-shaped pool with provision for Diving & Water Polo activities.

In accordance with a 2014 Council resolution regarding this facility, GJ Seib Quantity Surveyor (QS) revised costings associated with proposed improvements to the Wauchope Pool facility. The revised costings were based on the above mentioned Stage 1 Scope of Works.

The QS report supports the \$2.295M budget that has been identified for works within the 15/16 operational plan (for pool rebuild or lining installation; upgrading filtration system to comply with NSW Health requirements; concourse replacement; installation of wet deck gutters; installation of heating system) as being sufficient. (It should be noted that the QS report has not costed the proposed pool heating as this was not part of the original scope.)

The QS cost report indicates the other key components of the Stage 1 Scope of Works as:

- 6 lane indoor 25 metre lap/hydrotherapy pool \$3,888,000
- new children's outdoor water play area with shade \$275,000
- tiered grandstand \$165,000

These works are unfunded at this point in time.

Stages 2 - 4 of the overall facility master plan have not been costed at this point in time.

### **Options**

Council has the option of noting the information contained within this report. Council may also request further information regarding a particular element/s of this report.

## Planning and Providing Our Infrastructure

### Community Engagement & Internal Consultation

Nil

### Planning & Policy Implications

Condition based data has been (or will be) used to inform the development of long term financial plans associated with the Aquatic Facility Asset Management Plan.

Long term plans associated with planning and upgrading Council's pool assets are consistent with the inclusions of the adopted Recreation Action Plan.

### Financial & Economic Implications

Pool improvements to be undertaken in 2015/16 have been funded. Works proposed to be undertaken in the future will be subject to endorsement by Council through the development of Operational Plans.

### Attachments

Nil

## Planning and Providing Our Infrastructure

**Item: 13.09**

**Subject: FUNDING FOR THE PORT MACQUARIE INDOOR STADIUM**

**Presented by: Community & Economic Growth, Tricia Bulic**

### Alignment with Delivery Program

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

### RECOMMENDATION

**That Council:**

- 1. Support the funding proposal detailed in this report for the expansion of the Port Macquarie Indoor Stadium that will allow Council to meet its obligations under the Federal funding agreement.**
- 2. Amend the project budget and funding sources for the 2015/2016 year as outlined in the Financial and Economic Implications of this report.**
- 3. Allocate a project budget of \$2,555,000 to complete the project in the draft 2016/2017 Operational Plan (noting the funding sources as outlined in the Financial and Economic Implications of this report) that will allow Council to meet its obligations under the Federal funding agreement.**
- 4. Endorse the inclusion of the Director of Community & Economic Growth as a member of the Port Macquarie Indoor Stadium Expansion Steering Group and remove the Director Infrastructure and Asset Management, and Group Manager Community Place as members.**
- 5. Adopt the amended Port Macquarie Indoor Stadium Expansion Steering Group Charter as presented.**

### Executive Summary

The purpose of this report is to detail to Council the sources of funding for the expansion of the Port Macquarie Indoor Stadium upgrade.

Noting the withdrawal of the NSW Police Citizens Youth Club (PCYC) from the project, the change in funding sources does not alter the scope of the project. Council is in a position to deliver on the original project scope and design within existing funds.

Alternate funding sources have been identified as detailed in this report. It should be noted that these alternate funding sources do not take funds away from any existing services and do not impact on any projects already committed for delivery by Council. The funding for the upgrade to the Port Macquarie Indoor Stadium identified in this report will allow Council to meet its obligations under the Federal funding agreement.

The report also proposes an amendment to the membership of the Port Macquarie Indoor Stadium Expansion Steering Group to include the Director of Community &



## Planning and Providing Our Infrastructure

Economic Growth. Amendments to steering group membership must be supported by a Council resolution, hence inclusion of this issue in this report.

### Discussion

This matter was last considered in a confidential report at the Council meeting held on 21 October 2015 where Council resolved the following:

RESOLVED: Sargeant/Cusato

That Council:

1. Accept the revised tender from Ware Building Pty Ltd for the Port Macquarie Indoor Stadium Expansion for \$5,602,054 (ex GST).
2. Accept the Schedule of Rates from Ware Building Pty Ltd for the management of potential variations to the project.
3. Increase the project budget as outlined in the Financial and Economic Implications section of this report, noting the additional funding sources.
4. Affix the seal of Council to the necessary documents.
5. Maintain the confidentiality of the documents and considerations in respect of Tender T-14-05.
6. Note the most recent correspondence of 18 October 2015 on behalf of NSW PCYC CEO, Darren Black that without Council's assurance to the conditions as specified by PCYC on 13 October, "PCYC will not be supporting the project nor providing any resources to the project".
7. Note that most conditions set by PCYC in its correspondence of 13 and 18 October 2015 are either absent from or in direct conflict with the Heads of Agreement signed by PCYC on 26 March 2015.
8. Given the withdrawal of support by PCYC, request the General Manager to report to the November 2015 Council Meeting on alternate funding sources.
9. Provide support for PCYC to source an alternate location in the Port Macquarie-Hastings LGA for a stand-alone facility.

CARRIED: 7/1

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

AGAINST: Roberts

In accordance with resolution 8, staff have considered alternative funding sources to allow for the continued delivery of the Port Macquarie Indoor Stadium project. The project scope and design remains unchanged from the original plans and Council will meet the funds required to progress the project to completion.

The project will span over two (2) financial periods. Whilst the project will commence in the current 2015/2016 financial year, the project will be completed in 2016/2017 and hence the budget will be spread over those two financial years accordingly.

The project funding already secured includes a Federal Government grant of \$2.8m, Section 94(S94) funds and savings achieved from the 2013/2014 financial year which were placed into an internally restricted reserve.

The 2014/2015 financial statements have only recently been completed and further cash savings against budget were achieved which can now be allocated to this project.

## Planning and Providing Our Infrastructure

A review of the Port Macquarie- Hastings S94 Open Space Contributions Plan- Version 2.2 has occurred. This plan provides for the funding of open space facilities including local parks and regional sporting facilities required as a consequence of population growth. This review has identified that additional funding can be provided from this plan to fund the project. Remaining funds for the project can be sourced from the Council's Working Capital Reserve over the two (2) financial years.

The detail of the recommended funding treatment is further identified in the Financial & Economic Implications section of this report.

The Port Macquarie Indoor Stadium Expansion Steering Group Charter was adopted by Council in February 2014. At that time membership of the group primarily consisted of Infrastructure and Asset Management staff. This was due to the asset being the responsibility of Recreation & Buildings team and Infrastructure Delivery were to project manage the expansion of the stadium.

Council adopted a new organisational structure in October 2014 which saw the Recreation & Buildings team transition from Infrastructure & Asset Management to the Community & Economic Growth division.

Under this new structure the Community & Economic Growth division have lead responsibility for community engagement during the build phase and asset maintenance and facility management once the build is complete. On this basis, it is appropriate for the Director of Community & Economic Growth to be a member of the steering group.

In accordance with Clause 6 of the adopted charter, amendments to the steering group membership must be supported by a Council resolution.

An amended version of the Port Macquarie Indoor Stadium Expansion Steering Group Charter is an attachment to this report for consideration.

### Options

Council can adopt the funding treatment as proposed by staff or not accept same. Council can also opt to consider alternate funding sources.

Council has the option of adopting the recommended changes to the Port Macquarie Indoor Stadium Expansion Steering Group or not accept same, where Council may opt to retain the current steering group membership.

### Community Engagement & Internal Consultation

There has been extensive internal engagement in determining options to allow for delivery of this project including:

- General Manager;
- Director Community & Economic Growth;
- Director Corporate & Organisational Services;
- Director Infrastructure & Asset Management;
- Director Development & Environment;
- Group Manager Environmental Services;

## Planning and Providing Our Infrastructure

- Group Manager Financial Services;
- Manager Corporate & Financial Planning;

### Planning & Policy Implications

Council anticipates that this project will provide good economic outcomes to the local community by way of additional employment opportunities and bringing additional economic impact to town via sporting events. The health outcomes to the community are also numerous, allowing local sporting programs to be extended and encouraging active and healthy lifestyles.

This project is consistent with councils adopted Plan of Management for Stuart Park, which is where the Port Macquarie Indoor Stadium is located.

### Financial & Economic Implications

As reported to the Ordinary Council Meeting held on 21 October 2015, it was resolved to accept a revised tender from Ware Building Pty Ltd for the Indoor Stadium Expansion for \$5,602,054 (ex GST).

The report also noted that the overall project budget is \$7,300,000 which includes not only the construction tender awarded, but other components such as project management, project contingency, consultants fees during the construction phase and the relocation of sporting infrastructure within Stuart Park which is within the construction footprint.

As per resolution no.8 as listed earlier in this report, a revision of funding and cash flow required has been undertaken.

Funding from a Federal Grant (\$2.8m), S94 funds (\$501k), and cash savings from the 2013/2014 financial year of \$1.1m (placed into an internally restricted reserve for this purpose) are already committed for the project. This existing commitment totals \$4.40 m.

The additional \$3.25m required will be funded through the following means:

1. A review of the Port Macquarie-Hastings S94 Open Space Contribution Plan will enable an additional \$998,407 to be provided from this funding source.
2. The audit of Councils' 2014/2015 Financial Statements has been completed within the last few weeks. This has confirmed that a cash surplus was achieved against budget of \$1,150,000 and has been placed in an internally restricted reserve. This can now be used as a funding source for this project.
3. Additional funds were placed in the Working Capital internally restricted reserve at year end to ensure that Council has ability to meet cashflow needs. An additional amount of \$1,101,593 can be sourced from this reserve over 2 years to fund the balance of the project.

As stated previously in this report, the funding sources as described above do not impact on any projects already committed for delivery by Council.

It has been determined that 65% of the project budget will be required in the current financial year, and 35% will be delivered in 2016/2017. In addition, the Federal Grant funding remains committed for the project, however cash flow of the funds are

## Planning and Providing Our Infrastructure

subject to certain project milestones being met. This means that the Federal Grant will be spent over the two financial years.

The revised funding for the project is identified as follows:-

Funding Source	15/16 Financial Year	16/17 Financial year	Total
Federal Grant*	1,135,000	1,313,407	2,448,407
S94	501,593	998,407	1,500,000
Emerging Priority Works Reserve (14/15 savings)	1,150,000		1,150,000
Emerging Priority Works Reserve (13/14 savings)	1,100,000		1,100,000
Working Capital Reserve	858,407	243,186	1,101,593
Total Funding	4,745,000	2,555,000	7,300,000
	65%	35%	

*Note: \$366,594 has already been expended on design and pre-construction activity. This has been funded \$15,000 from revenue, with the balance from Grant funding.*

### Attachments

- 1 [View](#). Port Macquarie Indoor Stadium Expansion Steering Group Charter - Draft November 2015

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**Subject: CONFIDENTIAL COMMITTEE OF THE WHOLE**

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**RECOMMENDATION**

1. That Council move into Confidential Committee of the Whole to receive and consider the following items:
  - Item 15.01 Tender T-15-47 Management of Wauchope Waste Transfer Station  
  
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 Tender T-15-50 Pressure Cleaning of Street Litter Bins  
  
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 Tender T-15-39 Supply, Delivery & Placement of Road Resurfacing (T191516MNC)  
  
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.
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.



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**Subject: ADOPTION OF RECOMMENDATIONS FROM THE CONFIDENTIAL  
COMMITTEE OF THE WHOLE**

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**RECOMMENDATION**

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

**Item 15.01 Tender T-15-47 Management of Wauchope Waste Transfer Station**

**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 Tender T-15-50 Pressure Cleaning of Street Litter Bins**

**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 Tender T-15-39 Supply, Delivery & Placement of Road  
Resurfacing (T191516MNC)**

**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**