



PORT MACQUARIE-HASTINGS  
COUNCIL



# Ordinary Council

## Business Paper

**date of meeting:** Wednesday 20 May 2020

**location:** Via Skype

**time:** 5.30pm

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

**Community Vision**

A sustainable high quality of life for all

**Community Mission**

Building the future together  
People Place Health Education Technology

**Council's Corporate Values**

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

**Community Themes**

- ★ Leadership and Governance
- ★ Your Community Life
- ★ Your Business and Industry
- ★ Your Natural and Built Environment

# Ordinary Council Meeting

Wednesday 20 May 2020

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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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Due to the current COVID-19 health emergency, the Prayer will not be held as part of this meeting.

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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 6 May 2020 be confirmed.

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## **PRESENT**

### ***Members:***

Councillor Peta Pinson (Mayor)  
Councillor Lisa Intemann (Deputy Mayor)  
Councillor Rob Turner  
Councillor Peter Alley  
Councillor Justin Levido  
Councillor Geoff Hawkins  
Councillor Lee Dixon

### ***Other Attendees:***

General Manager (Craig Swift-McNair)  
Director Corporate Performance (Rebecca Olsen)  
Director Development and Environment (Melissa Watkins)  
Director Infrastructure (Dan Bylsma)  
Director Strategy and Growth (Jeffery Sharp)  
Group Manager Governance (Michael Ferguson)  
Governance and Legal Officer (Kirsty Callander)  
Governance Support Officer (Bronwyn Lyon)

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This meeting was held remotely and electronically through Skype  
and is live streamed on Council's YouTube channel.  
The meeting opened at 5:30pm.

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## **01 ACKNOWLEDGEMENT OF COUNTRY**

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

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## **02 LOCAL GOVERNMENT PRAYER**

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Due to the current COVID-19 health emergency, the Local Government Prayer was not delivered as part of this meeting.

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### **03 APOLOGIES**

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*RESOLVED: Alley/Dixon*

That the apology received from Councillor Griffiths be accepted.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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### **04 CONFIRMATION OF MINUTES**

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*RESOLVED: Intemann/Hawkins*

That the Minutes of the Ordinary Council Meeting held on 15 April 2020 be confirmed.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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### **05 DISCLOSURES OF INTEREST**

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Councillor Levido declared a Non-Pecuniary, Significant Interest in Item 11.03 - 2019-2020 Round 2 Community Grant Program for Endorsement, the reason being that Councillor Levido is the principal of Levido Law and Property. The Firm acts for one of the grant recipients as to the grant program, the subject of the report.

Councillor Intemann declared a Non-Pecuniary, Less Than Significant Interest in Item 11.03 - 2019-2020 Round 2 Community Grant Program for Endorsement, the reason being that Councillor Intemann is an ordinary member of one or more of the groups being recommended for grant funding.

Mayor Pinson declared a Non-Pecuniary, Less Than Significant Interest in Item 10.05 - Bushfire Disaster Recovery Funding, the reason being that a staff member who works for a company (Stabilcorp) that Mayor Pinson has connection with, is a Pappinbarra resident and sent correspondence on Item 10.05 to Council.

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**06.01 REGIONAL TOURISM BUSHFIRE RECOVERY GRANT FUNDING -  
ROUND 2**

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*MOVED: Pinson*

That Council request the General Manager include the Koala Sculpture Park project (incorporating up to 16 Hello Koala Sculptures and a 'Big Koala' at Roto House Historic Site) as part of the Council application under Round 2 of the Regional Tourism Bushfire Recovery Grant program, in conjunction with the Port Macquarie Bicentenary Legacy Project, known as Lumiere.

*LOST: 2/5*

*FOR: Dixon and Pinson*

*AGAINST: Alley, Hawkins, Intemann, Levido and Turner*

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**06.02 OPENING OF LAKE CATHIE**

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*RESOLVED: Pinson*

That Council:

1. Note the level of Lake Cathie as reported on 6 May 2020 at 1.573m AHD and the impact of this level for a prolonged period, which is resulting in the inundation of public infrastructure such as footpaths and the potential risks to the community that this poses.
2. Request the General Manager to proceed to open Lake Cathie upon (whichever comes first):
  - a) A rainfall event of 10mm or more in the Lake Cathie catchment;
  - b) Receipt of approval from NSW Crown Lands for a Short Term Licence (for a period of up to 12 months);to reduce the impacts of flood inundation of public infrastructure.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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**07 CONFIDENTIAL CORRESPONDENCE TO ORDINARY COUNCIL  
MEETING**

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*RESOLVED: Intemann/Dixon*

That Council determine that the attachments to Item Numbers 10.04 and 11.03 be considered as confidential, in accordance with section 11(3) of the Local Government Act.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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## **08 PUBLIC FORUM – MATTERS NOT ON THE AGENDA**

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Due to the current COVID-19 health emergency, Public Forum - Matters Not On The Agenda were not held as part of this meeting.

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## **09 PUBLIC FORUM – MATTERS ON THE AGENDA**

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Due to the current COVID-19 health emergency, Public Forum - Matters On The Agenda were not held as part of this meeting.

Council invited the public to submit comments in relation to matters on the agenda in writing which were provided to Councillors prior to the meeting for the consideration of the Councillors.

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## **SUSPENSION OF STANDING ORDERS**

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*RESOLVED: Dixon/Turner*

That Standing Orders be suspended to allow items 10.01, 10.05, 11.03, 13.02, 13.03 and 13.04 not in the block to be brought forward and considered next.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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## **10.01 REVIEW OF THE MID NORTH COAST JOINT ORGANISATION**

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### **MOTION**

*MOVED: Intemann/Alley*

That Council:

1. Note the information contained in this Review of the Mid North Coast Joint Organisation report.
  2. Grant approval to the General Manager to become the Executive Officer of the Mid North Coast Joint Organisation from 7 May 2020 to 30 June 2021.
  3. Provide a financial contribution to the Mid North Coast Joint Organisation of \$25,000 as budgeted for in the current 2019-2020 Operational Plan.
  4. Request the General Manager write to the Minister for Local Government detailing concerns about the lack of ongoing operational funding being provided to Joint Organisations.
  5. Request the General Manager table a report at the November 2020 Council meeting detailing any developments in relation to ongoing funding for the Mid North Coast Joint Organisation and related issues.
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## **FORESHADOW MOTION**

*MOVED: Levido*

That Council:

1. Note the information contained in this review of the Mid North Coast Joint Organisation.
2. Terminate its membership of the Mid North Coast Joint Organisation effective 30 June 2020.

## **THE MOTION WAS PUT**

*RESOLVED: Intemann/Alley*

That Council:

1. Note the information contained in this Review of the Mid North Coast Joint Organisation report.
2. Grant approval to the General Manager to become the Executive Officer of the Mid North Coast Joint Organisation from 7 May 2020 to 30 June 2021.
3. Provide a financial contribution to the Mid North Coast Joint Organisation of \$25,000 as budgeted for in the current 2019-2020 Operational Plan.
4. Request the General Manager write to the Minister for Local Government detailing concerns about the lack of ongoing operational funding being provided to Joint Organisations.
5. Request the General Manager table a report at the November 2020 Council meeting detailing any developments in relation to ongoing funding for the Mid North Coast Joint Organisation and related issues.

*CARRIED: 6/1*

*FOR: Alley, Dixon, Hawkins, Intemann, Pinson and Turner*

*AGAINST: Levido*

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## **10.05 BUSHFIRE DISASTER RECOVERY FUNDING**

Councillor Pinson declared a Non-Pecuniary, Less Than Significant Interest in this matter and remained in the room during the Council's consideration.

*RESOLVED: Pinson/Intemann*

That Council:

1. Note the Bushfire Disaster Recovery Funding Report, providing an update on allocation, monitoring and delivery of funded projects.
2. Request the General Manager review the funding allocation to the Pappinbarra community, to better reflect the impacts of the bushfires on this community.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

### 11.03 2019-2020 ROUND 2 COMMUNITY GRANT PROGRAM FOR ENDORSEMENT

Councillor Intemann declared a Non-Pecuniary, Less Than Significant Interest in this matter and remained in the room during the Council's consideration.

Councillor Levido declared a Non-Pecuniary, Significant Interest in this matter and left the meeting and did not participate in the meeting during the Council's consideration, the time being 6:37pm.

*RESOLVED: Intemann/Dixon*

That Council pursuant to Section 356 of the Local Government Act 1993, grant financial assistance from the Community Grants 2019-2020 Round 2 for the total amount of \$76,464 according to the following:

| Organisation Name                            | Project                  | Funding         |
|--|--------------------------|-----------------|
| <i>General Community Grants</i>              |                          |                 |
| Riding for the Disabled<br>(PM and Wauchope) | Water tanks              | \$5,000         |
| West Port Macquarie Tennis Club              | Online Booking System    | \$7,734         |
| Long Flat Crafter and Quilters               | Regional Craft Event     | \$755           |
| Cerebral Palsy Alliance                      | Communication Equip      | \$7,495         |
| Wauchope Anglicans                           | Kitchen Upgrade          | \$7,059         |
| Marine Rescue Port Macquarie                 | UHF Radios               | \$6,280         |
| Wauchope Patchwork Quilters                  | Quilting Expo            | \$5,968         |
| Wauchope Men's Shed                          | Fire Safety Equipment    | \$3,266         |
| Wauchope Community Arts Council              | New Lighting             | \$3,047         |
| Port Macquarie Arts and Craft Centre         | Pottery Equipment        | \$4,895         |
| Comboyne Community Association               | Internal Paint           | \$10,000        |
| Pappinbarra Progress Association             | Post Fire Art Exhibition | \$1,158         |
| Port Macquarie U3a                           | First Aid Training       | \$800           |
| Laurieton Men's Shed                         | Solar Equipment          | \$7,691         |
| Camden Haven Chamber of Commerce             | Hub Equipment            | \$2,221         |
| Wauchope Poultry Club                        | Defibrillator            | \$3,095         |
| <b>Total</b>                                 |                          | <b>\$76,464</b> |

*CARRIED: 6/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Pinson and Turner*

*AGAINST: Nil*

Councillor Levido returned to the meeting, the time being 6:40pm.

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### **13.02 TRANSFER OF COUNCIL LAND - PART LOT 34 DP 856163 AT CASTLE COURT PORT MACQUARIE**

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*RESOLVED: Intemann/Hawkins*

That Council delegate authority to the General Manager to sign and execute the necessary documents associated with the transfer of approximately 655m2 of Council's land at Lot 34 DP 856163 Castle Court, Port Macquarie.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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### **13.03 PORT MACQUARIE HEALTH AND EDUCATION PRECINCT**

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*RESOLVED: Pinson/Intemann*

That Council:

1. Acknowledge the importance of both private and public sector stakeholders in achieving the vision for the Port Macquarie Health and Education Precinct (HEP) as detailed within the adopted HEP Master Plan.
2. In acknowledgment of the value of the HEP to the wider community, as detailed within this report, commence relevant strategic planning tasks, including the preparation of a Council initiated Planning Proposal, a precinct specific Development Control Plan and undertake development contributions investigations to support the implementation of the vision for the HEP as described within the adopted HEP Master Plan.
3. Endorse the HEP Investigation Area for the Council initiated Planning Proposal as the area identified outlined in red hatching within Figure 2 of this report to assist in achieving the vision for the precinct as detailed within the adopted HEP Master Plan whilst also ensuring value for money and timely delivery of the project.
4. Delegate authority to the General Manager to make amendments to the Planning Proposal boundary referenced in item 3 if required during the course of Planning Proposal investigations to achieve the vision for the precinct.
5. Acknowledge the work being undertaken by Highfields Development Pty Ltd in the preparation of information associated with a planning proposal for 8 Highfields Circuit, 3 and 5 Kulai Place and 9 and 11 Kingfisher Road, Port Macquarie.
6. Give further consideration to the Planning Proposal referred to in Item 5 above once all relevant information, in accordance with Council's adopted Planning Proposal Policy, is available from the proponent.
7. Request the General Manager provide quarterly update reports on the proposed Health and Education Precinct Planning Proposal project commencing in August 2020.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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**13.04 DA2019 - 676.1 RESIDENTIAL FLAT BUILDING INCLUDING CLAUSE 4.6 OBJECTION TO CLAUSE 4.3 (HEIGHT OF BUILDINGS) OF THE PORT MACQUARIE-HASTINGS LOCAL ENVIRONMENTAL PLAN 2011 AT LOT 1 DP 1211682, NO. 5 DREW CLOSE, PORT MACQUARIE  
APPLICANT: WAYNE ELLIS ARCHITECT  
OWNER: DREW CLOSE DEVELOPMENTS PTY LTD**

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*RESOLVED: Alley/Turner*

That DA 2019 - 676.1 for a residential flat building including clause 4.6 objection to clause 4.3 (height of buildings) of the Port Macquarie-Hastings Local Environmental Plan 2011 at Lot 1, DP 1211682, No. 5 Drew Close, Port Macquarie, be determined by granting consent subject to the recommended conditions.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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**14 ITEMS TO BE DEALT WITH BY EXCEPTION**

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*RESOLVED: Alley/Hawkins*

That Items 10.02, 10.03, 10.04, 11.01, 11.02, 12.01 and 13.01 be considered as a block resolution.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

*RESOLVED: Alley/Turner*

That all recommendations listed in the block resolution be adopted by Council.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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**10.02 STATUS OF REPORTS FROM COUNCIL RESOLUTIONS**

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*BLOCK RESOLVED: Alley/Turner*

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

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### **10.03 DISCLOSURE OF INTEREST RETURN**

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*BLOCK RESOLVED: Alley/Turner*

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

1. Group Manager Environment and Regulatory Services.
  2. Group Manager Strategy.
  3. Group Manager Governance.
  4. Group Manager Customer Experience and Communications.
  5. Waste Manager.
- 

### **10.04 LEGAL FEES**

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*BLOCK RESOLVED: Alley/Turner*

That Council note the information in the Legal Fees report.

Item 10.05 Bushfire Disaster Recovery Funding, has been addressed previously within the meeting.

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### **11.01 RECOMMENDED ITEMS FROM THE MAYOR'S SPORTING FUND SUB-COMMITTEE - MARCH 2020**

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*BLOCK RESOLVED: Alley/Turner*

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

1. Phoebe Bentley receive \$350.00 to assist with the expenses she will have incurred travelling to and competing at the NSW State Open Swimming Championships held at Sydney Aquatic Centre, Sydney from 13 March 2020 - 15 March 2020 inclusive.
- 

### **11.02 COMMUNITY INCLUSION PLAN - POST EXHIBITION**

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*BLOCK RESOLVED: Alley/Turner*

That Council:

1. Note the feedback received from the community on the Draft Community Inclusion Plan during the exhibition period.
  2. Note the resulting changes to the Draft Community Inclusion Plan.
  3. Adopt the Community Inclusion Plan for implementation.
-

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Item 11.03 2019-2020 Round 2 Community Grant Program for Endorsement, has been addressed previously within the meeting.

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## **12.01 ECONOMIC DEVELOPMENT STRATEGY 2017-2021: SIX MONTHLY REPORT ON PROGRESS**

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*BLOCK RESOLVED: Alley/Turner*

That Council note:

1. The six-monthly progress report on implementation of the 2017-2021 Port Macquarie-Hastings Economic Development Strategy;
2. Consideration of short and medium term economic development priorities will be informed through consultation with the COVID-19 Recovery Working Group and the Economic Development Steering Group, prior to a formal review and update of the Economic Development Strategy in 2021.

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## **13.01 ROADSIDE VEGETATION MANAGEMENT POLICY**

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*BLOCK RESOLVED: Alley/Turner*

That Council:

1. Place the Roadside Vegetation Management Policy on public exhibition commencing from 13 May 2020 for a minimum of 28 days.
2. Note that a further report will be tabled at the 15 July 2020 meeting of Council, detailed the submissions received from the public during this exhibition period.
3. Note the report on the Roadside Vegetation Management Policy and current work practices completed by Australian Road Research Board (ARRB).
4. Give consideration to the recommendations from ARRB in respect to funding and resources for vegetation management during the development of future year Operational Plans.

Item 13.02 Transfer of Council Land - Part Lot 34 DP 856163 at Castle Court Port Macquarie, has been addressed previously within the meeting.

Item 13.03 Port Macquarie Health and Education Precinct, has been addressed previously within the meeting.

Item 13.04 DA2019 - 676.1 Residential Flat Building including Clause 4.6 Objection to Clause 4.3 (Height of Buildings) of the Port Macquarie-Hastings Local Environmental Plan 2011 at Lot 1 DP 1211682, No. 5 Drew Close, Port Macquarie Applicant: Wayne Ellis , has been addressed previously within the meeting.

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## 15 CONFIDENTIAL SESSION

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*RESOLVED: Alley/Turner*

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

Item 15.01 T-19-60 Beach to Beach Detailed Design & EIS - outcome of procurement strategy

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

Item 15.02 T-20-06 Operation of Port Macquarie Vehicular Ferry Services

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

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

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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#### **15.01 T-19-60 BEACH TO BEACH DETAILED DESIGN & EIS - OUTCOME OF PROCUREMENT STRATEGY**

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*RESOLVED: Levido/Hawkins*

That Council:

1. Pursuant to Section 55(3)(a) of the Local Government Act 1993, accept the quotation from Kellogg, Brown & Root Pty Ltd for the lump sum of \$248,020 (ex GST) for T-19-60 - Beach to Beach Detailed Design and EIS, obtained through Local Government Procurement Professional Services panel LGP1208-3.
2. Affix the seal of Council to the necessary documents.
3. Maintain the confidentiality of the documents and considerations in respect of T-19-60.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

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#### **15.02 T-20-06 OPERATION OF PORT MACQUARIE VEHICULAR FERRY SERVICES**

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*RESOLVED: Hawkins/Alley*

That Council:

1. Accept the Tender from Ferrymen (Port Macquarie) Pty Ltd for the Lump Sum of \$865,520.76 (exclusive GST) for Operation of Port Macquarie-Hastings Council Vehicular Ferry Services for an initial period of two (2) years commencing 1 July 2020 with one (1) option for extension for a further period of three (3) years. Such options are to be for the benefit of Council and may be exercised only by Council at its sole discretion.
2. Affix the seal of Council to the necessary document.
3. Maintain the confidentiality of the documents and consideration in respect of Request for Tender T-20-06.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

*RESOLVED: Turner/Dixon*

That the Council Meeting be re-opened to the public.

*CARRIED: 7/0*

*FOR: Alley, Dixon, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

The outcomes of the Confidential Session of the Ordinary Council were read to the meeting by the Group Manager Governance.

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The meeting closed at 7:14pm.

.....  
Peta Pinson  
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**

|   |              |
|---|--------------|
| <b>Name of Meeting:</b>   |              |
| <b>Meeting Date:</b>  |              |
| <b>Item Number:</b>   |              |
| <b>Subject:</b>   |              |
| <b>I, the undersigned, hereby declare the following interest:</b>   |              |
| <input type="checkbox"/> <b>Pecuniary:</b><br>Take no part in the consideration and voting and be out of sight of the meeting.                            |              |
| <input type="checkbox"/> <b>Non-Pecuniary – Significant Interest:</b><br>Take no part in the consideration and voting and be out of sight of the meeting. |              |
| <input type="checkbox"/> <b>Non-Pecuniary – Less than Significant Interest:</b><br>May participate in consideration and voting.                           |              |
| <b>For the reason that:</b>   |              |
| <b>Name:</b><br><br><b>Signed:</b>  | <b>Date:</b> |
| <b>Please submit to the Governance Support Officer at the Council Meeting.</b>  |              |

*(Refer to next page and the Code of Conduct)*

**Pecuniary Interest**

- 4.1 A pecuniary interest is an interest that you have in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to you or a person referred to in clause 4.3.
- 4.2 You will 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 you might make in relation to the matter, or if the interest is of a kind specified in clause 4.6.
- 4.3 For the purposes of this Part, you will have a pecuniary interest in a matter if the pecuniary interest is:
- (a) your interest, or
  - (b) the interest of your spouse or de facto partner, your relative, or your partner or employer, or
  - (c) a company or other body of which you, or your nominee, partner or employer, is a shareholder or member.
- 4.4 For the purposes of clause 4.3:
- (a) Your "relative" is any of the following:
    - i) your parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child
    - ii) your spouse's or de facto partner's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child
    - iii) the spouse or de facto partner of a person referred to in paragraphs (i) and (i)
  - (b) "de facto partner" has the same meaning as defined in section 21C of the *Interpretation Act 1987*.
- 4.5 You will not have a pecuniary interest in relation to a person referred to in subclauses 4.3(b) or (c)
- (a) if you are unaware of the relevant pecuniary interest of your spouse, de facto partner, relative, partner, employer or company or other body, or
  - (b) just because the person is a member of, or is employed by, a council or a statutory body, or is employed by the Crown, or
  - (c) just because the person is a member of, or a delegate of a council to, a company or other body that has a pecuniary interest in the matter, so long as the person has no beneficial interest in any shares of the company or body.

**Non-Pecuniary**

- 5.1 Non-pecuniary interests are private or personal interests a council official has that do not amount to a pecuniary interest as defined in clause 4.1 of this code. These commonly arise out of family or personal relationships, or out of involvement in sporting, social, religious or other cultural groups and associations, and may include an interest of a financial nature.
- 5.2 A non-pecuniary conflict of interest exists where a reasonable and informed person would perceive that you could be influenced by a private interest when carrying out your official functions in relation to a matter.
- 5.3 The personal or political views of a council official do not constitute a private interest for the purposes of clause 5.2.
- 5.4 Non-pecuniary conflicts of interest must be identified and appropriately managed to uphold community confidence in the probity of council decision-making. The onus is on you to identify any non-pecuniary conflict of interest you may have in matters that you deal with, to disclose the interest fully and in writing, and to take appropriate action to manage the conflict in accordance with this code.
- 5.5 When considering whether or not you have a non-pecuniary conflict of interest in a matter you are dealing with, it is always important to think about how others would view your situation.

**Managing non-pecuniary conflicts of interest**

- 5.6 Where you have a non-pecuniary conflict of interest in a matter for the purposes of clause 5.2, you must disclose the relevant private interest you have in relation to the matter fully and in writing as soon as practicable after becoming aware of the non-pecuniary conflict of interest and on each occasion on which the non-pecuniary conflict of interest arises in relation to the matter. In the case of members of council staff other than the general manager, such a disclosure is to be made to the staff member's manager. In the case of the general manager, such a disclosure is to be made to the mayor.
- 5.7 If a disclosure is made at a council or committee meeting, both the disclosure and the nature of the interest must be recorded in the minutes on each occasion on which the non-pecuniary conflict of interest arises. This disclosure constitutes disclosure in writing for the purposes of clause 5.6.
- 5.8 How you manage a non-pecuniary conflict of interest will depend on whether or not it is significant.
- 5.9 As a general rule, a non-pecuniary conflict of interest will be significant where it does not involve a pecuniary interest for the purposes of clause 4.1, but it involves:
- a) a relationship between a council official and another person who is affected by a decision or a matter under consideration that is particularly close, such as a current or former spouse or de facto partner, a relative for the purposes of clause 4.4 or another person from the council official's extended family that the council official has a close personal relationship with, or another person living in the same household
  - b) other relationships with persons who are affected by a decision or a matter under consideration 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 the council official and an organisation (such as a sporting body, club, religious, cultural or charitable organisation, corporation or association) that is affected by a decision or a matter under consideration that is particularly strong. The strength of a council official's affiliation with an organisation is to be determined by the extent to which they actively participate in the management, administration or other activities of the organisation.
  - d) membership, as the council's representative, of the board or management committee of an organisation that is affected by a decision or a matter under consideration, in circumstances where the interests of the council and the organisation are potentially in conflict in relation to the particular matter
  - e) a financial interest (other than an interest of a type referred to in clause 4.6) that is not a pecuniary interest for the purposes of clause 4.1
  - f) the conferral or loss of a personal benefit other than one conferred or lost as a member of the community or a broader class of people affected by a decision.
- 5.10 Significant non-pecuniary conflicts of interest must be managed in one of two ways:
- a) by not participating in consideration of, or decision making in relation to, the matter in which you have the significant non-pecuniary conflict of interest and the matter being allocated to another person for consideration or determination, or
  - b) if the significant non-pecuniary conflict of interest arises in relation to a matter under consideration at a council or committee meeting, by managing the conflict of interest as if you had a pecuniary interest in the matter by complying with clauses 4.28 and 4.29.
- 5.11 If you determine that you have a non-pecuniary conflict of interest in a matter that is not significant and does not require further action, when disclosing the interest you must also explain in writing why you consider that the non-pecuniary conflict of interest is not significant and does not require further action in the circumstances.
- 5.12 If you are a member of staff of council other than the general manager, the decision on which option should be taken to manage a non-pecuniary conflict of interest must be made in consultation with and at the direction of your manager. In the case of the general manager, the decision on which option should be taken to manage a non-pecuniary conflict of interest must be made in consultation with and at the direction of the mayor.
- 5.13 Despite clause 5.10(b), a councillor who has a significant non-pecuniary conflict of interest in a matter, may participate in a decision to delegate consideration of the matter in question to another body or person.
- 5.14 Council committee members are not required to declare and manage a non-pecuniary conflict of interest in accordance with the requirements of this Part where it arises from an interest they have as a person chosen to represent the community, or as a member of a non-profit organisation or other community or special interest group, if they have been appointed to represent the organisation or group on the council committee.



**SPECIAL DISCLOSURE OF PECUNIARY INTEREST DECLARATION**

*This form must be completed using block letters or typed.  
If there is insufficient space for all the information you are required to disclose,  
you must attach an appendix which is to be properly identified and signed by you.*

|   |   |
|---|---|
| <b>By</b><br><i>[insert full name of councillor]</i>  |   |
| <b>In the matter of</b><br><i>[insert name of environmental planning instrument]</i>  |   |
| <b>Which is to be considered at a meeting of the</b><br><i>[insert name of meeting]</i>   |   |
| <b>Held on</b><br><i>[insert date of meeting]</i>   |   |
| <b>PECUNIARY INTEREST</b>   |   |
| Address of the affected principal place of residence of the councillor or an associated person, company or body<br><i>(the <b>identified land</b>)</i>              |   |
| Relationship of identified land to councillor<br><i>[Tick or cross one box.]</i>  | <input type="checkbox"/> The 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).<br><input type="checkbox"/> An associated person of the councillor has an interest in the land.<br><input type="checkbox"/> An associated company or body of the councillor has interest in the land. |
| <b>MATTER GIVING RISE TO PECUNIARY INTEREST<sup>1</sup></b>   |   |
| Nature of land that is subject to a change in zone/planning control by proposed LEP <i>(the <b>subject land</b><sup>2</sup>)</i><br><i>[Tick or cross one box]</i>  | <input type="checkbox"/> The identified land.<br><input type="checkbox"/> Land that adjoins or is adjacent to or is in proximity to the identified land.  |
| Current zone/planning control<br><i>[Insert name of current planning instrument and identify relevant zone/planning control applying to the subject land]</i>       |   |
| Proposed change of zone/planning control<br><i>[Insert name of proposed LEP and identify proposed change of zone/planning control applying to the subject land]</i> |   |
| Effect of proposed change of zone/planning control on councillor or associated person<br><i>[Tick or cross one box]</i>   | <input type="checkbox"/> Appreciable financial gain.<br><input type="checkbox"/> Appreciable financial loss.  |

*[If more than one pecuniary interest is to be declared, reprint the above box and fill in for each additional interest]*

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

*This form is to be retained by the council's general manager and included in full in the minutes of the meeting*

Last Updated: 3 June 2019

**Important Information**

This information is being collected for the purpose of making a special disclosure of pecuniary interests under clause 4.36(c) of the Model Code of Conduct for Local Councils in NSW (the Model Code of Conduct).

The special disclosure must relate only to a pecuniary interest that a councillor has in the councillor's principal place of residence, or an interest another person (whose interests are relevant under clause 4.3 of the Model Code of Conduct) has in that person's principal place of residence.

Clause 4.3 of the Model Code of Conduct states that you will have a pecuniary interest in a matter because of the pecuniary interest of your spouse or your de facto partner or your relative or because your business partner or employer has a pecuniary interest. You will 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.

"Relative" is defined by clause 4.4 of the Model Code of Conduct 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.

You must not make a special disclosure that you know or ought reasonably to know is false or misleading in a material particular. Complaints about breaches of these requirements are to be referred to the Office of Local Government and may result in disciplinary action by the Chief Executive of the Office of Local Government or the NSW Civil and Administrative Tribunal.

This form must be completed by you before the commencement of the council or council committee meeting at 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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<sup>1</sup> Clause 4.1 of the Model Code of Conduct 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 clause 4.6 of the Model Code of Conduct.

<sup>2</sup> 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 clause 4.3 of the Model Code of Conduct has a proprietary interest

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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**

1.3.2 Build trust and improve Council's public reputation through transparency, good decision making and living Council's Values.

**RECOMMENDATION**

**That Council determine that the attachment to Item Numbers 10.05 and 13.06 be considered as confidential, in accordance with Section 11(3) of the Local Government Act.**

**Discussion**

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

|                                |   |
|--------------------------------|---|
| <b>Item No:</b>                | 10.05   |
| <b>Subject:</b>                | Quarterly Budget Review Statement - March 2020  |
| <b>Attachment Description:</b> | Confidential - March 2020 Quarterly Budget Review - Consultancy Engagements   |
| <b>Confidential Reason:</b>    | Relates to commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting for proposes to conduct business. Local Government Act 1993 - Section 10A(2)(c). |
| <b>Item No:</b>                | 13.06   |
| <b>Subject:</b>                | Lake Innes Acid Sulphate Soil Management Options Study - Grant Application Update   |
| <b>Attachment Description:</b> | Soil Conservation Service Consultancy Agreement - Lake Innes Acid Sulphate Management Options Study   |
| <b>Confidential Reason:</b>    | Relates to commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.   |

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**Item: 08**

**Subject: PUBLIC FORUM – MATTERS NOT ON THE AGENDA**

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Due to the current COVID-19 health emergency, Public Forum - Matters Not On The Agenda will not be held as part of this meeting.

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**Item: 09****Subject: PUBLIC FORUM – MATTERS ON THE AGENDA**

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Due to the current COVID-19 health emergency, Public Forum - Matters On The Agenda will not be held as part of this meeting.

However, residents may provide information in relation to matters on the agenda to Councillors by emailing [councilmeeting@pmhc.nsw.gov.au](mailto:councilmeeting@pmhc.nsw.gov.au) or by contacting Councillors directly using the contact details found on Council's website. Any information provided will assist Councillors in their decision making capacity on those items on the agenda. All representations made to Councillors through the above email address must be received by Council no later than 4:30pm on the Monday prior to the meeting.

# 1 Leadership and Governance

## What we are trying to achieve

A community that works together in decision making that is defined as ethically, socially and environmentally responsible.

## What the result will be

We will have:

- 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 we will get there

- 1.1 Inform and engage with the community about what Council does using varied communication channels
- 1.2 Maintain strong partnerships between all stakeholders - local, state and federal — so that they are effective advocates for the community
- 1.3 Demonstrate leadership
- 1.4 Use innovative, efficient and sustainable practices
- 1.5 Ensure strong corporate and financial management that is transparent and accountable

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**Item: 10.01**

**Subject: STATUS OF REPORTS FROM COUNCIL RESOLUTIONS**

**Presented by: Corporate Performance, Rebecca Olsen**

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### Alignment with Delivery Program

1.3.2 Build trust and improve Council's reputation through transparency, good decision making and living Council's Values.

### RECOMMENDATION

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

### Discussion

| Report   | Date & Item of Resolution                        | Status  | Reporting Officer | Previous Anticipated Date/s for Report | Current Anticipated Date for Report |
|--|--|---|-------------------|--|-------------------------------------|
| Planning Proposal - Airport Business Park - post exhibition and draft DCP approval | 17/07/19<br>Item 13.05<br>11/12/19<br>Item 13.06 | Awaiting additional information from the proponent to allow for the gateway determination to be issued.<br>Deferred due to COVID-19 | DDE               | Feb-20<br>Apr-20                       | 20/05/20                            |
| Long Term Energy Strategy - suitable sites   | 20/11/19<br>Item 13.05                           |   | DDE               |  | 20/05/20                            |
| Draft Greater Port Macquarie Destination Management Plan - post exhibition         | 11/12/2019<br>Item 12.03                         | Further consideration of submissions required to finalise draft<br>Deferred due to COVID-19   | DSG               | Mar-20<br>Apr-20                       | 20/05/20                            |
| Water Supply Security Update Report  | 19/02/2020<br>Item 13.03                         |   | DI                |  | 20/05/20                            |

| Report   | Date & Item of Resolution | Status  | Reporting Officer | Previous Anticipated Date/s for Report   | Current Anticipated Date for Report |
|--|---------------------------|---|-------------------|--|-------------------------------------|
| Investment Policy Review - posit exhibition  | 18/03/20<br>Item 10.09    |   | DCP               |  | 20/05/20                            |
| Oxley Highway Gateway Sculpture  | 18/03/20<br>Item 13.01    | deferred due to COVID-19  | DSG               | Apr-20   | 20/05/20                            |
| Initiatives that could be undertaken by Council to assist local business in securing opportunities to do business with Council including for contracts that fall under the procurement tendering threshold | 15/04/2020<br>Item 10.03  |   | DCP               |  | 20/05/20                            |
| Town Centre Master Plan Charter Review   | 20/06/18<br>Item 09.09    | Still being discussed<br>Deferred due to COVID-19                     | DSG               | Apr-19<br>May-19<br>Jun-19<br>Aug-19<br>Oct-19<br>Nov-19<br>Dec-19<br>Feb-20<br>Apr-20<br>May-20 | 3/06/20                             |
| JH Taylor & MJ Taylor vs PMHC - report when finalised  | 18/09/19<br>Item 15.03    | Still under negotiation   | DCP               | Feb-20<br>Mar-20<br>Apr-20<br>May-20   | 3/06/20                             |
| Biodiversity Investigations Stewardship Sites  | 20/11/19<br>Item 13.15    | Detailed analysis still being undertaking<br>Deferred due to COVID-19 | DDE               | Mar-02<br>Apr-20<br>May-20   | 3/06/20                             |
| Coast, Estuary and Floodplain Sub-Committee - Membership   | 11/12/2019<br>Item 13.07  | Deferred due to COVID-19  | DDE               | Apr-20   | 3/06/20                             |
| Development Assessment Panel Charter Review - post exhibition  | 20/11/19<br>Item 13.10    | Ongoing review of options underway                                    | DDE               | Mar-20<br>Apr-20<br>May-20   | 17/06/20                            |



| Report  | Date & Item of Resolution | Status   | Reporting Officer | Previous Anticipated Date/s for Report   | Current Anticipated Date for Report |
|---|---------------------------|--|-------------------|--|-------------------------------------|
| Tuffins Lane Sporting Fields - Terms of Agreement   | 14/12/16<br>Item 06.02    | Awaiting Catholic Parish advice  | GM                | Oct-18<br>Mar-19<br>Apr-19<br>Jul-19<br>Dec-19   | Jun-20                              |
| Canal Maintenance   | 18/10/17<br>Item 12.04    | Works delayed 18mths.  | DI                | FY2018/2019  | Jun-20                              |
| Council owned lots at North Shore - Progress of Sale                                      | 19/09/18<br>Item 09.24)   | Council is currently in the process of obtaining DA's for the individual lots, prior to sale - this will provide assurance to future purchasers that the lots can be built on. | DSG               | 1/12/2019<br>Feb-20  | Jun-20                              |
| QFPM - Enforcement of Unlawful Activity Policy - findings of review                       | 18/07/18<br>Item 09.07    | Policy being drafted. Awaiting further advice and discussions with Councillors.  | DDE               | Dec-18<br>Feb-19<br>Mar-19<br>Apr-19<br>Jun-19<br>Jul-19<br>Aug-19<br>Oct-19<br>Feb-20<br>Apr-20 | Jun-20                              |
| Planning Proposal Request PP2011 - 9.3: The Ruins Way and South Blackwood, Port Macquarie | 19/06/19<br>Item 13.06    | Revised Pplodged and under assessment  | DDE               | Aug-19<br>Sep-19<br>Nov-19<br>Feb-20<br>Apr-20   | Jun-20                              |
| Port Macquarie Aquatic Facility - Progress of detailed design and Strategic Concept Plan  | 18/09/19<br>Item 11.02    |  | DDE               |  | Jun-20                              |

| Report  | Date & Item of Resolution | Status   | Reporting Officer | Previous Anticipated Date/s for Report | Current Anticipated Date for Report |
|---|---------------------------|--|-------------------|--|-------------------------------------|
| Port Macquarie Aquatic Facility - Outcome discussions with displaced user groups of Macquarie Park                  | 18/09/19<br>Item 11.02    |  | DDE               |  | Jun-20                              |
| Stage 1 Review of Port Macquarie-Hastings Development Control Plan 2013 - Housekeeping Amendments - post exhibition | 20/11/19<br>Item 13.06    | To align policy and DCP provisions<br>Deferred due to COVID-19                       | DDE               | Mar-20<br>Apr-20                       | Jun-20                              |
| Update on Site Specific Planning Proposal Requests  | 11/12/2019<br>Item 13.10  |  | DDE               |  | Jun-20                              |
| 2020-2021 IP&R Documents - post exhibition  | 18/03/20<br>Item 10.08    |  | DCP               |  | Jun-20                              |
| Planning Proposal – Lot 2 DP1091253 Beach Street Bonny Hills  | 19/04/16<br>Item 12.02    | Post-exhibition report and revised Planning Proposal (potentially) and re-exhibition | DDE               | Sep-19<br>Nov-19<br>Feb-20<br>Apr-20   | Jul-20                              |
| Classification as "Operational" Land - 52 John Oxley Drive, Port Macquarie - post exhibition.                       | 20/06/18<br>Item 14.05    | On hold as per GM advice   | DSG               | Mar-20                                 | Jul-20                              |
| Draft Waste Minimisation and Management Policy - post exhibition  | 20/11/19<br>Item 13.01    | Deferred due to COVID-19   | DCP               | Mar-20<br>Apr-20                       | Jun-20                              |

| Report  | Date & Item of Resolution | Status  | Reporting Officer | Previous Anticipated Date/s for Report         | Current Anticipated Date for Report |
|---|---------------------------|---|-------------------|--|-------------------------------------|
| T-19-38<br>Supply and Delivery of Electrical Goods                                | 16/10/2019<br>Item 15.01  | Still negotiating                               | DI                | Dec-19<br>Feb-20<br>May-20                     | 15/07/20                            |
| T-19-09<br>Supply and Delivery of Ready Mix Concrete - post negotiations          | 19/06/19<br>Item 15.04    | Still negotiating                               | DI                | Aug-19<br>Oct-19<br>Dec-19<br>Feb-20<br>May-20 | 15/07/20                            |
| T-19-10<br>Supply and Delivery of Road Construction Materials - post negotiations | 19/06/19<br>Item 15.05    | Still negotiating                               | DI                | Aug-19<br>Oct-19<br>Dec-19<br>Feb-20<br>May-20 | 15/07/20                            |
| Draft Glasshouse Plan 2020-2022 - post exhibition                                 | 11/12/2019<br>Item 10.10  | Still considering submissions                   | DCP               | Mar-20<br>Apr-20<br>May-20                     | 15/07/20                            |
| Climate Change Risk Assessment - Update   | 18/03/20<br>Item 13.06    |   | DDE               |  | Jul-20                              |
| Fernbank Creek and Sancro Planning Investigation - Progress Report                | 18/03/20<br>Item 13.08    |   | DSG               |  | Jul-20                              |
| Roadside Vegetation Management Policy - post exhibition                           | 06/05/2020<br>Item 13.01  |   | DI                |  | 15/07/20                            |
| Trialling Of Parklets In The Port Macquarie Town Centre                           | 16/05/18<br>Item 10.02    | Council is still working the relevant approvals | DSG               |  | Aug-20                              |
| Water Supply Security Update Report   | 19/02/2020<br>Item 13.04  |   | DI                |  | Aug-20                              |
| Bushfire Recovery - Grant Funded Projects   | 19/02/2020<br>Item 10.21  |   | DSG               |  | Aug-20                              |

| Report  | Date & Item of Resolution | Status  | Reporting Officer | Previous Anticipated Date/s for Report   | Current Anticipated Date for Report |
|---|---------------------------|---|-------------------|--|-------------------------------------|
| Future of Committees following establishment of Cultural Steering Group   | 19/04/17<br>Item 15.05    | Priority item for the new CSG when adopted by Council following the EOI for membership Deferred due to COVID-19 | DSG               | Jun-17<br>Jul-17<br>Sep-17<br>Oct-17<br>Feb-18<br>Apr-18<br>Jul-18<br>Sep-18<br>Feb-19<br>Apr-19<br>May-19<br>Nov-19<br>Mar-20<br>Apr-20 | Nov-20                              |
| Mid North Coast Joint Organisation - funding and related issues   | 06/05/2020<br>Item 10.01  |   | GM                |  | Nov-20                              |
| Markets Policy - Review   | 11/12/2019<br>Item 12.02  |   | DSG               |  | Dec-20                              |
| MOU - Norfolk Island Regional Council - income and expenditure administration.  | 20/03/19<br>Item 09.02    |   | GM                |  | Feb-21                              |
| Biodiversity Certification Assessment and Strategy - Port Macquarie Airport and Surrounding Land - viability and implications of the options for securing the required Blackbutt Tallowood dry grassy open forest and Koala habitat credits, prior to the clearing that creates the demand for those credits. | 10/08/16<br>Item 12.01    |   | DDE               |  | 2021<br>(estimate)                  |

| Report  | Date & Item of Resolution | Status   | Reporting Officer | Previous Anticipated Date/s for Report | Current Anticipated Date for Report |
|---|---------------------------|--|-------------------|--|-------------------------------------|
| Ocean Drive Duplication - Outcomes of RMD Review                                  | 18/09/19<br>Item 13.09    |  | DI                |  | TBA                                 |
| Land Acquisition Required as Part of the Long Flat Sewer Scheme - post exhibition | 20/11/19<br>Item 13.13    | Awaiting completion of required processes prior to exhibition. | DDE               | Feb-20                                 | TBA                                 |

Cyclic Reports

| Report   | Reporting Officer | Reporting Cycle | Month               | Altered Report Date             |
|--|-------------------|-----------------|---------------------|---------------------------------|
| Mayoral Discretionary Fund Allocations   | GM                | Monthly         | Every               |                                 |
| Monthly Financial Update   | DCP               | Monthly         | Every (except July) | 20-May                          |
| Investments  | DCP               | Monthly         | Every               | 20-May                          |
| Recommendations by the Mayor's Sporting Fund Sub-Committee                             | DSG               | Monthly         | Every               | Deferred due to COVID-19        |
| Legal Fees - Update Report (19/09/18 - Item 09.16)                                     | DCP               | Quarterly       | Feb, May, Aug, Nov  | 6-May                           |
| Development Activity and Assessment System Performance                                 | DDE               | Quarterly       | May, Aug, Nov, Feb  | 20-May                          |
| Port Macquarie Health and Education Precinct - Update Report (06/05/2020 - Item 13.03) | DSG               | Quarterly       | Aug, Nov, Feb, May  | 6-May                           |
| Operational Plan – Quarterly Progress  | DCP               | Quarterly       | Nov, Feb, May, Aug  | 3-Jun                           |
| Grant Application Status Report (21/08/19 - Item 11.02)                                | DSG               | Biannual        | Feb, Aug            |                                 |
| Glasshouse Strategic Plan Update   | DCP               | Biannual        | Feb, Aug            |                                 |
| Digital Technology Project Status (16/08/17 - Item 09.18)                              | DCP               | Biannual        | Feb, Aug            |                                 |
| Delivery Program – Six Monthly Progress  | DCP               | Biannual        | Mar, Sep            |                                 |
| Update on Site Specific Planning Proposal Requests                                     | DDE               | Biannual        | Apr, Oct            | April: deferred due to COVID-19 |



| Report   | Reporting Officer | Reporting Cycle | Month         | Altered Report Date |
|--|-------------------|-----------------|---------------|---------------------|
| Management of Flying-Fox Colony in Kooloonbung Creek Nature Reserve - Biannual Progress Report (18/03/20 - Item 13.07)   | DDE               | Biannual        | Jul, February |                     |
| Local Strategic Planning Statement (19/02/2020 - Item 10.22)   | DSG               | Biannual        | Aug, Feb      |                     |
| Mayoral and Councillor Fees (Setting of)   | GM                | Annually        | May           | 3-Jun               |
| Long Term Energy Strategy – Progress   | DDE               | Biannual        | May, Nov      | 20-May              |
| Economic Development Strategy - Progress (20/11/2013 - Item 10.03)   | DSG               | Biannual        | May, Nov      | 6-May               |
| Council Policy - Status  | DCP               | Annually        | Jul           |                     |
| Recreation Action Plan – Status  | DDE               | Annually        | Jul           |                     |
| UGMS - Annual Progress Report on Implementation and Status of Actions (20/06/18 - Item 12.07)  | DSG               | Annually        | Jul           |                     |
| Local Preference Policy Outcomes   | DCP               | Annually        | Aug           |                     |
| Annual Report of the Activities of the Mayor's Sporting Fund   | DSG               | Annually        | Sep           |                     |
| Council Meeting Dates  | GM                | Annually        | Sep           |                     |
| Creation of Office - Deputy Mayor  | GM                | Annually        | Sep           |                     |
| Audit Committee Annual Report  | DCP               | Annually        | Sep           |                     |
| Annual Report of Disability Discrimination Act Action Plan   | DSG               | Annually        | Sep           |                     |
| Legislative Compliance Register  | DCP               | Annually        | Sep           |                     |
| Cultural Plan 2018 - 2021 - Implementation Progress Report (19/09/18 - Item 10.02)   | DSG               | Annually        | Sep           |                     |
| Koala Recovery Strategy Annual Report (19/09/18 - Item 12.05)  | DDE               | Annually        | Sep           |                     |
| Annual Disclosure of Interest Returns  | GM                | Annually        | Oct           |                     |
| Council's Annual Report  | DCP               | Annually        | Nov           |                     |
| Update Report - Impact of cost shifting for the previous financial year including any additional categories of cost-shifting that have been identified (21/10/15 - Item 09.04) | DCP               | Annually        | Nov           |                     |
| Performance of Property Investment Portfolio 6-Monthly (20/11/19 - Item 10.17)   | DSG               | Annually        | Nov           |                     |
| Compliments and Complaints Annual Report   | DSG               | Annually        | Dec           | 6-May               |

| Report                                   | Reporting Officer | Reporting Cycle | Month | Altered Report Date |
|--|-------------------|-----------------|-------|---------------------|
| Code of Conduct Complaints Annual Report | DCP               | Annually        | Dec   |                     |

**Attachments**

Nil

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**Item: 10.02**

**Subject: MAYORAL DISCRETIONARY FUND ALLOCATIONS - 2 APRIL TO 6 MAY 2020**

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

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### **Alignment with Delivery Program**

1.5.1 Manage Council's financial assets and provide accurate, timely and reliable information.

### **RECOMMENDATION**

**That Council note the Mayoral Discretionary Fund allocations for the period 2 April to 6 May 2020 inclusive.**

### **Executive Summary**

To advise of the Mayoral Discretionary Fund allocations for the period 2 April to 6 May 2020 inclusive.

### **Discussion**

The following allocations have been made by the Mayor from the Mayoral Discretionary Fund during this reporting period:

|  |                 |
|--|-----------------|
| 3 x ANZAC Day Floral Wreaths - PMQ, Wauchope and Laurieton | \$195.00        |
|  |                 |
|  | <b>\$195.00</b> |

### **Options**

This report is for noting only.

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

There has been no community engagement or internal consultation in relation to this report.

### **Planning & Policy Implications**

There are no planning and policy implications in relation to this report. This report is provided to Council as per the requirements of the Mayoral Discretionary Fund Policy.



**Financial & Economic Implications**

There are no economic implications in relation to this report.

The allocations made during this reporting period are funded from the Mayoral Discretionary Fund as included in the 2019-2020 Operational budget.

**Attachments**

Nil

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**Item: 10.03**

**Subject: COVID-19 PANDEMIC UPDATE**

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

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### **Alignment with Delivery Program**

1.3.1 Provide effective leadership and equity.

### **RECOMMENDATION**

#### **That Council:**

- 1. Note the information included in this COVID-19 Pandemic Update report.**
- 2. Note the procurement initiatives outlined in this COVID-19 Pandemic Update report aimed at assisting local businesses.**

### **Executive Summary**

As of 11 March 2020 COVID-19 has been declared a worldwide pandemic.

COVID-19 has had a major impact on the Australian economy and local government is not immune, with many services impacted and facilities closed, which has seen a reduction in revenue to Council.

At the same time, Council is supporting its local economy and community and has implemented a range of relief measures to support the community during the pandemic.

The purpose of this report is to outline the current status of the impact on Council as an organisation and the status and progress made against the relief measures and initiatives. Importantly, this report also outlines procurement initiatives that are aimed at assisting local businesses.

### **Discussion**

As outlined in the Executive Summary, the purpose of this report is to provide an update of the various impacts on Council of the pandemic, and the progress made against the various initiatives and relief measures that are being implemented by Council to support our Port Macquarie-Hastings community.

#### **Council Services and closures**

There are a number of Council services and facilities that are temporarily closed, including:

- The Glasshouse including the Visitor Information Centre and Regional Gallery
- Port Macquarie and Wauchope indoor stadiums
- Customer service centres (face-to-face services)

- Laurieton, Port Macquarie and Wauchope libraries (face-to-face service)
- Kendall, Laurieton, Port Macquarie and Wauchope swimming pools
- The Hub Business and Co-Working Space
- Community Halls
- Outdoor playgrounds and BBQ's
- Outdoor exercise equipment
- Skate parks

It is noted that the most recent announcement by the Premier of NSW has declared that outdoor playgrounds and swimming pools (amongst other things), will have restrictions lifted as of Friday 15 May 2020, noting that Councils are currently awaiting receipt of the formal direction from the State government in this regard.

Despite the above, delivery of essential services such as water, sewer, waste management and roads maintenance programs remain unchanged at this stage. The following Council services and facilities continue to be provided:

- Council governance, insurance, planning, reporting and decision making
- Communication, engagement, education, community grants
- Water treatment and water operations
- Sewage treatment and sewer operations
- Waste collection and disposal services
- Roads, bridges, canals and drainage services - planning, maintenance and response
- Ferry operations
- Open spaces, beaches, boat ramps and sports field management - maintenance and preparation for recovery
- Regulatory services, enforcement and responsiveness in line with community needs and government direction
- Development assessment and certification services in line with community needs and government direction
- Customer contact, correspondence and communication
- Financial, procurement, payroll, business improvement and revenue services
- Asset planning, management and reporting services
- Human resources and WHS support
- Information technology and records management services
- Fleet, plant and depot management
- Strategic land use planning
- Glasshouse online box office, online gallery and event services
- Port Macquarie Airport operations
- Innes Gardens Crematorium and LGA cemeteries
- Economic development, major events, Destination Marketing and grants
- Cultural development
- Council pursuit of grants to support service delivery
- Emergency management
- Environmental laboratory
- Library online services
- Property management and strategic property services, statutory property and leasing
- Capital works program delivery
- Building and facility maintenance

- Natural resource and tree management

#### Hardship Provisions

Council resolved at the Council meeting held on 15 April 2020 to implement a number of local financial relief measures to support members of the community and local businesses who are being impacted by COVID-19. Importantly and as part of these measures, Council resolved to waive or defer a number of fees and charges as follows:

- Interest on rates and charges up to 6 months for applicants who enter into payment arrangements on outstanding accounts;
- Direct debit dishonour fees up to 6 months;
- Rent for Council owned cafes and facilities up to 6 months;
- Interest on outstanding rental fees up to 6 months;
- Fees for outdoor dining and footpath displays up to 6 months;
- Glasshouse venue hire and associated fees, including provisions for tickets to patrons up to 6 months;
- Fees for mobile food vending vehicles up to 6 months;
- Fees for food shop inspections up to 6 months;
- Fees for public health inspections up to 6 months;
- Impound and maintenance fees (in relation to animals) up to 6 months;
- Ferry fees for delivery of food and other items to the North Shore;
- Licence fees / application fees for activities on Council managed land up to 6 months;
- Fees for applications for activities on public / community land under the Local Government Act (Section 68) and applications under the Roads Act 1993 (Section 138) up to 6 months;
- Bin reinstatement fee for businesses (Waste Management) waived on resumption of normal operations where businesses have requested a suspension of bin services due to COVID-19;
- Fees for A-Frame signs up to 6 months;
- Credit card surcharge fees up to 6 months;
- Payment plan for connection to Telegraph Point Sewerage Scheme;
- Deferral of new levy for stormwater on 800 properties;
- Bus shelter advertising space rental up to 6 months.

The measures also included the following:

- Delegating authority to the General Manager to enter into a formal agreement with an eligible applicant to repay outstanding rates and charges by periodical payments on a payment arrangement, where the applicant is suffering financial hardship due to the impacts of COVID-19. Note that application for such payment arrangements will be subject to similar criteria and documentation requirements as the current Council adopted Rates & Charges Hardship Assistance policy.
- Amending the Rates and Charges Hardship Assistance Policy to include provisions for non-residential property owners.
- Continuing to issue reminder notices on outstanding accounts, with details of assistance options provided, however suspend formal debt recovery actions for outstanding accounts for a period of up to 6 months.

As an update to the above, the following is noted:

- At the time of writing this report, a number of requests for hardship assistance for Rates and Charges had been received, with approximately 230 payment arrangements entered into and interest on outstanding amounts waived.
- The Rates and Charges Hardship Assistance Policy has been updated to include provisions for non-residential property owners.
- All formal debt recovery action has been put on hold, effective 16 April 2020.
- At the time of writing this report, 5 arrangements to put rent for Council owned cafes and facilities on hold had been entered into and all invoicing for Outdoor Dining and Footpath Displays had been put on hold.
- At the time of writing this report, 7 arrangements to put licences fees for activities on Council managed land on hold and 1 arrangement in relation to fees for the release of an impounded animal have been entered into.
- Administration charges including the credit card surcharge and direct debit dishonour fee were put on hold, effective 16 April 2020.

#### COVID-19 Recovery Working Group

A COVID-19 Recovery Working Group (the Working Group) has been established and has met (via technology) on several occasions with the first meeting taking place on 23 April 2020.

The key objective of the Working Group is to provide and receive two-way feedback from the community on the most appropriate approaches and initiatives to assist the Local Government Area (LGA) recover from the impacts of the COVID-19 shutdowns. These approaches and initiatives encompass economic, social and cultural aspects of the recovery. Topics discussed to date at the Working Group include:

- Procurement and Support for Local Businesses
- Tourism
- Development Activity
- Red Tape
- Capital Works Programs
- Vulnerable Persons
- Community Wellbeing
- Education and Learning

The Working Group recently established some Sub-Working Groups to deal with specific issues that have been raised as part of the Working Group meetings, whilst some issues have been referred to Council's existing steering groups, such as the Economic Development Steering Group and the Cultural Steering Group for further discussion.

In the coming weeks the Working Group will develop a comprehensive list of actions and initiatives across a broad spectrum, which it is hoped will assist in guiding our local government area through the recovery process from the pandemic, in a coordinated way.



Procurement

In relation to Procurement, Council resolved at the Council meeting held on 15 April 2020 to (in part):

- Amend the Tendering Local Preference Policy to increase the notional price offset from 5% to 20%, and the cap from \$25,000 to \$50,000, for a period of 6 months for all Request for Tenders advertised on and from 16 April 2020.
- Request the General Manager provide a report to the 20 May 2020 Ordinary Meeting of Council on initiatives that could be undertaken by Council to assist local business in securing opportunities to do business with Council including for contracts that fall under the procurement tendering threshold.

As an update on the first dot point resolution above, the changes to the notional price offset as part of the Tendering Local Preference Policy have now been implemented, although at the time of writing this report, no tenders had yet been advertised since this implementation, which is simply a matter of timing.

On the second dot point of the resolution as listed above and as noted earlier in this report, the impacts of COVID-19 have had significant impacts on the Port Macquarie-Hastings community with a broader and larger impact on the Australian economy. Given the current economic crisis, consideration has been given as to how Council can assist local businesses in securing as many opportunities as possible with Council, noting that Council has a significant spend each year on materials and contracts through not only its operations, but also its capital works program.

For background, a significant amount of discretionary Council expenditure is already sourced from local businesses. Excluding expenditure that cannot be sourced locally, analysis has indicated that 60% of expenditure is sourced within the local government area, 8% is regional (Mid North Coast), with the balance of 32% being spent outside the region.

Notwithstanding this, there is an opportunity to implement initiatives in an attempt to increase the levels of local supply. Following are a range of initiatives that can reasonably be implemented in the short term and others which require a longer term timeframe for implementation. At the outset, it should be stated that the following initiatives are not necessarily the only initiatives that Council will implement in relation to procurement and local supply. It is acknowledged that the COVID-19 Recovery Working Group will be discussing the issue of local supply in the coming weeks and the Working Group may well have further suggestions for Council to consider as a result of those discussions. The procurement initiatives that will be implemented in the short term are:

**Initiative 1 - Approach to Market - technology enabled procurement:**

Often local businesses are either excluded or discouraged to tender for Council business by the weight of the procurement process and the tender documentation. There is an opportunity to implement technology enabled procurement. Technology enabled procurement benefits both Council and suppliers.

Council will implement a solution that focuses on creating a marketplace for our suppliers that is automated, easy to use and makes doing business with Council

easier. The benefits of moving towards technology enabled procurement and of the preferred solution are numerous for both parties, Council and suppliers.

Further information on Council's preferred technology solution please follow this link:  
<https://www.eprocure.com.au/>

Some of the key benefits to suppliers of this solution include:

|  |   |
|--|---|
| Free and easy registration                       | The current portal for tendering is not free. It is considered that local suppliers should be able to submit quotations and tenders through an open and freely available portal. Subscription will be quick and simple process.   |
| Streamlining the quotation/tendering process     | An integrated work flow approach that provides suppliers a response interface to Council's request. It provides a step-by-step process to follow and online instructions that makes tendering / quoting more successful.  |
| Engagement with local suppliers                  | To provide local suppliers easier access to opportunities and allow suppliers to become more visible to council staff.  |
| Mitigates the potential for non-compliance       | The solution requires suppliers to complete and respond to questions in order to submit a tender / quote. This is helpful for suppliers as it reduces the scope for misinterpretation and ensures that they provide correct and relevant information to reduce the possibility that an incomplete offer is submitted. |
| Paperwork reduction and reduction of duplication | The process is online. Suppliers can easily maintain their own profiles online, which reduces the need for suppliers to re-submit the same compliance information (i.e. insurance certificates of currency) each time they are responding to an invitation from Council.  |
| Improved transparency                            | It ensures the procurement process stays fair and transparent, and maintains a transparent audit trail.   |
| Sourcing analytics                               | It supports capturing data to enable sourcing analytics, not just spend analytics. Sourcing analytics is a powerful tool when it comes to building local market capacity. It provides a   |

|  |  |
|--|--|
|  | greater understanding of trends, limitation and barriers for our local suppliers and assists in developing a targeted approach to enhancing local supplier capability. |
|--|--|

### **Initiative 2 - Transparency in assisting local business - visible procurement planning:**

The objective in visible procurement planning is to eliminate discrimination and to open up the procurement market to all interested suppliers. Transparency allows the public the widest possible access to documents that enables community and businesses to understand the procurement decision making process. Transparency at all stages of the procurement cycle leads to increased competition, promotion of fairness and fair treatment of participants, instils public confidence and in return this leads to increased efficiency and effectiveness of the procurement process.

Forward Procurement Planning is particularly important for procurement in regional communities. It keeps local businesses updated and provides early visibility of future procurement activities. This assists local business in identifying the future opportunities and in using those timeframes to plan for demand and to resource accordingly.

Council will produce a Forward Procurement Plan which shows all key procurement activity that is expected to occur over at least the next 12 months, noting that for a variety of reasons, procurement timelines can of course change and the Forward Procurement Plan will be a guide only. This plan will be available to the local market via Council's website.

### **Initiative 3 - Enhancing the capabilities of local business and industry:**

In the past Council has held supplier forums and 'reverse trade show' events that brought Council buyers and suppliers together. These types of opportunities allow Council to broadly outline its needs and give local businesses an opportunity to ask questions. Local businesses can also use these sessions to make connections with each other, which can facilitate future joint-venture, sub-contracting and other collaborative opportunities. The feedback from suppliers in attendance at previous events has been that these were worthwhile events, in particular for developing their understanding of Council's upcoming tender program.

Council will reinstate regular supplier forums that cover relevant topics. It is anticipated that the first such forum will be conducted in the coming months to showcase Council's new e-tendering portal and Forward Procurement Plan.

Future supplier forums may also include:

- Further information on the e-tendering portal.
- Promotion of Council supported tender writing workshops designed to educate local businesses on how to respond to tenders.
- Upcoming capital works program and projects.



- Working with suppliers to identify local barriers and to develop a targeted approach to building local business capabilities.

**Initiative 4 - Staff Education:**

On average, there are over 200 Council staff conducting purchasing activities every year and generating approximately over 1000 purchase orders every month. Developing a culture that has local benefit embedded into its purchasing practices requires a targeted internal education campaign. Key outcomes of an internal education campaign will be to emphasise the following:

- Recognising that best value for money may not necessarily be the lowest price.
- Encouraging and inviting local businesses to quote on day to day purchasing activities.
- Including local content as part of the “New Starter Procurement Training”.
- Including local content and benefits as part of the purchasing assessment process.
- Acknowledging that Council buyers have an important role to play in developing local businesses.
- Participating and attending supplier forums.

**Initiative 5 - Local content and benefits assessment in our everyday procurement:**

Council is exploring options to develop request documentation in ways that consider any benefits that suppliers would bring to the local area. The type of benefits a supplier can bring will vary from procurement to procurement, therefore, it is appropriate that these local benefits are identified in the planning stage and incorporated into the subsequent stages of the procurement process.

Local suppliers often do present many inherent advantages by being local, so it is important to ensure that these advantages can be transparently leveraged and included in the assessment process, for example:

- The number of local jobs supported.
- Use of local businesses, contractors and supply chain.
- Respondents used of local knowledge.
- Timelines, proximity, more responsive and readily available servicing support, proximity of supply chain.
- Returning value-added benefits to our community.
- Other indirect flow-on benefits to our community.

**Initiative 6 - Connecting with local businesses:**

There are businesses in our community that don't know how to reach out to Council. There are options to be explored on how Council can encourage and promote businesses to connect with Council. In addition to the options already discussed in this report, (i.e. publishing a Forward Procurement Plan and holding supplier forums), other opportunities include:

- Conducting local business surveys around purchasing practices.
- Procurement staff engagement / presentations at local business network events.

- Improving the content on Council's website, to include future and current procurement activities.

**Longer term procurement strategies:**

It is recognised that immediate stimulus is required for economic recovery in our local area, hence why resources will be focussed on the shorter term initiatives outlined above. However, there are additional benefits in the longer term that can be achieved by capturing and analysing data, category management, reviewing policies and procedures and developing more strategic initiatives. These longer term initiatives are for ongoing consideration and will likely be further discussed with the COVID-19 Recovery Working Group as well as with Councillors.

Please refer to Attachment 1: Procurement Initiatives and Recommendations to Support Local Business for associated actions and timeframes for implementation.

Moving away from procurement, following is an update on how Council is working differently with and for our community in light of the current environment:

**Engagement:**

Council have continued to look at new ways of engaging with the community on a variety of platforms and through different approaches. To date these have included utilising Snap Chat, TikTok, Instagram, Facebook and YouTube.

We have developed an Engage PMH Facebook group to support engagement conversations and there is work currently taking place to reinvigorate the Think2050 Community Strategic Plan (CSP) engagement, with videos and the profiling our Community Ambassadors that will be used to build the engagement process for the CSP. There are also a number of projects that we are currently building video content for to assist with broader engagement.

In April, we held our first live Facebook Q&A on the draft 2020-2021 Operational Plan and on 26 May 2020, another live Facebook Q&A will take place around the Coastal Management Plan.

**Online Library Services:**

Council continues to deliver online Library Services with growth in the availability of digital resources. The Library team have also further developed our digital library services such as Children's Story Time as well as Zoom Book clubs, Author talks, and community discussions, all of which have been extremely well received.

Commencing on 11 May 2020, Council introduced a Click and Collect function, where Library members can reserve and request books online and staff then provide packs of books for collection from the Library.

**Online Glasshouse Services:**

A range of online Glasshouse services have been developed during this period, including an online shop, a virtual tour of the Regional Gallery and Craftanoons with Rhiannon, which is an online craft workshop.

**Council's Business Support Program:**

Development and implementation of this program is continuing, with a range of initiatives around priority processing and payment receiving immediate focus. In addition, industry communications, connection with training and business advisers and support continues. Council are also continuing with our destination marketing and communications, with planning for our next marketing campaign phase (for when travel re-commences) well underway. The next phase of our #supportlocalpmh marketing campaign to encourage locals to support local business is now being planned with content currently under development. Other initiatives will continue to be developed and rolled out as soon as possible.

**Community Support Program - PMH Cares:**

Council are continuing to work on collateral and the logistics of this support program, with further development to be discussed with the COVID-19 Recovery Community Wellbeing sub working group in the coming weeks.

**Options**

This report is for information purposes only.

**Community Engagement and Internal Consultation**

Internal consultation was undertaken with the following staff:

- Director, Corporate Performance
- Director, Strategy & Growth
- Group Manager, Financial Services
- Group Manager, Economic & Cultural Development
- Strategic Procurement Manager

**Planning and Policy Implications**

There are no direct planning and policy implications in relation to this report, noting that as changes are made to the way procurement is undertaken, changes may need to be made to Council's suite of procurement policies and procedures.

**Financial and Economic Implications**

The direct assistance measures above will inevitably have an impact on Council's financial position, largely in the form of forgone revenue. In addition to this, Council is also susceptible to the impacts of COVID-19 as with any other business. Therefore, there will be further financial impacts due to business interruption where a government directive to restrict or cease operations has resulted in a period of inactivity or reduced activity. Further, Council has and continues to incur additional expenditure to implement precautionary health measures, such as increased cleaning costs and increased technological costs to facilitate social distancing via remote working.

Assessment of COVID-19 impacts is ongoing and the overall financial impact will vary depending on a number of factors which are still unknown at this point in time, e.g. how long Federal and State health precautionary measures will be in place for.

There will be a financial impact in relation to the above factors, both in the current financial year and in 2020-2021, and Council management are currently finalising estimates of the full cost to Council as well as funding mechanisms for these impacts. Once the above impacts have been quantified, they will be reported to Council as follows:

- Impacts on the 2019-2020 budget will be reported to Council through the monthly finance report at the June 2020 Ordinary Council meeting;
- Impacts on the 2020-2021 budget will be considered and reported to Council with the final Operational Plan at the June 2020 Ordinary Council meeting.

#### Government Support:

Clearly there has been a great deal of support offered to the community by Government, however the intent of this section is to highlight the financial and economic implications as they relate to Council. In terms of direct support for Council from Government, what has been offered is:

- The State Government will fund an increase in the emergency services levy for 2020-2021. For Council, this will be approximately \$324,000, noting however that this is a State Government function and does already represent a shift of costs to Local Government.
- Streamlined access for Councils to secure low-interest, safe and secure infrastructure loans from TCorp.
- The State Government is funding a Job Retention Allowance for local government, however there are limitations associated with this, and most Councils including PMHC are currently ineligible for this assistance.

In addition to the above, the State Government has provided further assistance measures in the form of extensions to a number of deadlines, including a one-month extension for the adoption of the 2020-2021 Operational Plan, lodgement of the 2019-2020 audited financial reports and publication of the 2019-2020 annual report. Whilst this flexibility is welcome, Council will continue to meet original legislative timelines where possible, mainly due to the additional pressure that delays create in the subsequent period.

#### Attachments

1. [Procurement Initiatives and Recommendations to Support Local Business](#)



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**Item: 10.04****Subject: MONTHLY BUDGET REVIEW - APRIL 2020****Presented by: Corporate Performance, Rebecca Olsen**

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**Alignment with Delivery Program**

1.5.1 Manage Council's financial assets and provide accurate, timely and reliable information.

**RECOMMENDATION****That Council:**

1. **Adopt the adjustments in the "April 2020 Adjustments" section of the Monthly Budget Review – April 2020.**
2. **Amend the 2019-2020 Operational Plan to include all budget adjustments approved in this report.**

**Executive Summary**

This report details monthly budget adjustments recommended to be made for the month of April 2020.

The Council adopted 2019-2020 budget position at the commencement of the financial year was a shortfall of \$975,198. At the commencement of March 2020 the shortfall was \$535,693. The budget adjustments contained in this report move the budget position in to surplus of \$30,191 as at the end of April 2020.

**Discussion**

Each month, Council's budgets are reviewed by Group Managers and Directors with any required adjustments reported. The purpose of this report is to provide Council with an up to date view of the current actual financial position in comparison to the original adopted 2019-2020 budget position along with the proposed movement of funds to accommodate any changes.

Any budget variations which are greater than \$50,000 and 2% of the project budget are reviewed and approved by the Executive Group in their function to oversee operational activities and approve operational actions.

Monthly Budget Review Summary

| <b>Original Budget as at 1 July 2019</b>         | <b>Shortfall</b> | <b>(\$975,198)</b> |
|--|------------------|--------------------|
| Plus adjustments:                                |                  |                    |
| July Review                                      | Balanced         | \$0                |
| August Review                                    | Surplus          | \$125,477          |
| September Review                                 | Surplus          | \$14,783           |
| October Review                                   | Balanced         | \$0                |
| November Review                                  | Balanced         | \$0                |
| December Review                                  | Balanced         | \$0                |
| January Review                                   | Surplus          | \$229,245          |
| February Review                                  | Surplus          | \$70,000           |
| March Review                                     | Balanced*        | \$0                |
| April Review                                     | Surplus          | \$565,884          |
| <b>Forecast Budget Position for 30 June 2020</b> | <b>Surplus</b>   | <b>\$30,191</b>    |

*\*Due to the impact of the COVID-19 pandemic, a report was not submitted to Council for the March review period. Any adjustments arising from March have been incorporated with the April adjustments as follows.*

April 2020 Adjustments

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

| <b>Item</b>                   | <b>Surplus/<br/>Shortfall</b> | <b>Amount</b> | <b>Comment</b>  |
|-------------------------------|-------------------------------|---------------|---|
| Library per capita Subsidy    | Surplus                       | \$51,671      | An additional \$51,671 has been received  |
| Fuel Tax Credits              | Surplus                       | \$83,503      | Council has received \$83,503 in fuel tax credits   |
| Salaries & Wages              | Surplus                       | \$333,788     | A review of salaries & wages has been undertaken across a number of areas resulting in a budget adjustment, arising largely from vacancies during the period  |
| Development Assessment Income | Shortfall                     | (\$407,600)   | Monthly average application volumes for 19/20 are down, compared to the 18/19 financial year. In 18/19, a monthly average of 91 Development Applications (DAs) were received, compared to the current financial year monthly average of 80. This has a corresponding reduction in |

| Item                    | Surplus/<br>Shortfall | Amount           | Comment  |
|-------------------------|-----------------------|------------------|--|
|                         |                       |                  | revenue. The total value of works approved in 18/19 was \$438 million. For the first 3 quarters in 19/20, the total value of works is \$250 million. This will continue to be monitored until the end of financial year. |
| Interest on Investments | Shortfall             | (\$127,956)      | Reduction in interest income due largely to a drop in interest rates, as well as lower than budgeted funds available for investment in the first half of the year  |
| Insurance               | Surplus               | \$451,728        | Insurance costs have come in under budget due to the impacts of new tender prices  |
| Rating Income           | Shortfall             | (\$274,250)      | Adjustment for rating income due to lower than expected growth   |
| Project Revenue Funding | Surplus               | \$455,000        | Grant funding received, allowing revenue funding to be released  |
| <b>Total</b>            | <b>Surplus</b>        | <b>\$565,884</b> |  |

The following adjustments reflect budget movements as a result of grant funding received, reserve movements, movements between projects, s7.11 / s64 contribution, Council resolutions, budget variance requests and a review of the 2019-2020 Works Program which have no impact on the budget position (for example additional income has an associated expenditure budget):

| Description                  | Notes | Funding Source        | Amount              |
|------------------------------|-------|-----------------------|---------------------|
| Grant Funding                | 1     | Grants                | \$1,594,519         |
| Reserve Movements            | 2     | Reserve               | \$5,910,507         |
| Movement Between Projects    | 3     | Grant/Reserve/Revenue | \$2,933,362         |
| s7.11 / s64 Contributions    | 4     | S 64                  | \$1,200,000         |
| Council Resolutions          | 5     | Reserve               | \$50,000            |
| Budget Variation Requests    | 6     | Reserve/Grant/S7.11   | \$1,661,738         |
| 2019/20 Works Program Review | 7     | Various               | \$7,555,000         |
| <b>Total</b>                 |       |                       | <b>\$20,905,126</b> |

#### 1. Grant Funding

| Council Project                  | Grant Provider              | Grant Funding      | Other Funding* | Comment   |
|----------------------------------|-----------------------------|--------------------|----------------|---|
| Bushfire Recovery Funding        | Office of Local Government  | \$416,667          | \$0            | Council has received an additional \$416,667 grant from the OLG.                |
| Wauchope Main St Upgrade         | RMS                         | \$240,000          | \$1,199,873    | Additional RMS funding to improve pedestrian amenity.                           |
| Aboriginal Cultural Heritage     | Dept of Premier and Cabinet | \$15,000           | \$15,000       | Council has received \$15,000 to conduct the Aboriginal Cultural Heritage Study |
| Flood & Fires Emergency Response | Transport for NSW           | \$922,852          | \$412,590      | Council will receive funding for the Flood and Fire response                    |
| <b>Total Grant Funding</b>       |                             | <b>\$1,594,519</b> |                |   |

\* Other funding already contained within existing budgets

## 2. Reserve Movements

| Transfer from                                       | Transfer To                                | Amount    | Comments  |
|---|--|-----------|---|
| Salaries & Wages Water Supply and Sewerage Services | Water Supply and Sewerage Services Reserve | \$950,000 | A review of salaries & wages has been undertaken resulting in a budget adjustment, arising largely from vacancies during the period                               |
| Water Supply Reserve                                | User Charges - Water Supply                | \$600,000 | Lower revenue expected due to impacts of water restrictions   |
| Waste/Water/Sewer/Other Reserves                    | Interest Income                            | \$197,044 | Reduction in interest income due largely to a drop in interest rates, as well as lower than budgeted funds available for investment in the first half of the year |
| Water Supply Annual Charges                         | Water Supply Reserve                       | \$497,308 | Review of Water Annual Charges has indicated higher than budgeted revenue   |
| Waste Annual Charges                                | Waste Reserve                              | \$530,610 | Review of Waste Annual Charges has indicated higher than budgeted revenue   |



| Transfer from                        | Transfer To | Amount             | Comments  |
|--------------------------------------|-------------|--------------------|---|
| Small Towns Sewerage - Capital Grant | Reserves    | \$3,135,545        | Change 19/20 funding source to grant for the Small Towns Sewerage Project |
| <b>Reserve Movements</b>             |             | <b>\$5,910,507</b> |   |

3. *Movement between Projects*

| Transfer from                            | Transfer To                             | Amount             | Comments   |
|--|---|--------------------|--|
| Gravel Resheeting (operational project)  | Gravel Resheeting - Operational Expense | \$500,000          | Consolidation of two projects into one account number for ease of cost tracking - no overspend         |
| Salaries & Wages (Water & Sewer)         | Salaries & Wages - Infra Operations     | \$215,965          | Transfer budget to updated departments following organisational restructure                            |
| Stuart Park (separable portion projects) | Stuart Park (consolidated project)      | \$827,000          | Consolidation of a number of projects into one account number for ease of cost tracking - no overspend |
| Weed Control                             | GIS Special Projects                    | \$25,000           | Funding reallocation for bushland mapping and surveys  |
| Accumulated Depreciation                 | Depreciation Expense                    | \$1,365,397        | Depreciation adjustment to reflect full year forecast  |
| <b>Total Movements between Projects</b>  |   | <b>\$2,933,362</b> |  |

4. *Section 7.11/Section 64 Contributions*

| Project Name                         | Type of Developer Contribution | Amount             | Comments  |
|--------------------------------------|--------------------------------|--------------------|---|
| Developer Contributions s64          | Sewer                          | \$1,200,000        | The receipt of developer contributions for sewer has been lower than budgeted with a slowing of the property market |
| <b>Total S7.11/S64 Contributions</b> |                                | <b>\$1,200,000</b> |   |

5. *Council Resolutions*

| Project Name                       | Funding Source | Amount          | Comments  |
|------------------------------------|----------------|-----------------|---|
| Communication - Water & it's Usage | Reserve        | \$50,000        | Council resolved at the Feb 2020 meeting to increase communication, awareness and transparency in relation to water and it's usage. |
| <b>Total Council Resolutions</b>   |                | <b>\$50,000</b> |   |

6. *Budget Variation Requests (approved by Executive)*

| Project Name                                       | Funding Source      | Amount             | Comments  |
|--|---------------------|--------------------|---|
| Stormwater Remedial Works                          | Revenue             | \$51,400           | Budget variance for Stormwater Remedial Works at 741 Beechwood Rd                                     |
| Rainbow Beach Sporting Fields                      | Reserve             | \$165,000          | Budget variance for the design and environmental approvals  |
| Wauchope Main St                                   | Reserve             | \$253,338          | Budget variance for the improvement of pedestrian amenity - Wauchope Main St                          |
| Thompsons Bridge                                   | s7.11/Grant/Reserve | \$342,000          | Budget variance for the design and replacement of Thompsons Bridge                                    |
| Thrumster Recycled Interim Reservoir & Connections | Reserve             | \$200,000          | Budget variance for the early works on the Thrumster Recycled Interim Reservoir & Connections Project |
| Ice Piggling                                       | Reserve             | \$650,000          | Budget variance to bring forward planned maintenance (ice piggling)                                   |
| <b>Total Approved Budget Variations</b>            |                     | <b>\$1,661,738</b> |   |

7. *2019/20 Works Program Review*

As part of the development of the 2020-2021 Operational Plan, a review of the 2019-2020 works program has been ongoing. This review has focused on the current and projected status of projects in light of a variety of factors and the latest data has identified a number of projects which need to be re-prioritised to the next financial year. As such these projects will be considered for incorporation into the 2020-2021 Operational Plan.

The delivery of some of these projects within the 2019-2020 Operational Plan has been delayed due to impacts associated with the North Coast bushfires and Water Supply Security (including Water Restrictions Activity), noting the bushfire activity in our LGA which commenced in July 2019 with the Lindfield Park fire. Council staff's direct involvement in operational responses to fire and water security activity was necessary to support the immediate needs of the community in regards to these unprecedented unplanned events across our LGA in 2019-2020. This has impacted the timing of projects originally scheduled in 2019-2020.

In addition to the above, there are some projects which have been identified to bring forward to 2019-2020.

For both the current 2019-2020 Operational Plan, and the development of the 2020-2021 Operational Plan, the approach has been to ensure that with consideration of the above factors, that the capital works program for each year is achievable and realistic.

A summary of the projects identified for re-prioritisation is below:

| Project Name                                      | Funding Source | Amount             |
|---|----------------|--------------------|
| <b><i>Re-prioritised to 2020/2021</i></b>         |                |                    |
| Wauchope WTP Augmentation                         | Reserve        | \$3,600,000        |
| Water Supply Security - Emergency Actions Project | Reserve        | \$150,000          |
| Kingfisher Waste Depot Upgrade                    | Reserve        | \$300,000          |
| Bago Rd Pavement Rehab                            | Various        | \$428,000          |
| Kew Main St Upgrade - Stage 3                     | Various        | \$100,000          |
| Scrubby Creek Bridge                              | Various        | \$260,000          |
| The Ruins Way Upgrade                             | Various        | \$1,412,000        |
| Rainbow Beach Sports Fields                       | S7.11          | \$200,000          |
| Hastings Regional Sporting Complex                | Loan           | \$1,500,000        |
| Sewer DNP Roll Out                                | Reserve        | \$125,000          |
| <b><i>Brought forward to 2019/2020</i></b>        |                |                    |
| John Oxley Drive Upgrade                          | S7.11          | (\$100,000)        |
| Lorne Rd Upgrade                                  | Various        | (\$80,000)         |
| Port Macquarie Works Depot                        | Reserve        | (\$340,000)        |
| <b>Total Approved Budget Variations</b>           |                | <b>\$7,555,000</b> |

### Options

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

### Community Engagement & Internal Consultation

Not applicable.

### Planning & Policy Implications

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

### Financial & Economic Implications

Attachment 1 to this report contains information of each individual budget adjustment by Division and Section. The budget movements within this report move the budget position to a surplus of \$30,191.

As of 11 March 2020 Covid-19 has been declared a worldwide pandemic. Council resolved at the Council meeting held on 15 April 2020 to implement a number of local financial relief measures to support members of the community and local businesses

who are being impacted by COVID-19. These direct assistance measures will inevitably have an impact on Council's financial position, largely in the form of forgone revenue. In addition to this, Council is also susceptible to the impacts of COVID-19 as with any other business. Therefore, there will be further financial impacts due to business interruption where a government directive to restrict or cease operations has resulted in a period of inactivity or reduced activity. Further, Council has and continues to incur additional expenditure to implement precautionary health measures, such as increased cleaning costs and increased technological costs to facilitate social distancing via remote working.

Assessment of COVID-19 impacts is ongoing and the overall financial impact will vary depending on a number of factors which are still unknown at this point in time, e.g. how long Federal and State health precautionary measures will be in place for. There will be a financial impact in relation to the above factors, both in the current financial year and in 2020-2021, and Management is finalising estimates of the full cost to Council as well as funding mechanisms for these impacts. As these impacts become clearer in this evolving situation, any adjustments required to the budget will be dealt with through future Monthly Financial Update reports to Council.

Statement by Responsible Accounting Officer

*"The adopted original budget result for 2019-2020 was a shortfall of \$975,198. As at 30 April 2020, the projected full year budget position is a surplus of \$30,191. This position is considered a satisfactory result for the year. It is noted however that the impacts of the COVID-19 pandemic are still being assessed, and once finalised, these will likely have an impact on this projected surplus result which will be reported in future Monthly Financial Update reports to Council".*

**Attachments**

- 1  April 2020 Monthly Budget Review

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**Item: 10.05**

**Subject: QUARTERLY BUDGET REVIEW STATEMENT - MARCH 2020**

**Presented by: Corporate Performance, Rebecca Olsen**

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### **Alignment with Delivery Program**

1.5.1 Manage Council's financial assets and provide accurate, timely and reliable information.

### **RECOMMENDATION**

**That Council note the Quarterly Budget Review Statement for the March 2020 Quarter.**

### **Executive Summary**

This report will detail Council's progress against the original and revised 2019-2020 budget as at the end of the third quarter being 31 March 2020.

### **Discussion**

The Quarterly Budget Review Statement (QBRs) is a statutory report prepared in accordance with sections 202 and 203 of the *Local Government (General) Regulation 2005* ('Regulations').

The QBRs presents a summary of Council's financial position at the end of the first, second and third quarter of the financial year. It is a mechanism whereby the Councillors and the community are informed of Council's progress against its current adopted budget.

Whilst the Regulations require the Council, as a minimum, to prepare quarterly revised estimates of income and expenditure through the QBRs, Port Macquarie-Hastings Council adopts budget variations on a monthly basis.

Attached to this report (Attachment 1) are the mandated components of the QBRs as prescribed in the 'NSW Local Government Code of Accounting Practice and Financial Reporting'. Those components include:

1. Budget Review Income and Expenditure (Consolidated);
2. Budget Review Capital Budget;
3. Budget Review Cash and Investment;
4. Budget Review Key Performance Indicators;
5. Budget Review Contracts and Other expenses; and
6. Statement by the Responsible Accounting Officer.



Also attached is a confidential attachment (Attachment 2) on consultancy engagements as resolved by Council under Item 09.09 Supply of Services to Council on 21 October 2015. This resolution resolved:

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

CARRIED: 8/0

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

AGAINST: Nil

*Confidential Attachment 2 titled "Confidential - March 2020 Quarterly Budget Review - Consultancy Engagements" provides information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting for proposes to conduct business. Local Government Act 1993 - Section 10A(2)(c).*

### Budget Progress Commentary

The variances listed below should be read in conjunction with **Attachment 1** (March 2020 Quarterly Budget Review Statement).

#### Income and Expenses – QBRs Page 1

#### Rates and Annual Charges

| YTD Budget  | YTD Actual | Budget Variance | % Received |
|---|------------|-----------------|------------|
| \$98.376m   | \$98.937m  | +\$0.561m       | 100.6%     |
| <p><i>Major budget variances include:</i></p> <ul style="list-style-type: none"> <li>- Annual Charges: +\$0.795m</li> <li>- Rates: -\$0.234m</li> </ul> <p><i>The variance is mainly due to an increase in annual charges which is driven by an increase in the volume of domestic waste charges processed. This coincides with the completion of new homes.</i></p> <p><i>Adjustments have been made in the April 2020 Monthly Budget Review Report.</i></p> |            |                 |            |

#### User Fees and Charges

| YTD Budget   | YTD Actual | Budget Variance | % Received |
|--|------------|-----------------|------------|
| \$26.990m  | \$25.388m  | -\$1.602m       | 94.1%      |
| <p><i>Major budget variances include:</i></p> <ul style="list-style-type: none"> <li>- Water Supply Fees &amp; Usage Charges: -\$0.550m</li> <li>- Planning Fees: -\$0.403m</li> <li>- Waste Management Charges: -\$0.251m</li> <li>- User Charges - Reclaimed Water - \$0.306m</li> </ul> <p><i>Two factors have caused a decrease in usage charges for water supply: the general decreased water usage due to previous water restrictions and the impact</i></p> |            |                 |            |

*on tourism of the recent bushfires resulting in higher holiday vacancy rates across the region.*

*Variances in the planning fees are due to the level of planning activity for the year being less than budgeted.*

*Waste management charges are lower than budgeted due to a decrease in usage and tipping fees collected at waste facilities, particularly Cairncross and Port Macquarie, however May has seen some recovery with increased usage at these facilities due to COVID-19 and bushfire impacts.*

*Reclaimed User Charge variation is timing only.*

*Budget adjustments have been proposed for Water User Charges and Planning Fees of \$600K and \$407K respectively in the April 2020 Monthly Budget Review.*

#### Interest and Investment Income

| YTD Budget | YTD Actual | Budget Variance | % Received |
|------------|------------|-----------------|------------|
| \$6.378m   | \$6.262m   | -\$0.116m       | 98.2%      |

*This variance is due to falling interest rates.*

*A budget variance has been included in the April 2020 Monthly Budget Review to factor in a decrease in Investment Income for the remainder of the financial year.*

#### Other Revenues

| YTD Budget | YTD Actual | Budget Variance | % Received |
|------------|------------|-----------------|------------|
| \$3.962m   | \$4.524m   | +\$0.562m       | 114.2%     |

*Major budget variances include:*

- *Sale of Steel: +\$0.143m*
- *Safety, Health & Wellbeing Incentive: +\$0.130m*
- *Legal Fees Recovered: + \$0.110m*
- *Diesel Fuel Rebate: +\$0.083m*

*Steel has been sold from the Cairncross, Port Macquarie and Wauchope waste depots in the current financial year. Consideration received is in excess of budget.*

*A \$130K Safety, Health & Wellbeing Incentive was received from StateCover which was not budgeted, this will be transferred to reserves to be spent in 20/21 supporting Council's safety initiatives.*

*The Legal Fees Recovered variance is timing only, with the budget for this revenue held in Q4.*

*An adjustment for the diesel fuel rebate income has been taken up in the April 2020 Monthly Budget Review Report.*

#### Operating Grants & Contributions

| YTD Budget | YTD Actual | Budget Variance | % Received |
|------------|------------|-----------------|------------|
| \$9.059m   | \$9.067m   | \$0.008m        | 100.1%     |

No material budget variances.

#### Capital Grants & Contributions

| YTD Budget  | YTD Actual | Budget Variance | % Received |
|---|------------|-----------------|------------|
| \$22.484m   | \$20.800m  | -\$1.684m       | 92.5%      |
| <p>Major budget variances include:</p> <ul style="list-style-type: none"> <li>- Developer Contributions: -\$0.783m</li> <li>- Sporting Field Grants: - \$1.932m</li> <li>- Small Towns Grant: +\$3.136</li> <li>- Roads &amp; Bridges: -\$2.216m</li> </ul> <p>Grants for the Small Towns Sewerage Project are above budget due to additional grant funding falling into the current financial year. A budget adjustment has been processed for this in the April 2020 Monthly Budget Review Report. This has been offset by lower than budgeted capital grants received to date in the sporting field area, predominately Stuart Park, where works are currently underway. Transport capital grants are below budget, due to a shift in the timing of the works, where these relate to projects moving to 20/21 - a budget adjustment has been processed in the April 2020 Monthly Budget Review Report.</p> <p>Developer contributions are also below budget due to a lower level of activity in the development environment. A budget adjustment has been taken up for Developer Contributions - Sewer in the April 2020 Monthly Budget Review Report, other variances are timing related.</p> |            |                 |            |

#### Employee Costs

| YTD Budget   | YTD Actual | Budget Variance | % Expended |
|--|------------|-----------------|------------|
| \$41.666m  | \$36.975m  | -\$4.691m       | 88.7%      |
| <p>The favourable variation is due largely to the impact of vacancies and the timing of employee on-cost related journals which are processed at year end, as well as the timing of employees taking leave and the level of capitalised labour.</p> <p>Budget adjustments have been included in the April 2020 Monthly Budget Review Report in the order of \$1.7m to take account of the impact of vacancies.</p> |            |                 |            |

#### Borrowing Costs

| YTD Budget                              | YTD Actual | Budget Variance | % Expended |
|---|------------|-----------------|------------|
| \$1.462m                                | \$1.634m   | +\$0.172m       | 89.5%      |
| There are no material budget variances. |            |                 |            |

#### Materials & Contracts

| YTD Budget   | YTD Actual | Budget Variance | % Expended |
|--|------------|-----------------|------------|
| \$32.304m  | \$27.515m  | -\$4.789m       | 85.2%      |
| <p>Major budget variances include:</p> <ul style="list-style-type: none"> <li>- Transport &amp; Traffic: -\$2.962m</li> <li>- Waste Management: -\$0.699m</li> </ul> |            |                 |            |



- Natural Resources - \$0.535m
- Drainage: -\$0.509m

*The major variance is in Transport and Traffic within the areas of sealed and unsealed road maintenance. The timing of the roads program is also generally in the second half of the year, which is not necessarily reflected in the phasing of the budget. Major expenditure has occurred in April in sealed roads.*

*Waste Management is under budget in areas of leachate management, concrete dumping and cell maintenance. Natural Resources is under budget due to the timing of the delivery of various flood and estuary management plans for the LGA. Drainage is under budget due to the timing of the Settlement Shores Canal Dredging.*

#### Depreciation

| YTD Budget  | YTD Actual | Budget Variance | % Expended |
|---|------------|-----------------|------------|
| \$46.937m   | \$38.307m  | -\$8.630m       | 81.6%      |
| <i>Current variance is generally due to budget phasing only, with the majority of the budgeted expense phased up to March and minimal expense in the last quarter. A budget adjustment for \$1.3M has been processed in the current April 2020 Monthly Budget Review to reflect the current full year forecast.</i> |            |                 |            |

#### Other Expenses

| YTD Budget   | YTD Actual | Budget Variance | % Expended |
|--|------------|-----------------|------------|
| \$10.840m  | \$10.606m  | -\$0.234m       | 97.8%      |
| <i>Major budget variances include:</i>   |            |                 |            |
| <ul style="list-style-type: none"> <li>- Insurances: -\$0.268m</li> </ul>  |            |                 |            |
| <i>Variance in insurances are predominately in the public risk and professional indemnity due to tender prices coming in below budget. A budget adjustment has been recommended in the April 2020 Monthly Budget Review.</i> |            |                 |            |

#### Asset Disposals

| YTD Budget   | YTD Actual | Budget Variance | % Expended |
|--|------------|-----------------|------------|
| \$0.750m   | \$2.732m   | +\$1.982m       |            |
| <i>Variance to due to the majority of asset disposals being budgeted for in Quarter 4.</i> |            |                 |            |

#### Capital Expenditure – QBRs Page 2

| YTD Budget   | YTD Actual | Budget Variance | % Expended |
|--|------------|-----------------|------------|
| \$65.058m  | \$35.646m  | -\$29.412m      | 54.8%      |
| <i>The timing of completion of many projects has moved out in this financial year. With a high level of carry-over projects taken up in 2019/20, the projects which were budgeted to start early in the year have moved out, beginning later as carry-over projects are completed as priority. Previously, a review of capital projects was undertaken resulting in ~ \$35M in capital expenditure moving forward into the</i> |            |                 |            |

*20/21 Works Program. Projects with budgets that are still materially different to actuals include:*

- **Small Village Sewer Scheme: -\$2.878m**
  - *The project continues from previous financial years, with construction completion of all three towns due by September 2020. Variance to budget is due to the timing of contractor progress claims. This project will form part of additional 20/21 carry-overs.*
- **Bago Rd Rehabilitation Milligan's to Bluewater: -\$1.604m**
  - *Timing only.*
- **Plant Purchases - -\$1.417**
  - *Timing of capital plant purchases.*
- **Stuart Park - Regional Sporting Complex: -\$1.397m**
  - *Building construction is slightly behind programme due to wet weather, variance is timing only.*
- **Road Reseals: -\$1.264m**
  - *Variance due to timing with major reseals occurring in Q4.*
- **Hastings Regional Sporting Complex: -\$1.113m**
  - *Delays with land acquisition and design. Variance is timing, with a portion of the budgeted 19/20 spend for this project now being carried forward to 20/21.*
- **Annual Sewer Allocations: -\$1.084m**
  - *Annual allocation. Timing.*
- **Kingfisher Waste Depot Upgrade: -\$1.047m**
  - *Construction works have commenced with project completion due Sept 2020. Variance is timing only.*
- **Rainbow Beach Sporting Fields: -\$1.015m**
  - *Property acquisition to occur in 2019/20, with early works in 20/21. Major expenditure moved out to 21/22.*
- **High Traffic Road Resurfacing: -\$0.908m**
  - *Projects ongoing. Variance due to timing with major resurfacing projects occurring in Q4.*
- **Dunbogan Bridge Rehabilitation: -\$0.826m**
  - *Works underway on Dunbogan bridge, targeting completion in 2020. Variance is due to timing.*
- **Upgrade Wood St: -\$0.686m**
  - *Timing only.*
- **Annual Water Allocations: -\$0.679m**
  - *Annual allocation. Timing.*
- **Port Macquarie Coastal Walk: -\$0.598m**
  - *On track. Timing only.*
- **The Ruins Way Upgrade: -\$0.581m**
  - *Project underway. Variance due to timing.*
- **Diamond Head Rd Flood Access: -\$0.536m**

- Projects ongoing. Variance due to timing only, with completion due June 2020.
- 
- Computer Capital Projects: -\$0.486m  
Variance is timing.
- 
- Wauchope Treatment Plant Expansion: -\$0.412m  
Variance is timing, project will carry over into 20/21.

*There are also a large number of smaller projects from various areas of Council which are also currently underspent when comparing their actual expenditure to year to date budgets.*

*The actual expenditure does not necessarily reflect the amount of funds that have been committed to particular projects through the raising of purchase orders. For capital projects, progress against their budgets may not necessarily reflect their progress in relation to physical completion.*

*Progress details for particular capital projects can be found in the report "2019-2020 Operational Plan Quarterly Progress Report as at 31 March 2020" which is also on the agenda of the Ordinary Council Meeting for May 2020 and contained within the business paper.*

#### Cash and Investments – QBRs Page 3

The return on Council's investment portfolio for the financial year as at 31 March 2020 was 2.81% which was 1.77% above the benchmark of 1.04%.

#### Key Performance Ratios – QBRs Page 4

The budget variations and carry-overs that have been adopted throughout the financial year (July - March) have not had a detrimental or material impact on a number of the forecasted T-Corp ratios set out in the adopted original budget.

The forecast Operating Performance Ratio has decreased from the original budget due to the increase in operating expenses associated with the carrying over of operational projects from 2018/19 which have been only partially offset with an increase in operating revenues.

The Building and Infrastructure Renewals Ratio has significantly improved also as a result of the adoption of the carry overs which are significant.

The Unrestricted Current Ratio has decreased due a shift in the investment portfolio where Council has invested in longer term investments during the period.

#### Contracts and Other Expenses – QBRs Page 5-7

There were no unbudgeted contracts entered into during the third quarter of the financial year. There was no expenditure incurred for consultancy or legal expenses that was not budgeted for during this quarter.

Statement by Responsible Accounting Officer

Below is a statement made by Council's Responsible Accounting Officer made in pursuant to section 203(2) of the Regulations:

**Responsible Accounting Officer Statement**

It is my opinion that the Quarterly Budget Review Statement for Port Macquarie-Hastings Council for the quarter ended 31 March 2020 indicates that Council's projected financial position at 30 June 20 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

It is noted however that the full impacts of the COVID-19 pandemic are being assessed and these will likely impact this position.

At the end of each quarter this financial year budget review meetings will be undertaken with all Managers to ensure any budget deficit is addressed.



**Nicole Spencer**

March 31, 2020

Responsible Accounting Officer - Port Macquarie-Hastings Council

**Options**

Council may adopt the recommendation or amend as required.

**Community Engagement & Internal Consultation**

Not applicable

**Planning & Policy Implications**

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


**Financial & Economic Implications**

As indicated in the QBRS, the projected operating result for Council on a consolidated basis, as at 30 June 2020, is a surplus of \$0.895m and this result is satisfactory. At the time of writing this report, there is a projected budget surplus of \$30,191 for the 2019/2020 financial year which is also satisfactory.

However, as of 11 March 2020 Covid-19 has been declared a worldwide pandemic. Council resolved at the Council meeting held on 15 April 2020 to implement a number of local financial relief measures to support members of the community and local businesses who are being impacted by COVID-19. These direct assistance measures will inevitably have an impact on Council's financial position, largely in the form of forgone revenue. In addition to this, Council is also susceptible to the impacts of COVID-19 as with any other business. Therefore, there will be further financial impacts due to business interruption where a government directive to restrict or cease operations has resulted in a period of inactivity or reduced activity. Further, Council has and continues to incur additional expenditure to implement precautionary health measures, such as increased cleaning costs and increased technological costs to facilitate social distancing via remote working.

Assessment of COVID-19 impacts is ongoing and the overall financial impact will vary depending on a number of factors which are still unknown at this point in time, e.g. how long Federal and State health precautionary measures will be in place for. There will be a financial impact in relation to the above factors, both in the current financial year and in 2020-2021, and Management is finalising estimates of the full cost to Council as well as funding mechanisms for these impacts. As these impacts become clearer in this evolving situation, any adjustments required to the budget will be dealt with through future Monthly Financial Update reports to Council.

**Attachments**

1.  March 2020 Quarterly Budget Review Statement
2. Confidential - March 2020 Quarterly Budget Review - Consultancy Engagements (Confidential)



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**Item: 10.06**

**Subject: INVESTMENTS - APRIL 2020**

**Presented by: Corporate Performance, Rebecca Olsen**

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### **Alignment with Delivery Program**

1.5.1 Manage Council's financial assets and provide accurate, timely and reliable information.

### **RECOMMENDATION**

**That Council note the Investment Report for the month of April 2020.**

#### **Executive Summary**

- Total funds invested as at 30 April equals \$302,981,038.
- Interest for the month of April was \$612,317.
- The year-to-date investment income of \$6,630,217 represents 79% of the total annual investment income budget of \$8,395,000.
- Council's total investment portfolio performance for the financial year to date was 1.73% above the benchmark (2.72% against 0.99%), benchmark being the Bank Bill reference rate as at 30 April 2020.

The following outlines the significant points outlined in the attached Monthly Report (Attachment 1), as provided by Council's investment advisors:

- Council's portfolio has met compliance requirements and outperformed benchmarks during the month.
- Over the past 12 months, the portfolio has returned +2.77% p.a., outperforming bank bills by 1.65% p.a. and around 3.5 times the official cash rate. This has been very strong given deposit rates reached their all-time lows and margins have generally contracted over the past 3 years.
- Global financial markets continue to be impacted by the widespread effects of COVID-19, with the RBA cutting the official cash rate to a new record low of 0.25%. The RBA's stance on the official cash rate is that it will remain unchanged at its emergency level of 0.25% until its objectives of full employment and inflation are reached, with rates to be low for a very long period of time.
- The RBA also noted that there have not been any signs of stress in the financial system from the COVID-19 crisis because, unlike during the Global Financial Crisis, the banks have cash and are well capitalised.
- Given the above, the biggest risk to Council's portfolio is decreasing interest income as interest rates drop significantly, as opposed to loss of capital, and the report notes that budgeted income should be revised.
- With official interest rates now at the RBA's effective zero bound, the priority should be to lock in any attractive medium-longer dated fixed deposits that may still be available.

- It is recommended to consider increasing the allocation to liquid senior floating rate notes.

**Discussion**

Council has engaged Imperium Markets to provide both an investment management platform and investment advisory service. This decision was based on the need to provide more rigour and transparency around investment choices and to provide a sound framework to support the need for increased financial sustainability into the future.

The attached investment report and portfolio (Attachment 2) provides detailed information on the performance of Council's investment portfolio.

Overview

Councils (including Port Macquarie-Hastings Council) provide a broad range of services and associated infrastructure to their communities. These services include (but are not limited to) the following:

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

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

An independent analysis was conducted on Council's financial reserves. The review found:

- The Port Macquarie-Hastings local government area has experienced an unprecedented level of development activity. Whilst this has increased the level of reserves held through developer contributions, councils experiencing a high level of development activity require relatively high levels of reserves in order to adequately cope with the required levels of infrastructure spending.
- Council's reserve levels to be broadly appropriate and reasonable in light of Council's circumstances. In particular, that Council has successfully maintained a prudent buffer to prepare against potential financial risks associated with the predicted high development activity.

The full report is available on Council's website:

<http://www.pmhc.nsw.gov.au/About-Us/What-Council-Does/Corporate-Planning-Reporting-Budgets/Financial->

[Reports?BestBetMatch=financial%20reserves|cdbad291-68a4-4d81-8aee-b3733958e5ca|bd0cff62-3134-4e81-9f7e-de4e65feb428|en-AU](#)

### Current Investments

Council is required to undertake investments in accordance with section 625 of the Local Government Act 1993. This report provides details of Council's investments, and certifies that all funds that Council has invested as at 30 April 2020, comply with this Act.

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

As at 30 April 2020, the investments held by Council totalled \$302,981,038 and were attributed to the following funds:

|                        |                    |
|------------------------|--------------------|
| General Fund           | 119,286,665        |
| Waste Fund             | 18,696,960         |
| Water Fund             | 113,484,577        |
| Sewer Fund             | 49,925,215         |
| Sanctuary Springs Fund | 39,388             |
| Broadwater             | 1,548,233          |
|                        | <b>302,981,038</b> |

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

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

It is noted that there is a minor variance between the total investments held as per this report, (\$302,981,038), and total investments held as per Imperium's attached monthly report (\$302,951,497). This is due to the fact that Council's accounting policy treatment means that floating rate notes (FRNs) are held at amortised cost, whereas they are included at fair value in Imperium's report. This variance is not expected to be material.

It is further noted that at the Ordinary Council meeting held on 15<sup>th</sup> April 2020, Council resolved as follows:



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**10.04 INVESTMENTS - MARCH 2020**

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*RESOLVED: Intemann/Hawkins*

*That Council:*

- 1. Note the Investment Report for the month of March 2020.*
- 2. Request Imperium Markets, in their April report, to include their assessment of the likely impact of Covid-19 on the investment markets as relate to Council in the short, medium and long term.*

*CARRIED: 6/1*

*FOR: Alley, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Griffiths*

In relation to resolution 2 above, Imperium Markets have included commentary regarding the COVID-19 impacts in their monthly report - refer to report attached and the overview included in the Executive Summary above.

**Options**

This is an information report.

**Community Engagement and Internal Consultation**

Council uses the services of an independent financial advisor, on an ongoing basis with investments. The investments placed this month were into the cash management account. Council obtains regular updates regarding market activities positions from various institutions.

**Planning and Policy Implications**

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

**Financial and Economic Implications**

Benchmark levels have been met on a year to date basis, however the actual investment income is tracking slightly under budget due largely to lower than budgeted interest rates, as well as slightly lower than predicted reserve balances available for investment in the first half of the year. An adjustment to the budgeted investment income will be proposed through the monthly finance report to Council.

Council's total investment portfolio performance for the financial year to date is 1.73% above the benchmark (2.72% against 0.99%) and year to-date income is 79% 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.

**Certification**

I hereby certify that the investments listed within this report were 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.

*Nicole Spencer*  
*Responsible Accounting Officer*

**Attachments**

1. [Port Macquarie-Hastings Council Monthly Report - April 2020](#)
2. [Port Macquarie-Hastings Council Portfolio as at 30 April 2020](#)

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**Item: 10.07**

**Subject: INVESTMENT POLICY REVIEW - POST EXHIBITION**

**Presented by: Corporate Performance, Rebecca Olsen**

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**Alignment with Delivery Program**

1.3.2 Build trust and improve Council's reputation through transparency, good decision making and living Council's Values.

**RECOMMENDATION**

**That Council adopt the amended Investment Policy.**

**Executive Summary**

At the Ordinary Council Meeting on 18 March 2020, Council resolved to place the draft Investment Policy on public exhibition.

The Investment Policy was subsequently placed on public exhibition for the period 25 March 2020 to 21 April 2020 (28 days).

There was one submission during the public exhibition process.

**Discussion**

At the Ordinary Council Meeting on 18 March 2020, Council resolved as follows:

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**10.09 POLICY REVIEW - INVESTMENT POLICY**

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*RESOLVED: Turner/Alley*

*That Council:*

- 1. Place on public exhibition from 25 March 2020 until 21 April 2020 (28 days), the revised Investment Policy.*
- 2. Note that a further report will be tabled at the May 2020 meeting of Council, detailing the submissions received from the public during the exhibition period.*

*CARRIED: 6/1*

*FOR: Alley, Dixon, Intemann, Levido, Pinson and Turner*

*AGAINST: Griffiths*

The existing Investment Policy was reviewed and the attached draft, (refer Attachment 1), includes the following changes as tabled at the above Council meeting:

- Portfolio exposure: changed BBB rating to 35% (from 30%) and Unrated rating to 5% (from 10%);
- Maturity requirement: changed 1 to 3 years from 60% to 70%;
- Maturity requirement: changed >5.5 years from 20% to 10%;
- Inclusion of a new section 'Environmentally and Socially Responsible Investments'.

#### Public Exhibition

The public exhibition period is now complete with one submission received via email.

Within the exhibition period there were twenty-two (22) views and seven (7) downloads of the Investment Policy via Council's engagement website page.

Further information on the submission received is included in the 'Community Engagement and Internal Consultation' section below. As a result of this review, a further amendment was made to the draft Investment Policy, which was to add investments relating to the fossil fuel industry as an example of 'Environmentally and Socially Responsible Investments'.

#### **Options**

Council has the following options:

1. Adopt the Policy identified within this report
2. Not to adopt the Policy identified within this report.
3. Adopted an amended Policy
4. Request further information or public consultation.

#### **Community Engagement and Internal Consultation**

The Investment Policy was available for public comment from 25 March 2020 to 21 April 2020 (28 days). One submission was received, a copy of which is attached to this report, (refer Attachment 2: Submission - Draft Investment Policy), with a summary as follows:

| Submitter's Name         | Submitter's Issue   |
|--------------------------|---|
| Climate Change Australia | <ol style="list-style-type: none"> <li>1. Wording of the new Section 2.11 of the Draft Investment Policy on 'Environmentally and Socially Responsible Investments' (ESRIs) does not reflect the meaning or intent of Resolution 2 of item 11 in the report to Audit, Risk &amp; Improvement Committee (ARIC) meeting dated 18 March 2020.</li> <li>2. The new Section 2.11 states that preference will only be given to ESRIs if the rate of interest is equivalent or more favourable to Council relative to other similar investments, and this is considered unacceptable in terms of risk.</li> <li>3. The new Section 2.11 is inconsistent with paragraph 2.1 of the Investment Policy in that it does not sufficiently</li> </ol> |

| Submitter's Name                     | Submitter's Issue  |
|--------------------------------------|--|
|                                      | <p>protect against the impacts that investments in fossil fuels would have on the long-term policies of Council with respect to climate change.</p> <p>4. The Risk Management Framework included in the Investment Policy does not include criteria around the risk profiles and vulnerabilities of certain industries to profitability.</p>   |
| <p><b>Response/<br/>Comment:</b></p> | <ol style="list-style-type: none"> <li>1. The intent of staff when drafting the policy was to implement the intent of the resolution of the Audit, Risk &amp; Improvement Committee, however considered that the inclusion of a broader clause relating to "ESRI's" would capture not only those investments referred to, but potentially others. For clarity however, Section 2.11 has now been amended to include such investments as an example - ensuring that they are specifically noted, whilst not limiting the scope of the paragraph to only these investments.</li> <li>2. The new Section 2.11 notes that preference will be given to ESRI's where they are compliant with legislation and Investment Policy objectives and parameters, and where their risk profile and rate of return is at least comparable to other investments on offer to Council at the time of investment, noting that this is in line with the resolution of the above-mentioned ARIC meeting. This is also consistent with advice received from Councils investment advisors. Council is bound by legislative restrictions under the Local Government Act 1993 - Investment Order in terms of what products it can invest in. This Order also dictates that Council has a fiduciary responsibility when investing and details a number of factors which Council should consider when investing, including rate of return and risk profile, in particular the risk of loss of capital. The amendments to the Investment Policy provide a balanced framework for assessing investments which allows consideration of Environment and Social impacts, whilst still meeting the legislated obligations of fiduciary responsibility. The potential implications however of adopting a position as suggested are: <ul style="list-style-type: none"> <li>• High concentration risk – limiting Council to a selected number of banks;</li> <li>• Increased credit/counterparty risk;</li> <li>• A reduction in performance (most of the senior FRN issues are with the higher rated ADIs) which could result in a significant loss of income generated – could be in excess of hundreds of thousands of dollars per annum;</li> <li>• Underperformance compared to other Councils.</li> </ul> </li> </ol> |



| Submitter's Name | Submitter's Issue  |
|------------------|--|
|                  | <p>3. The investment policy provides guidelines across a number of risk factors and considerations which support Council's strategic purposes and long-term plans on a balanced basis across all operations.</p> <p>4. Council does not invest directly in such industries, including fossil fuel industries, and such investments are not permitted by the Ministerial Order. Council invests in financial institutions which are heavily regulated. The Risk Management Framework focuses on the credit ratings of these institutions which are independently assigned and reflect the risk profile of those financial institutions.</p> |

### Planning and Policy Implications

There are no planning implications in relation to this report. This report recommends replacing the existing Investment Policy with a revised Investment Policy.

### Financial and Economic Implications

The Investment Policy frameworks and requirements can positively impact returns through its regulation of investments.

### Attachments

1. [Draft Investment Policy](#)
2. [Submission - Draft Investment Policy](#)



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**Item: 10.08**

**Subject: DEVELOPMENT ACTIVITY AND ASSESSMENT SYSTEM  
PERFORMANCE**

**Presented by: Development and Environment, Melissa Watkins**

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### **Alignment with Delivery Program**

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

### **RECOMMENDATION**

#### **That Council:**

- 1. Note the Development Activity and Assessment System Performance report for the third quarter of 2019-2020.**
- 2. Note the determination made by staff under Clause 4.6 of the Port Macquarie-Hastings Local Environmental Plan 2011 for the quarter.**

### **Executive Summary**

This report provides a summary of development assessment, building certification and subdivision certification activities for the January to March 2020 quarter. Data on the number of applications and processing times, together with a commentary on development trends is provided for the information of Council.

The report also includes details of determinations made by Council staff under Clause 4.6 of the Port Macquarie-Hastings Local Environmental Plan 2011.

### **Discussion**

#### **1. Development Activity and Assessment System Performance**

The following table provides data on the volume of applications received and determined over the quarter relative to the yearly average and monthly average of the preceding four years.

The monthly average number of Development Applications (DAs) received for 2019-2020 is 80, which is down from 91 in 2018-2019. A similar reduction in the monthly averages of applications received is also evident for Plumbing and Drainage and Roads Act applications. Other application types and building inspection volumes remain largely consistent with the 2018-2019 monthly averages.

With COVID-19 restrictions largely coming into effect during March, it is interesting, and somewhat surprising, to note that March was particularly busy, with application volumes up approximately 20% on the monthly year to date averages for key application types:

- 97 DAs compared to 80 monthly average.

- 50 CCs compared to 41 monthly average.
- 98 plumbing and drainage applications compared to monthly average of 72 (note commissioning of small village sewerage schemes at Telegraph Point and Comboyne have additionally added to application volume).
- 41 Roads Act Applications compared to 34 monthly average.

Building inspections and planning certificates were also high during March, with over 400 inspections undertaken and 300 certificates issued. Despite the closure of Council's offices to the public, customer enquiries have remained strong. Over 300 phone calls were made to Council's Duty Planner/Surveyor service during April. Anecdotal feedback from staff is that the number of general planning and building enquiries has increased.

Whilst it is unknown what the longer-term impact of COVID-19 will have on development activity in the region, it is positive to note from the data presented that, at this stage, the development industry is continuing at a largely consistent pace to pre COVID-19 conditions.

| Applications Received and Determined                                     | 2013-14<br>Monthly<br>Average | 2014-15<br>Monthly<br>Average | 2015-16<br>Monthly<br>Average | 2016-17<br>Monthly<br>Average | 2017-18<br>Monthly<br>Average | 2018-19<br>Monthly<br>Average | 2019-20<br>Monthly<br>Average | 2019-20<br>TOTAL | Jul-19 | Aug-19 | Sep-19 | Oct-19 | Nov-19 | Dec-19 | Jan-20 | Feb-20 | Mar-20 |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Development Application Received   | 70                            | 76                            | 85                            | 89                            | 89                            | 91                            | 80                            | 720              | 88     | 67     | 71     | 102    | 81     | 75     | 50     | 89     | 97     |
| Development Application Approved   | 65                            | 74                            | 79                            | 80                            | 86                            | 89                            | 71                            | 643              | 69     | 77     | 66     | 82     | 64     | 50     | 66     | 81     | 88     |
| Development Application Refused/Withdrawn/Rejected                       |                               |                               |                               |                               |                               | 16                            | 4                             | 39               | 2      | 8      | 5      | 3      | 2      | 5      | 5      | 2      | 7      |
| DA Modifications Received  | 11                            | 14                            | 17                            | 15                            | 16                            | 16                            | 12                            | 112              | 17     | 11     | 16     | 12     | 20     | 6      | 5      | 8      | 17     |
| DA Modifications Determined  | 11                            | 14                            | 15                            | 15                            | 15                            | 15                            | 12                            | 104              | 15     | 14     | 12     | 18     | 7      | 15     | 8      | 9      | 6      |
| Complying Development Certificates Received (Council)                    | 13                            | 10                            | 7                             | 9                             | 8                             | 9                             | 10                            | 87               | 7      | 7      | 20     | 5      | 15     | 11     | 6      | 11     | 5      |
| Complying Development Certificates Determined (Council)                  | 12                            | 10                            | 7                             | 16                            | 8                             | 8                             | 7                             | 64               | 5      | 3      | 17     | 7      | 8      | 6      | 7      | 5      | 6      |
| Complying Development Certificates Determined (Private Certifier)        | 14                            | 15                            | 21                            | 19                            | 30                            | 21                            | 18                            | 158              | 16     | 19     | 19     | 22     | 19     | 17     | 17     | 10     | 19     |
| Construction Certificates - Building Work Received (Council)             | 42                            | 46                            | 41                            | 42                            | 41                            | 45                            | 41                            | 373              | 42     | 40     | 35     | 50     | 48     | 34     | 32     | 42     | 50     |
| Construction Certificates - Building Work Determined (Council)           | 38                            | 45                            | 38                            | 38                            | 42                            | 44                            | 37                            | 335              | 34     | 37     | 39     | 43     | 23     | 41     | 39     | 34     | 45     |
| Construction Certificates - Building Work Determined (Private Certifier) | 17                            | 20                            | 29                            | 23                            | 34                            | 39                            | 24                            | 214              | 21     | 31     | 26     | 26     | 36     | 18     | 17     | 14     | 25     |
| Plumbing & Drainage Received   | 59                            | 66                            | 80                            | 99                            | 92                            | 82                            | 72                            | 644              | 79     | 62     | 71     | 87     | 73     | 59     | 42     | 73     | 98     |
| Plumbing & Drainage Determined   | 52                            | 64                            | 72                            | 87                            | 91                            | 81                            | 59                            | 529              | 57     | 75     | 55     | 56     | 51     | 57     | 63     | 64     | 51     |
| Works Certificates Received  | 5                             | 8                             | 9                             | 13                            | 13                            | 11                            | 9                             | 84               | 8      | 8      | 9      | 7      | 12     | 12     | 10     | 9      | 9      |
| Works Certificates Determined  | 4                             | 6                             | 9                             | 8                             | 12                            | 12                            | 9                             | 77               | 5      | 9      | 9      | 6      | 10     | 10     | 6      | 14     | 8      |
| Subdivision Certificates Received  | 8                             | 10                            | 11                            | 12                            | 12                            | 8                             | 8                             | 70               | 3      | 5      | 5      | 10     | 10     | 7      | 9      | 14     | 7      |
| Subdivision Certificates Determined                                      | 7                             | 9                             | 10                            | 11                            | 10                            | 8                             | 6                             | 57               | 10     | 8      | 4      | 3      | 7      | 5      | 8      | 5      | 7      |
| Strata Certificates Received   | 2                             | 2                             | 2                             | 2                             | 3                             | 5                             | 4                             | 35               | 7      | 6      | 6      | 4      | 5      | 3      | 3      | 1      | 0      |
| Strata Certificates Determined   | 7                             | 2                             | 2                             | 2                             | 3                             | 4                             | 5                             | 45               | 9      | 4      | 1      | 9      | 8      | 1      | 5      | 3      | 5      |
| Roads Act Applications Received  | 30                            | 38                            | 54                            | 56                            | 52                            | 47                            | 39                            | 355              | 37     | 21     | 44     | 53     | 46     | 40     | 21     | 40     | 53     |
| Roads Act Applications Determined  | 30                            | 38                            | 49                            | 49                            | 52                            | 44                            | 34                            | 310              | 40     | 22     | 29     | 38     | 48     | 28     | 32     | 34     | 41     |
| Planning Certificates Issued   |                               |                               | 275                           | 250                           |                               |                               | 257                           | 2313             | 244    | 284    | 243    | 292    | 238    | 191    | 223    | 296    | 302    |
| Building Inspections Undertaken  | 371                           | 393                           | 407                           | 455                           | 494                           | 484                           | 454                           | 4085             | 577    | 519    | 464    | 568    | 491    | 381    | 318    | 326    | 441    |

The following table outlines the estimated value of works per development type approved during the quarter along with the year to date value and value of the preceding two years. With three quarters of the year's data now available for 2019-2020, it is likely that the total value of work for 2019-2020 will be less than the preceding two years.

| Value of Works DA | Jan-20              | Feb-20              | Mar-20              | Total to date<br>2019 - 2020 | Total<br>2018-2019   | Total<br>2017 -2018  |
|-------------------|---------------------|---------------------|---------------------|------------------------------|----------------------|----------------------|
| Ancillary DA      | \$354,638           | \$732,681           | \$702,871           | \$6,333,631                  | \$8,630,779          | \$8,649,369          |
| Ancillary CDC     | \$209,430           | \$196,176           | \$373,568           | \$3,129,346                  | \$4,461,919          | \$5,750,178          |
| Commercial DA     | \$2,018,000         | \$229,000           | \$10,000            | \$10,467,498                 | \$50,335,092         | \$17,415,409         |
| Commercial CDC    | \$1,751,024         | \$7,000             | \$235,000           | \$13,091,237                 | \$1,015,474          | \$2,380,814          |
| Community DA      | \$0                 | \$1,800,000         | \$0                 | \$20,348,702                 | \$36,258,032         | \$13,111,186         |
| Community CDC     | \$0                 | \$0                 | \$0                 | \$199,983                    | \$345,078            | \$692,872            |
| Industrial DA     | \$583,523           | \$30,000            | \$0                 | \$8,728,278                  | \$18,414,595         | \$13,919,469         |
| Industrial CDC    | \$0                 | \$0                 | \$0                 | \$180,000                    | \$8,187,481          | \$757,727            |
| Residential DA    | \$10,883,238        | \$33,289,503        | \$19,837,793        | \$151,083,183                | \$227,592,925        | \$266,406,644        |
| Residential CDC   | \$3,389,023         | \$1,934,029         | \$2,208,272         | \$21,316,014                 | \$37,815,194         | \$51,975,736         |
| Rural DA          | \$613,397           | \$890,098           | \$1,057,576         | \$4,184,326                  | \$9,693,549          | \$9,718,464          |
| Rural CDC         | \$305,000           | \$19,000            | \$724,388           | \$1,114,368                  | \$1,145,009          | \$1,638,082          |
| Subdivision DA    | \$0                 | \$0                 | \$2,245,000         | \$5,300,000                  | \$30,759,000         | \$18,137,000         |
| Tourist DA        | \$0                 | \$0                 | \$3,849,831         | \$4,704,831                  | \$3,395,692          | \$14,777,822         |
| Tourist CDC       | \$0                 | \$0                 | \$0                 | \$0                          | \$0                  | \$1,225,000          |
| <b>Total</b>      | <b>\$20,107,273</b> | <b>\$39,127,487</b> | <b>\$31,244,299</b> | <b>\$250,181,397</b>         | <b>\$438,049,819</b> | <b>\$426,555,772</b> |

The total value of works approved in 2018-2019 was \$438 million. For the first three quarters in 2019-2020, the total value of works is \$250 million, suggesting that by year-end, if projected on quarterly averages, a \$333 million value will be achieved. It is interesting to note however, that the February and March 2020 result showed a significantly greater number of DAs being received, with a total of 89 and 97 lodged for the months respectively. If this trend continues over the final quarter, the value of works reduction between 2018-2019 and 2019-2020 may not be so significant.

Application processing data and longer-term trends for the various application types is provided in the table below. For DAs, monthly gross average processing times for 2019-2020 is currently 59 days compared to 61 days during 2018-2019. The 2019-2020 monthly gross average processing days for works certificates (formerly called 'infrastructure construction certificates') is 88 days, compared to 77 days in 2018-2019. There has been a significant improvement in the 2019-2020 monthly gross average processing days for subdivision certificates with a current average of 53 days, compared to 91 days in 2018-2019.

|  | NEW<br>2015-16<br>Monthly<br>Average | PMHC<br>2015-16<br>Monthly<br>Average | NEW<br>2016-17<br>Monthly<br>Average | PMHC<br>2016-17<br>Monthly<br>Average | NEW<br>2017-18<br>Monthly<br>Average | PMHC<br>2017-18<br>Monthly<br>Average | NEW<br>2018-19<br>Monthly<br>Average | PMHC<br>2018-19<br>Monthly<br>Average | PMHC<br>2019-20<br>Monthly<br>Average | Jul-<br>2019 | Aug-<br>2019 | Sep-<br>2019 | Oct-<br>2019 | Nov-<br>2019 | Dec-<br>2019 | Jan-<br>2020 | Feb-<br>2020 | Mar-<br>2020 |    |
|--|--------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
| Development Application<br>Net Median Days                   | 49                                   | 30                                    | 50                                   | 31                                    | 53                                   | 38                                    |                                      |                                       | 37                                    | 35           | 26           | 26           | 34           | 29           | 36           | 38           | 46           | 47           | 29 |
| Development Application<br>Net Average Days                  | 52                                   | 34                                    |                                      | 26                                    |                                      | 46                                    |                                      |                                       | 42                                    | 43           | 36           | 36           | 53           | 38           | 40           | 48           | 48           | 46           | 43 |
| Development Application<br>Gross Average Days                | 75                                   | 58                                    | 79                                   | 55                                    | 84                                   | 64                                    |                                      |                                       | 61                                    | 59           | 50           | 49           | 71           | 54           | 63           | 64           | 59           | 59           | 64 |
| Complying Development<br>Net Average Days                    | 1                                    | 6                                     | 1                                    | 6                                     | 1                                    | 7                                     |                                      |                                       | 13                                    | 14           | 8            | 7            | 8            | 8            | 9            | 12           | 21           | 24           | 29 |
| Complying Development<br>Gross Average Days                  | 14                                   | 7                                     | 15                                   | 8                                     | 15                                   | 7                                     |                                      |                                       | 15                                    | 18           | 8            | 7            | 11           | 18           | 13           | 12           | 28           | 37           | 31 |
| Building Construction<br>Certificate<br>Net Average Days     |                                      | 9                                     |                                      | 9                                     |                                      | 9                                     |                                      |                                       | 9                                     | 9            | 7            | 4            | 3            | 12           | 10           | 8            | 7            | 13           | 17 |
| Building Construction<br>Certificate<br>Gross Average Days   |                                      | 51                                    |                                      | 52                                    |                                      | 66                                    |                                      |                                       | 66                                    | 65           | 57           | 49           | 58           | 92           | 82           | 86           | 61           | 57           | 46 |
| Plumbing and Drainage<br>Net Average Days                    |                                      | 16                                    |                                      | 15                                    |                                      | 21                                    |                                      |                                       | 18                                    | 21           | 11           | 17           | 9            | 25           | 20           | 30           | 33           | 19           | 26 |
| Plumbing & Drainage<br>Gross Average Days                    |                                      | 51                                    |                                      | 47                                    |                                      | 52                                    |                                      |                                       | 53                                    | 50           | 37           | 57           | 39           | 53           | 26           | 69           | 62           | 56           | 50 |
| Works Certificates<br>Net Average Days                       |                                      | 54                                    |                                      | 39                                    |                                      | 53                                    |                                      |                                       | 39                                    | 53           | 49           | 62           | 39           | 90           | 35           | 24           | 59           | 56           | 67 |
| Works Certificates<br>Gross Average Days                     |                                      | 94                                    |                                      | 77                                    |                                      | 109                                   |                                      |                                       | 77                                    | 88           | 80           | 81           | 77           | 144          | 46           | 49           | 142          | 105          | 67 |
| Subdivision and Strata<br>Certificates<br>Net Average Days   |                                      | 42                                    |                                      | 40                                    |                                      | 49                                    |                                      |                                       | 44                                    | 43           | 25           | 67           | 38           | 56           | 20           | 53           | 63           | 26           | 36 |
| Subdivision and Strata<br>Certificates<br>Gross Average Days |                                      | 97                                    |                                      | 60                                    |                                      | 63                                    |                                      |                                       | 91                                    | 53           | 53           | 70           | 46           | 56           | 33           | 59           | 69           | 36           | 56 |
| Roads Act<br>Net Average Days                                |                                      | 17                                    |                                      | 19                                    |                                      | 17                                    |                                      |                                       | 13                                    | 17           | 22           | 8            | 7            | 27           | 33           | 13           | 18           | 17           | 8  |
| Roads Act<br>Gross Average Days                              | 43                                   |                                       | 48                                   |                                       | 43                                   |                                       |                                      | 39                                    | 45                                    | 71           | 37           | 31           | 37           | 52           | 28           | 55           | 52           | 39           |    |

2. Applications determined under delegation including Clause 4.6 - Exceptions to Development Standards

The following table lists DAs that have been determined during the quarter which have included a Clause 4.6 exception to a development standard under the Port Macquarie Hastings Local Environmental Plan 2011. Senior staff have delegation to determine applications involving a Clause 4.6 objection where the variation is no greater than 10% of the development standard.

| Application    | Property                          | Extent of Variation |
|----------------|-----------------------------------|---------------------|
| DA2019 - 425.1 | 50 William Street, Port Macquarie | 5%                  |

This information is provided for notation by Council in accordance with the Department of Planning and Environment Circular PS 08-003.

**Options**

This is an information report.



**Community Engagement & Internal Consultation**

Development assessment statistics are discussed internally as the key indicator of system performance.

Ongoing engagement on development activity and process improvement is also undertaken through the Construction Industry Action Group (CIAG) forum.

Staff are also in the process of reviewing submissions in response to the exhibition of a proposed revision to Council's Development Assessment Panel Charter. A further report will be presented to Council on this review over the coming months.

**Planning & Policy Implications**

There are no planning or policy impacts.

**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



# 2 Your Community Life

**What we are trying to achieve**

A healthy, inclusive and vibrant community.

**What the result will be**

We will have:

- Community hubs that provide access to services and social connections
- 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 we will get there**

- 2.1 Create a community that feels safe
- 2.2 Advocate for social inclusion and fairness
- 2.3 Provide quality programs, community facilities and public spaces, for example, community halls, parks and vibrant town centres
- 2.4 Empower the community through encouraging active involvement in projects, volunteering and events
- 2.5 Promote a creative and culturally rich community

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**Item:** 11.01

**Subject:** HISTORY OF OXLEY HIGHWAY GATEWAY SCULPTURE

**Presented by:** Strategy and Growth, Jeffery Sharp

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**Alignment with Delivery Program**

2.5.1 Support cultural activities within the community.

**RECOMMENDATION**

**That Council note the history of the “Port Gateway” sculpture which was commissioned and installed as part of the Oxley Highway Project in 2010-2011.**

**Executive Summary**

The report outlines the history of the Oxley Highway Gateway Sculpture, in response to a Notice of Motion at the 19 March 2020 Council meeting. The sculpture, titled “Port Gateway”, was commissioned and installed by Council, with support from the RMS, as part of the Oxley Highway project in 2010-2011. It remains as part of Council’s public art collection and is anticipated to have a lifespan of potentially 50 years.

Public art like many other forms of art will evoke different responses from different people. Art by its very nature is divisive; for many artists, when a viewer displays an emotional response to their artwork good or bad, the work has succeeded the intended outcome. As was acknowledged by the artist himself, Mr Rick Reynolds, “it’s really for the viewer to decide” [how they interpret it].

**Discussion**

At the 18 March 2020 Council meeting, it was resolved:

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**13.01 NOTICE OF MOTION - OXLEY HIGHWAY GATEWAY SCULPTURE**

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*RESOLVED: Pinson/Griffiths*

*That Council request the General Manager table a report at the April 2020 Ordinary Council Meeting advising on the history of the Oxley Highway Gateway Sculpture.*

*CARRIED: 6/1*  
*FOR: Alley, Dixon, Griffiths, Intemann, Pinson and Turner*  
*AGAINST: Levido*

The Oxley Highway Gateway Sculpture was developed as part of the design and delivery of the new Oxley Highway project in 2010-2011. The opportunity for the sculpture at the ‘gateway’ roundabout near the Service Centre was identified and the

NSW Roads and Maritime Services as project owner offered Council \$50,000 to commission, install and manage a public art piece for the site.

A project Working Party, comprising representatives from Council, RMS, Arts Mid North Coast and the Regional Gallery was formed, developed the project brief (Attachment 1) and it was presented to five select artists for response.

The Project brief noted assessment of the design proposals would consider the aesthetic, conceptual and technical expertise demonstrated in the proposed work.

Consideration would be given to the following:

- the artistic merit of the proposed concept
- the way in which the project meets the various requirements of the briefing, including its appropriateness in terms of scale and material
- the ability of the artwork to communicate its concept and underpinnings
- the proposed budget and timeline
- the aesthetic response to the site
- the conceptual response to the site
- the response to any stakeholder consultation and feedback
- public safety and risk management issues
- maintenance issues
- robustness and durability.

The Working Party considered proposals from four artists and ultimately recommended the work by Elands Artist and Sculptor, Rick Reynolds, as that which best responded to the design proposal assessment criteria outlined in the brief. Mr Reynolds has a number of significant sculptural pieces in our local government area including 'Folly' (the big pencil) on Windmill Hill and three Flood Markers in the Camden Haven (sculpted poles with steel fish and flood levels).

The artist described the 'Port Gateway' piece in his proposal as follows:

*The 100 poles create two distinct forms. The one standing on the ground symbolises the domestic space, protective and nurturing. The second is inverted, a congregation of individuals, reaching outward, open to the sky, the world, the 'other', symbolising the 'connected' community, mobile and open. These two forms by their complimentary interaction create a third diamond like shape, symbolising strength through culture, where the two positive trends in society unite to form the true heart of the community. In this space are art, lifestyle and participatory democracy. The round shapes reflect the form of the roundabout, the off kilter set up, a sense of movement. It looks good, it is durable, easy to clean and graffiti proof.*

*The Gateway Sculpture will become a signifier of arrival, light and fun, redolent of seaside imaginings and memory for the tourist and a welcome home for the residents.*

Significant to the assessment process by the Working party was the expected lifespan of the artwork, and the possible reactions to such a contemporary abstract design given the region's demographics. The Working Party acknowledged whilst the demographic currently may be made up of older residents, the future growth of the region will see us developing into a modern coastal region that embraces innovation

and diversity. Considerable discussion was had regarding the interpretive nature of Rick Reynold's abstract design and how it was felt that the proposal supported the Working Party's view of the region's growing modernity.

In December 2010, Council resolved to commission the piece 'Port Gateway' by Rick Reynolds (refer copy of Council report and resolution at Attachment 2) and construction was undertaken in 2011. It is anticipated that the durable aluminium construction of the sculpture could mean a lifespan of around 50 years.

**Options**

Council may choose to note the report or seek further information.

**Community Engagement and Internal Consultation**

Nil.

**Planning and Policy Implications**

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

**Financial and Economic Implications**

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

**Attachments**

1. [Oxley Highway Gateway Sculpture Project Brief](#)
2. [Public Art - Oxley Highway Gateway Council Report and Resolution 2010 12 15](#)

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**Item: 11.02**

**Subject: RAINBOW BEACH SPORTS FIELDS DESIGN OPTIONS**

**Presented by: Development and Environment, Melissa Watkins**

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### **Alignment with Delivery Program**

2.3.4 Plan, investigate, design and construct open spaces, recreational and community facilities.

### **RECOMMENDATION**

#### **That Council:**

- 1. Note the information contained within the Rainbow Beach Sports Fields Design Options Report.**
- 2. Recognise the ongoing engagement that has been undertaken regarding the Rainbow Beach Sports Fields project with the self-established Rainbow Beach Sports Fields Volunteer Committee and thank the group for their involvement and feedback on this project.**
- 3. Endorse the Rainbow Beach Sports Fields Master Plan Option 1 design (Attachment 1), including the minor amendments as outlined in this report, and continue to progress detailed design of this project.**

### **Executive Summary**

The development of the Rainbow Beach Sporting Fields has been identified as a key priority within Council's 2019 - 2025 Recreation Action Plan and will provide for new public facilities in this growth area (Area 14) of the LGA, addressing capacity demands currently being encountered by various sporting user groups.

The delivered development will provide a district level sporting facility in accordance with the latest sports facility industry guidelines that includes a multi-use, flexible sporting area complete with training facilities and amenities that can support several sporting codes and general community use.

This report outlines:

- The background to this project.
- The development of the Rainbow Beach Sports Fields Master Plan options.
- The establishment of the Rainbow Beach Sports Fields Volunteer Committee.
- The ongoing targeted consultation with the above group to determine the preferred design option in benefiting the end users of this new facility.

This report recommends that design Option 1 from the Rainbow Beach Sports Fields Master Plan Options (**Attachment 1**) be adopted, based on feedback provided during the consultation period, as outlined in this report.



**Discussion**

Sport and recreation in the Port Macquarie-Hastings region is an integral part of our social fabric. Council's 2019 - 2025 Recreation Action Plan reflects current priority projects required to meet community needs along with facilities needed to meet forecast growth in our community. An immediate priority action within the Plan, falling under the guiding principle of 'planning for growth', is the finalisation of detailed design and approvals and construction commencement of the Rainbow Beach Sports Fields.

The land upon which the future sporting precinct sits (adjacent to Lake Cathie Public School) is in the process of being dedicated from the owner, St Vincent's Foundation, to Council as a public reserve. The developer, through consultation with Council, commissioned initial concept designs for the playing fields and surrounding infrastructure which were subsequently approved under a Development Application for the open space component of the broader St Vincent's Foundation development (**Attachment 3**).

Further to the above, a volunteer committee, consisting of proposed future sporting user groups of the precinct and interested community groups have established themselves in support of the project and are important stakeholders in the development of the facility. Formation of this group was initiated by these stakeholders and engagement with this group has been ongoing for the past two years. Post construction, it is proposed that the group will act as a management committee for the facility and will have balanced representation from each of the user groups.

Through engagement with these stakeholders and significant improvements in facility guidelines developed by a range of state sporting organisations it became evident that the concept plan for the sports facility should be revised as part of the detailed design and approval process, which is a current Operational Plan project. Key issues associated with the approved concept include an undersized amenities footprint, poor location of amenities as they will be looking directly into the sun in the afternoon, and the need to include additional infrastructure to provide a contemporary facility that will meet the current and future needs of user groups and the broader community.

In December 2019 after undertaking a tender process through Local Government Procurement, Council engaged King and Campbell to carry out the detailed design of the Rainbow Beach Sports Fields. Whilst the concept design was provided within the tender documentation and was to form the basis of the detailed design, the tender called for up to three alternative options for the layout/inclusion of certain facility elements.

King and Campbell undertook a thorough analysis of the available options and presented to Council three design options for decision to progress to detailed design (**Attachment 1**). In addition to this and since the initial concept design was developed, Council staff also identified the opportunity for an East-West layout of an AFL field to further accommodate the needs of this sport (**Attachment 2**).

The three options were presented for discussion at a meeting of the volunteer committee on the 2 March 2020 and formal feedback was requested by the



representatives, in consultation with their respective committees by 30 March. Following receipt of this feedback, the intent was that a report would be tabled to the April Council meeting with a recommendation on the preferred option to progress to detailed design.

As a result of the COVID-19 pandemic and the current challenges for Club representatives being able to communicate with their committee members, and noting the importance of their feedback to Council in deciding on a preferred design option, the timeframe for feedback was extended to 29 April.

During discussions Council, staff have acknowledged with the volunteer committee that not all of the sporting groups who have shown interest in using the new facility will necessarily be able to be accommodated. One of the additional sporting groups that have indicated their interest to be included at the facility is Middle Rock Mariners Baseball. Based on this feedback, Option 2 was developed to consider the feasibility of permanent baseball infrastructure at this location. In developing this concept, the designers consulted with Australian Baseball's official guidelines to locate the baseball field in the most desirable location within the master plan. However, in doing so they noted that there were still several constraints including only the minimum Australian Baseball playing standards being able to be incorporated into the design, impacts to spectator areas and potential conflict with the layout for other sporting codes. Additionally, the practicality of the ability for baseball to operate in cohesion with other weekend sporting user group's requirements was a consideration. Noting that this report's recommendation will not allow for fixed baseball infrastructure to be included at this facility, Council will work independently with this group to understand their capacity needs and work towards accommodating their requirements elsewhere within the LGA, including at existing sporting facilities, and/or further investigate the opportunity for portable baseball infrastructure.

Whilst ongoing discussions with the various representatives of the volunteer committee have been productive and allowed for a number of planning considerations, four formal submissions were received during the consultation period (**Attachment 4**). From these submissions, two favoured Option 1, one favoured Option 3 with the suggestion of minor alterations to the plan, and the fourth submission did not indicate a preference but confirmed their overall support towards the completion of this facility. In reviewing the submissions provided, it has been identified that the amendments suggested within the submission supporting Option 3 can be achieved with slight moderations to Option 1 by removing one of the four multi-use courts and replacing this with a small playground. This proposed modification has been considered and forms the recommendation within this report to progress Option 1, incorporating the minor amendment, to detailed design.

### Options

Council can opt:

- To adopt the recommendations within this report.
- To adopt the Rainbow Beach Sports Fields Option 1 design as was originally developed and presented as part of the consultation process.
- To adopt an alternate design option from the three available options presented in the Rainbow Beach Sports Fields Master Plan options.

**Community Engagement and Internal Consultation**

External consultation has been undertaken with the following community-formed group consisting of potential future users of the facility and local groups who hold an interest in the project:

- Lake Cathie Raiders Football Club
- Lake Cathie Public School
- Lake Cathie Progress Association
- Bonny Hills Lake Cathie Cricket Club
- Camden Haven Netball Club
- Middle Rock Mariners Baseball
- Northern NSW AFL
- Cricket NSW
- Football Mid North Coast
- Lake Cathie Rugby League
- Revive Lake Cathie
- Bonny Hills Progress Association

From the above stakeholder groups, four submissions were received during the formal consultation period. Summarised comments are included below:

| No. | Name                              | Submission Summary   |
|-----|-----------------------------------|--|
| 1   | Lake Cathie Raiders Football Club | The preferred option for Lake Cathie FC is option number 1.  |
| 2   | Northern NSW AFL                  | The AFL's preferred option is Option 1. It allows for a north-south orientation (which is preferred), which has direct access to the amenities building, and without the run off onto the baseball field (Option 2). Option 1 also allows for the opportunity down the track, if required, to rotate the AFL ground east-west, to accommodate for senior teams on a larger field.  |
| 3   | Bonny Hills Lake Cathie Cricket   | Option 3 is crickets preferred plan with one possible change suggested. The potential issue with option 3 is that the clubhouse is directly behind the cricket pitch. Lots of movement behind the bowlers arm is not ideal for cricket. Option 3 could be adjusted to move the clubhouse further east to a similar position as options 1 and 2, and then use the space behind the bowler for trees, with maintenance storage facilities at the north-western edge. |
| 4   | Lake Cathie Progress Association  | The Lake Cathie Progress Association fully supports the various sporting clubs and groups in the Lake Cathie / Bonny Hills area in their endeavours for the new sporting fields and support their final majority recommendations for the layout and design on the new Rainbow Beach district sporting fields.  |

Internal consultation has been undertaken with the following staff:

- General Manager
- Director Development and Environment
- Director Infrastructure
- Director Corporate Performance
- Director Strategy and Growth
- Group Manager Recreation, Property and Buildings
- Project Manager, Project Delivery
- Recreation, Property and Facilities Manager
- Sport and Recreation Officer

In addition, there is a Councillor Briefing to discuss this project further, scheduled to be held on 13 May 2020.

### **Planning and Policy Implications**

Determination of a preferred option for this facility will allow King and Campbell to prepare detailed designs and develop a Review of Environmental Factors for the development in accordance with Part 5 of the Environmental Planning and Assessment Act 1979.

### **Financial and Economic Implications**

There are no additional financial implications on the detailed design element of this project as a fixed price tender was awarded in December 2019 to King & Campbell for these works, which included development of up to three alternative options for the layout of facility components.

### **Attachments**

1. [Rainbow Beach Sports Fields - Master Plan Options](#)
2. [Rainbow Beach Sports Fields - Additional AFL Option East-West to Fit](#)
3. [Rainbow Beach Sports Fields - Original Concept Design](#)
4. [Rainbow Beach Sports Fields - Consultation Submissions](#)

# 3 Your Business and Industry

## What we are trying to achieve

A region that is a successful place that has vibrant, diversified and resilient regional economy that provides opportunities for people to live, learn, work, play and invest.

## What the result will be

We will have:

- A strong economy that fosters a culture supportive of business and ensures economic development of the region
- Townships, villages and business precincts that are vibrant commercial, cultural, tourism, recreational and/or community hubs
- A region that attracts investment to create jobs
- Partnerships that maximise economic return and create an efficient and effective business environment

## How we will get there

- 3.1 Embrace business and a stronger economy
- 3.2 Create vibrant and desirable places
- 3.3 Embrace opportunity and attract investment to support the wealth and growth of the community
- 3.4 Partner for success with key stakeholders in business, industry, government, education and the community

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**Item: 12.01****Subject: DRAFT GREATER PORT MACQUARIE DESTINATION  
MANAGEMENT PLAN 2020-2024****Presented by: Strategy and Growth, Jeffery Sharp**

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**Alignment with Delivery Program**

3.1.4 Implement the Destination Management Plan.

**RECOMMENDATION****That Council:**

- 1. Note the submissions received following the exhibition of the draft Destination Management Plan 2020-2024.**
- 2. Adopt the Greater Port Macquarie Destination Management Plan 2020-2024 as attached to the report.**
- 3. Advise those people who made a submission during the development of the Destination Management Plan of the outcome.**
- 4. Note performance against the Plan will be reported to Council and stakeholders on an annual basis commencing in June 2021.**

**Executive Summary**

This report outlines the submissions received on the draft Greater Port Macquarie Destination Management Plan 2020-2024 (DMP) during the exhibition period (13 December 2019 - 21 February 2020). It also presents the final draft Plan for adoption by Council.

It is acknowledged that the DMP was drafted before the 2019 bushfires and COVID-19 impacts. Feedback during the exhibition period confirmed that the strategic priorities remained current (post-bushfires), however, a number of actions have been amended and added to reflect the importance of improved planning relating to risks to the visitor economy including natural disasters, climate change and other crisis events.

Further consideration of the DMP and any COVID-19 related recovery actions are currently being considered via Council's COVID-19 Recovery Working Group and there may be a requirement to amend it in light of this in coming months.

Council's Destination Management process is directly aligned with the Australian Regional Tourism Network's nationally recognised approach and the directive from the NSW Government's Visitor Economy Action Plan that destinations are required to have conducted a Destination Management Plan to be eligible for funding administered by Destination NSW.



The development of a new DMP is a priority in Council's Economic Development Strategy and it has been informed by the considerable research commissioned by Council. This includes the Visitor Profile and Satisfaction Survey (2018), the Greater Port Macquarie Destination Product Audit and Analysis (2019) and Greater Port Macquarie Tourism Monitor 2019.

In developing the DMP, stakeholder engagement activities were undertaken in Port Macquarie during September 2019 to determine stakeholder perceptions around important issues, challenges and opportunities to sustainably grow tourism in the Port Macquarie Hastings region over the next five years. Council's Economic Development and Cultural Steering Groups participated in discussions on two occasions. Five destination workshops took place with representatives of local tourism industry and stakeholder organisations, groups and individuals with an interest in tourism across Port Macquarie Hastings region. Invitations went out to the tourism industry database comprising around 440 businesses and individuals across the region resulting in participation by 87 industry members.

### Discussion

Late in 2019, Council engaged the services of Ellis Wray Consulting to conduct an extensive stakeholder engagement process and develop a new draft Destination Management Plan (DMP) for the Greater Port Macquarie region. The Plan is the second developed by Port Macquarie Hastings-Council in collaboration with industry and stakeholders. The Plan provides recommendations on the strategies and priorities for our region to grow visitation expenditure into the future. It required input from industry, government and community leaders to develop a shared vision for the future of the destination.

The requirement for a review of the DMP is articulated in Council's Economic Development Strategy. Outcome five, 'Partnering for Success', describes us as "A Council which works alongside key stakeholders in business, industry, government and the community to build a strong, innovative and resilient economy." The review and implementation of our Greater Port Macquarie DMP is included as a specific action within this Outcome. Further, Outcome 4, 'Driving Opportunity' references a region that embraces and creates opportunities. A region that attracts investment to create additional jobs and increase the wealth of the region and its residents. Implementation of the DMP is seen as a key action to achieve this outcome.

At the Ordinary Council Meeting held on 11 December 2019, Council resolved:

#### **12.03 DRAFT GREATER PORT MACQUARIE DESTINATION MANAGEMENT PLAN**

**RESOLVED:** Intemann/Turner

**That Council:**

1. Note the Draft Greater Port Macquarie Destination Management Plan.
2. Place the Draft Greater Port Macquarie Destination Management Plan on public exhibition from 13 December 2019 until 21 February 2020.
3. Note that a further report will be tabled at the March 2020 meeting of Council, detailing the submissions received from the public during the exhibition period.

**CARRIED:** 7/0 **FOR:** Alley, Griffiths, Hawkins, Intemann, Levido, Pinson and Turner  
**AGAINST:** Nil



Eight (8) formal submissions were received during the exhibition period. The majority of submissions were complimentary of the work undertaken in developing the Plan and provided constructive feedback. Some of the common themes amongst the feedback included:

- Endorsement of the strategic priority areas,
- Support for the seven experience platforms identified, noting some clarification could be beneficial for the diagram,
- Recognition of the need to consider crisis management and responses to a changing environment,
- Acknowledgement that nature is a key asset and appeal for the region.

#### Changes to the Plan

Changes that have been made to the Draft Destination Management Plan as a result of submissions received during the exhibition period are shown below in page order with wording changes highlighted in italics where appropriate:

##### Cover

- Updated title to read *Greater Port Macquarie*, this is applied consistently throughout the document.

##### Page 3

- Updated industry stakeholder inclusion for *Arts Mid North Coast (AMC)*, removal of reference to *Visit Camden Haven (VCH)* (reference only to be made to *Camden Haven Chamber of Commerce (CHCC)* at their request).

##### Page 4

- Acronyms list updated to remove reference to *Visit Camden Haven*.

##### Page 5

- A new map has been included that shows more of the region's towns, villages and roads for context, including Rollands Plains and Telegraph Point.

##### Page 6

- Updated the Vision to read - 'To sustainably grow the local visitor economy and strengthen the appeal of the destination by attracting overnight visitors to stay longer and spend more.'
- Amended the text to read - '*to guide work of Council and the tourism industry and other stakeholders over the next five years.*'

##### Page 7

- Diagram numbering has been removed by the designer to reduce confusion around intention. Information has been added to the introduction to assist in clarifying the layout - '*The diagram below highlights that nature is central to the delivery of each platform and the appeal of our destination, but remains one of seven important platforms.*'

##### Page 9

- Amended content to read - '*Enable the industry across all parts of the region to continue to flourish and contribute positively to the local communities and environment*'

##### Page 15

- Updated the Vision to read - 'To sustainably grow the local visitor economy and strengthen the appeal of the destination by attracting overnight visitors to stay longer and spend more.'

##### Page 16

- Amended priority time-frame to *Short Term, Medium Term and Long Term* and applied across the all Action Tables.

## Page 18

- Overall - removed Visit Camden Haven (VCH) as a stakeholder and delivery partner.
- 'Council *will* integrate the DMP 2020 to 2024 into Council's Delivery Program and annual Operational Plans.'
- Amended Action - 1.5 added 'Arts Mid North Coast' as a stakeholder and delivery partner.
- Amended Action - 1.8 'Continue to engage tourism research consultants to provide detailed data for decision-making including tourism visitation, visitation perceptions and satisfaction. *Encourage accommodation operators to contribute data to the Australian Accommodation Monitor to provide better evidence-based understanding of occupancy is also required to plan improvements in seasonality and event timing*'. Responsible stakeholders added GPMTA, CHCC, PCC and WCC
- Action 1.9 timing updated to Medium Term.
- New Action - Destination Management Action Table  
1.13 *Working with industry on crisis preparedness including further developing the Emergency Management Communications Toolkit developed during the fires. Providing support and links to information, training and development to assist tourism businesses to plan for, respond to, and recover from crisis events both man-made and natural.*  
RESPONSIBLE - Council, GPMTA, CHCC, WCH, HLA, AMNC  
TIMEFRAME - Short
- New Action - Destination Management Action Table  
1.14 *Assisting the tourism industry to respond / adapt to climate change by providing information, education and links to help businesses adopt more sustainable business practices to save money and reduce environmental impact and emissions. Including awareness and promotion of grant funding and initiatives available for this purpose.*  
RESPONSIBLE - Council, GPMTA, CHCC, WCH, HLA, AMNC  
TIMEFRAME - Short

## Page 20

- Added content for Seven Experience Platforms - 'The diagram below highlights that nature is central to the delivery of each platform and the appeal of our destination, but remains one of seven important platforms.'

## Page 21

- Amended content - 'It is a priority to strengthen this drawcard experience. The sub regions, at the same time should be encouraged to further develop the Easy Nature concept to help entice more visitors to come to the area i.e. coastal and country villages that offer appealing nature based experiences to encourage visitors to explore, stay longer and stimulate repeat visitation.'

## Page 22

- Amended Action - 2.11 Support the heritage sector to collaborate and to enable the growth and development of contemporary and integrated heritage experiences *including the proposed development of the Port Macquarie Museum site.*
- New Action - 2.12 Encourage and support stakeholder initiatives that identify and develop opportunities to protect, enhance and showcase our natural assets, and elevate the importance of our natural environment and sustainability values. RESPONSIBILITY - Council, GPMTA, CHCC, WCC, PMCC, HLA, AMNC  
TIMELINE - Ongoing

The submissions received have been carefully assessed to ensure that any changes made to the draft are reflective of broader stakeholder views and also the document remains realistic in terms of the actions identified and resources available to deliver (both Council and stakeholders identified).

The updated Draft Destination Management Plan is attached, reflecting changes as detailed above.

Further consideration of the DMP and any COVID-19 related recovery actions are currently being considered via Council's COVID-19 Recovery Working Group and there may be a requirement to amend it in light of this in coming months.

### **Options**

Council can choose to adopt the final draft DMP or request further consideration of submissions or re-drafting.

### **Community Engagement and Internal Consultation**

The draft Destination Management Plan has been compiled to represent the consolidated views of our community stakeholders who have an interest in the management of our destination. Communication and consultation has also occurred with a broad range of Council staff and Councillors, many of whom attended the DMP discussion forums.

#### Public Exhibition

The public exhibition period is now complete with the outcomes of the exhibition process discussed below.

There were 305 visits to Council's engagement website page during the exhibition period. There were 114 document downloads or views, with eight (8) submissions received, providing a cross-section feedback on the draft Plan which is included below.

*A full copy of all submissions will be provided to Councillors under separate copy.*

### **Planning and Policy Implications**

There is no direct planning or policy implication as a result of this report i.e. reporting on the submissions received on the draft Destination Management Plan.

If Council choose to adopt the draft Destination Management Plan at the 20 May 2020 meeting, then some of the actions included in the plan may result in the review and revision of existing policies and related documents to ensure that destination management objectives are taken into account. As noted in this report, the new DMP will serve as the key planning document detailing strategies and priorities for our region to grow visitation expenditure into the future.

### **Financial and Economic Implications**

There are no direct financial implications as a result of this report. Council will however, need to allocate resources to lead the DMP implementation and undertake

any specific actions. These will be considered as part of the annual budget cycle and reported to Council as appropriate.

As noted in the report, the Destination Management Plan will be critical to funding eligibility for programs administered by Destination NSW. All applications must be supported by a relevant DMP that is deemed to meet Destination NSW requirements and is lodged with them. Destination NSW funding has at times augmented Council's tourism marketing budget and has also been secured by local industry for product development and event promotion.

It is anticipated that the adoption of the draft DMP at the May 2020 meeting of Council will continue the focused and coordinated management of our destination and broader collaboration between Council, business, industry and other stakeholders engaged in our visitor economy. The economic impact of the Plan's implementation is difficult to forecast, however, performance measurement will form a key part of the plan's implementation.

**Attachments**

1. [Draft - Greater Port Macquarie Destination Management Plan - Revised 2020 05 11](#)
2. [Destination Management Plan Submission Summary and Responses](#)



# 4 Your Natural and Built Environment

## What we are trying to achieve

A connected, sustainable, accessible community and environment that is protected now and into the future.

## What the result will be

We will have:

- Effective management and maintenance of essential water, waste and sewer infrastructure
- A community that is prepared for natural events and climate change
- Sustainable and environmentally sensitive development outcomes that consider the impact on the natural environment
- Accessible transport network for our communities
- Infrastructure provision and maintenance that meets community expectations and needs
- Well planned communities that are linked to encourage and manage growth
- Accessible and protected waterways, foreshores, beaches and bushlands
- An environment that is protected and conserved for future generations
- Renewable energy options that are understood and accessible by the community

## How we will get there

- 4.1 Provide (appropriate) infrastructure and services including water cycle management, waste management, and sewer management
- 4.2 Aim to minimise the impact of natural events and climate change, for example, floods, bushfires and coastal erosion
- 4.3 Facilitate development that is compatible with the natural and built environment
- 4.4 Plan for integrated transport systems that help people get around and link our communities
- 4.5 Plan for integrated and connected communities across the Port Macquarie-Hastings area
- 4.6 Restore and protect natural areas
- 4.7 Provide leadership in the development of renewable energy opportunities
- 4.8 Increase awareness of issues affecting our environment, including the preservation of flora and fauna



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Item: 13.01

Subject: WATER SUPPLY SECURITY UPDATE

Presented by: Infrastructure, Dan Bylsma

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### Alignment with Delivery Program

4.1.1 Plan, investigate, design and construct water supply assets ensuring health, safety, environmental protection and security of supply for the future growth of the region.

### RECOMMENDATION

**That Council note the information contained in this Water Supply Security Update report.**

### Executive Summary

At the 19 February 2020 Council meeting, Council resolved:

**RESOLVED:** Alley/Hawkins

*That Council:*

1. *Note the information included in the Water Supply Security Update report.*
2. *With regards to project 2 identified in this report and pursuant to Section 55(3)(i) of the Local Government Act 1993, endorse the direct engagement of the required suppliers, fabricators and installers due to the water supply security risks outlined in this report resulting in extenuating circumstances for the upgrade of the Wauchope Water Treatment Plant, with DuPont (Australia) Pty Ltd and Membrane Systems Australia Pty Ltd being the two main suppliers.*
3. *With regards to project 3 – stage 1 identified in this report and pursuant to Section 55(3)(a) of the Local Government Act 1993, note the direct engagement of a Consultant, through Local Government Procurement Professional Services panel LGP1208-3, to undertake the feasibility and investigation works for a seawater reverse osmosis desalination plant.*
4. *With regards to recycled water, request the General Manager:*
  - a) *Write to the NSW Minister for Water, Hon. Melinda Pavey MP and Minister for Health, Hon. Brad Hazzard MP, asking for information on the NSW Government's policy direction relating to supplementing drinking water supplies with recycled water.*
  - b) *Write to the NSW Water Directorate requesting the latest research and information on supplementing drinking water supplies with recycled water.*
5. *Request the General Manager to bring further Water Supply Security Update Reports to the May 2020 and August 2020 meetings of Council.*

**CARRIED:** 8/0

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

**AGAINST:** Nil

This update report is in response to point 5 of the 19 February 2020 Council resolution detailed above.



In response to the uncertain water security situation at the end of 2019, the Executive Group approved a Water Supply Security Project that commenced in December 2019 to commence planning and investigations to ensure Council can continue to deliver water to the community through the unprecedented intense drought period.

The above average rainfall at the start of 2020 in the Hastings River catchment has resulted in strong river flows allowing sustained high volume pumping to significantly increase the dam storage levels. In the first four months of 2020 over 7 Billion litres of water has been extracted from the Hastings River, taking the total combined storage levels in Cowarra and Port Macquarie Dam's from 37.9% to 82.9% (as at 6 May 2020). This is more than the total consumption of water in 2019 for the Hastings scheme and 4.5 Billion litres more than what was extracted from the river throughout 2019.

This is a significant improvement to the water supply situation compared to the February 2020 position, however planning and implementation of drought mitigation measures are still ongoing to ensure we are prepared should we experience a future period of intense drought. For context, the last time the total combined storage levels in our dams was above 90% was November 2018.

### **Discussion**

Planning and investigations have commenced for three drought mitigation projects, being:

- Project 1: In-dam water treatment - immediate solution
- Project 2: Upgrade of the Wauchope Water Treatment Plant - short-term solution
- Project 3: Seawater desalination plant - medium-term solution, including groundwater source investigations.

The objectives of these three projects is to mitigate the following risks:

- That insufficient rainfall events through the first half of 2020 (typically highest rainfall period) occurs resulting in the inability to replenish already low storage levels causing an exhaustion of water storages by the end of 2020 / early 2021 with higher summer demands.
- If the above risk eventuates, water quality issues (algae and turbidity) will arise as dam levels drop, causing the remaining dam water to be unusable by the end of 2020;
- The predicted high rainfall only occurs in short bursts causing poor water quality in the Hastings River that is unable to be extracted prior to the river levels dropping, resulting in the inability to replenish already low storage levels causing an exhaustion of water storages by the end of 2020 / early 2021 with higher summer demands.

Thankfully, the region did receive above average rainfall throughout the first four months of 2020 and therefore the first two risks have not eventuated. Significant rainfall events in February 2020 allowed high volume water extraction from the river, increasing the total combined storage levels in the dams by 45% from 37.9% on 29 January 2020 to 82.9% on 6 May 2020.

Project Updates*Project 1: In-dam water treatment - immediate solution*

Throughout February and early March 2020 the Project Team undertook detailed research and testing in order to determine the most suitable flocculation product to use for this solution, this included liaison with the Department of Planning, Industry and Environment (DPIE), who recommended this type of solution originally. As this solution would have resulted in the flocculation product and bound sediment and nutrient remaining on the bottom of the dam indefinitely, the long-term risks of this were unable to be quantified. Therefore, this project was discontinued.

*Project 2: Upgrade of the Wauchope Water Treatment Plant - short-term solution*

Planning and investigations are still underway to determine the most appropriate upgrade configuration for the Wauchope Water Treatment Plant to meet the full 21 Mega Litres per day (ML/Day) output given the parameters of the input water quality that requires treatment. Due to the highly variable water quality parameters a two-stage process is required.

Stage 1 involves a pre-treatment, where the raw water turbidity and any algae is largely removed through a clarification process prior to the membrane filters. Stage 2 is the ultra-filtration through fine membrane filters. This two-stage approach ensures that the full 21 ML/day output can be achieved with either highly dirty river water or poor quality low level dam water. The requirement for this two-stage approach has resulted in the project estimate increasing to approximately \$11Million.

Council has been working very closely with DPIE staff, as any treatment upgrade requires Departmental approval prior to installation. While the Project Team determined and recommended a treatment solution for the Stage 1 process in collaboration with industry experts in February 2020, DPIE staff still require further options comparison and explanation as they are concerned Council's current recommendation is not the most suitable due to its complex nature. The Project Team and industry experts ruled out the solution recommended from DPIE early in the investigations as it was deemed not suitable for the adopted water quality parameters and space constraints at the site; however, DPIE have requested this be further investigated.

Given the requirement from DPIE for further investigations and the improvement in the current water security situation, it has now been decided by the Project Steering Group to split the implementation of the two stages. Stage 2, being the installation of additional membrane filters (of the same type as the original plant) to treat up to 21 ML/Day, will continue to be implemented over the next 6 to 8 months. Stage 1 implementation however, being the pre-treatment clarification, will be paused. This approach does not preclude the implementation of the additional membrane (Stage 2), however it does mean that less varying water quality parameters can be treated. The Project Team will continue to work with DPIE to gain approval for the most suitable Stage 1 treatment process and complete the necessary planning and design work to enable a fast implementation should a (yet to be determined) reduced total combined storage dam level trigger point be reached. The trigger level will be

determined on the required time to implement the Stage 1 pre-treatment process, currently estimated at approximately 6 to 10 months.

This phased approach ensures the appropriate drought mitigation measures are in place without investing significant funds if they are not required. Implementation of only Stage 2 can be achieved within the original project estimate of \$5Million.

If the abovementioned trigger level is not reached prior to the main bulk water filtration plant being commissioned at Cowarra Dam, which is planned for the next 5 to 7 years, then the Stage 1 pre-treatment will be reviewed as it is likely no longer required.

*Project 3: Seawater desalination plant - medium-term solution, including groundwater source investigations*

Council has completed a detailed options assessment to determine a preferred location for a desalination plant should one ever be required. This options assessment has narrowed down the most suitable location as somewhere adjacent to the ocean east of Ocean Drive between Port Macquarie and Lake Cathie. Council has been engaging with the relevant stakeholders, working towards gaining in-principle support for this location prior to commencing any detailed feasibility investigations for this area.

The required consultancy brief and investigation specification documents have been drafted. Once in-principle agreement is reached with stakeholders, the relevant specialist consultancy firm will be engaged to complete the feasibility study. It is likely this will take up to 2 years, including the required environmental monitoring.

The Project Team have engaged consultancy firm GHD Pty Ltd to complete a detailed desktop review and study for groundwater sources. This work will now be reviewed to shortlist sites for field investigations to determine yield and overall viability of groundwater as an alternative water source to supplement the river supply. Preliminary findings for the initial study have unfortunately shown that groundwater is unlikely to yield sufficient quantities to be viable as an alternative water source for the town supply. However, there may be some potential for groundwater to be used to supply small areas to reduce demand on the bulk supply scheme in a drought emergency.

Recycled water to supplement the drinking water supply

Due to the COVID-19 situation Council is yet to write to the Water and Health Ministers regarding information on the NSW Government's policy direction relating to supplementing drinking water supplies with recycled water.

Michael Mowle, Managing Director of local Consultancy firm Hopkins and President of the Port Macquarie Chamber of Commerce, wrote to The Hon. Melinda Pavey, Minister of Water in early February 2020, in relation to the use of recycled water to supplement drinking water supplies. He received a response from NSW Health Director Environmental Health Branch, Health Protection NSW on 5 March 2020. This response is attached for reference.

While the attached response is likely similar to one Council would receive, the actions to write to the Water and Health Ministers as outlined in the resolution from the 19 February 2020 Council meeting will be completed in the coming months.

Council staff have also had preliminary discussion with the Water Directorate regarding the potential to supplement drinking water supplies with recycled water and was in the process of organising a briefing for Councillors prior to the COVID-19 situation. The intent of the briefing was to discuss the Water Services Association of Australia (WSAA) and University of NSW 'All Options' initiative. The 'All Options' initiative is outlined in the WSAA's reports: <https://www.wsaa.asn.au/publication/all-options-table-lessons-journeys-others>.

### **Options**

This report is for notation only in relation to providing information on the current water supply security situation. Council can resolve to request further information if required.

### **Community Engagement and Internal Consultation**

There has been no external community engagement in relation to this report due to the fact that this report is an information report only.

Internal consultation has taken place with the following:

- General Manager
- Director Infrastructure
- Director Development and Environment
- Director Strategy and Growth
- Director Corporate Performance
- Group Manager Infrastructure Planning
- Group Manager Infrastructure Operations
- Group Manager Project Delivery
- Senior Project Manager (Water Supply Security Project)

Council is continuing to consult with the Department of Planning, Industry and Environment.

Councillors were briefed in relation to this Water Security Update on 4 May 2020, all Councillors and the Mayor were in attendance.

### **Planning and Policy Implications**

Council is continuing to capture lessons learnt and outcomes achieved through the current planning for emergency drought management. These will be documented in the Integrated Water Cycle Management Plan, drought management section, which is planned to be completed in mid-2021. This information will also be included in the next revision of Council's Water Supply Policy, which will be reviewed in mid-2020.




**Financial and Economic Implications**

The current estimate for the projects are:

- Project 2: Upgrade of the Wauchope Water Treatment Plant (Stage 2 filters only) - \$5,000,000
- Project 3 - Stage 1: Initial investigation and planning for desalination plant - \$600,000
- Project 3 - Groundwater investigations - \$200,000

The State Government has announced up to \$2.4Million in funding support for the Water Supply Security project, noting verbal advice that this does not include funding support for the desalination component of the project.

**Attachments**

- 1  Correspondence - Use of Recycled Water - NSW Health Response

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**Item: 13.02**

**Subject: OCEAN DRIVE DUPLICATION PROJECT UPDATE**

**Presented by: Infrastructure, Dan Bylsma**

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### **Alignment with Delivery Program**

4.4.1 Plan, investigate, design and construct transport assets which address pedestrians, cyclist and vehicular needs to cater for the future growth of the region.

### **RECOMMENDATION**

#### **That Council:**

- 1. Note the information contained in this report regarding the status of the Ocean Drive Duplication Project, in particular the funding gap risk of up to \$30Million.**
- 2. Request that the Mayor and General Manager commence detailed discussion with the Federal Member for Cowper, Pat Conaghan MP and the Minister for Transport, Infrastructure and Regional Development, The Hon Michael McCormack MP, regarding securing the required additional funding to commence this important project.**
- 3. Note the potential significant economic stimulus this project would provide to the Port Macquarie-Hastings and broader Mid-North Coast region, acknowledging the current economic impact caused by COVID-19 situation.**
- 4. Request Transport for NSW re-establish the Joint Steering Group with Council to oversee and manage this large project on a Regional Road should additional funding be secured and the construction phase commences.**
- 5. Investigate the possibility of increasing Council's funding commitment through borrowings or other relevant sources, should the Federal Government be unable to completely cover the estimated funding gap.**
- 6. Request the General Manager to bring a further Ocean Drive Duplication Project update report to the August 2020 meeting of Council detailing the outcomes of any discussion with the Federal Government regarding additional funding support.**

### **Executive Summary**

The Ocean Drive Duplication Project is a key project that was initiated with a State Government Special Grant of \$10Million following an election commitment from the 2011 State Election.

As Ocean Drive is a Regional Road, Transport for NSW (TfNSW) and Council have partnered via a joint Steering Group to develop and govern this project. All project decisions were overseen and managed by the joint Steering Group leading to all



preconstruction works, including environmental approvals, being completed in 2019 and therefore the project is substantially 'shovel ready' for construction.

A further \$50Million was allocated from the State Government following an election commitment from the 2019 State Election. This brought the total State Government funding contribution to \$60Million, which the State has confirmed is available for construction and is in addition to the approximately \$1.8Million already provided for the design and preconstruction works, including the completion of the Detailed Business Case. This was based off the 2017 design schedule of rates estimate of \$62.1Million and Council allocating up to \$5.5Million, bring the total available budget to \$65.5Million, however the funding commitment didn't include any escalation amounts to account for inflation or price increases due to delivery in future years. The total project outturn cost with an escalation factor and accounting for \$2Million of design and preconstruction costs is \$73.2Million. This has therefore left an initial funding gap of \$7.7Million.

TfNSW reviewed the project in 2019 to see if it could be internally delivered by the Regional Maintenance Delivery section of TfNSW Northern Region and potentially close the initial funding gap. This review has unfortunately resulted in a construction cost estimate of between \$81Million and \$95Million, when they considered the construction approach they would apply to the job.

There is now a potential \$30Million funding gap risk that needs to be mitigated prior to calling construction tenders.

TfNSW has confirmed that the State Government's funding commitment is capped at \$60Million, that TfNSW is no longer interested in delivering this project and that any funding gap risk needs to be covered by Council.

Noting the significant funding gap risk, it is recommended that detailed discussion be held with the Federal Government regarding the potential for further funding for this project.

Should the Federal Government be unable to completely cover the estimated funding gap, Council should investigate the possibility of increasing the \$5.5Million commitment via borrowings or other relevant sources and determine what the impact is on the Long Term Financial Plan and the 2020/21 and 2021/22 Operational Plans.

### **Discussion**

The development of the Ocean Drive Upgrade project has been underway since Council received a \$10Million special grant from the State government following the 2011 State Election.

As Ocean Drive is a Classified Regional Road, a Joint Transport for NSW (TfNSW) and Council Steering Group was established in 2014 to oversee and govern the project. This Steering Group has overseen the detailed design and development for the upgrade with the detailed designs and associated cost estimates being completed in 2017 and environmental approvals being given in 2019. Consultancy firm SMEC Pty Ltd, who were the successful tenderer from the TfNSW pre-qualified design consultancy panel, completed the detailed designs.

The detailed design cost estimate, produced by a specialist Quantity Surveyor sub-consultant, was \$62.1Million in 2017 dollars. The detailed designs and associated cost estimate were reviewed by TfNSW and subsequently endorsed via the Joint Steering Group.

In late 2017 TfNSW stated that, having been involved in the Steering Group since the project inception they have confidence that the project is now effectively fully developed, including key preconstruction components such as detailed design, environmental assessment, community consultation and constructability. They also noted the funding gap between the original commitment and the project estimate of \$62.1Million.

In response to the funding gap, a Business Case was requested by TfNSW through the Steering Group in March 2018, to support the development of construction funding requests.

During the development of the Business Case, the total project outturn cost was highlighted as being \$73.2Million. The total outturn cost is the whole cost of a project at its completion and includes all costs already spent on design and development and accounts for inflation and price increases for delivery in future years, called escalation costs. The total outturn cost includes the \$62.1Million base 2017 estimate, \$2Million of design and preconstruction costs and \$9.1Million of escalation costs for delivery in 2021 - 2022, averaged at approximately 3% increase per year over 5 years (2017 to 2022).

In June 2018, Council resolved to allocate \$5.5Million towards this project as Council's commitment. A further \$50Million was allocated from the State Government following an election commitment from the March 2019 State Election. With Council's commitment, this brought the total project allocation to \$65.5Million. Unfortunately, the further funding commitment from the State Government was based on the 2017 detailed design estimate of \$62.1Million and not the total project outturn cost of \$73.2Million identified in the Business Case, which was known to TfNSW in late 2018 / early 2019 prior to the election. It should be noted that the State Government has confirmed that the full \$60Million is available for construction and is in addition to the approximately \$1.8Million already provided for the design and preconstruction works, including completion of the Business Case.

Noting the potential funding gap of \$7.7Million, TfNSW reviewed the project in 2019 to see if it could be internally delivered by the Regional Maintenance Delivery section of TfNSW Northern Region and potentially close the initial funding gap. This review has unfortunately resulted in a construction cost estimate of between \$81Million and \$95Million, when they considered the construction approach they would apply to the job.

While this estimate may be conservative, it is the most recent estimate for the project and is a detailed construction estimate, i.e the cost an experienced contractor would estimate to build the project.

This review has now increased the potential funding gap to just under \$30Million.

With this funding gap risk now known, additional funding is required prior to calling construction tenders, to mitigate the risk before the construction phase commences.

For any procurement process, such as Tendering, there needs to be a clear intention to proceed with the works. The Request for Tender process cannot be used as a cost estimating process using industry quotes. Contractors invest significant resources in producing tenders for large construction projects, with an expectation that there is a chance they will be awarded the project.

In April 2020 TfNSW confirmed that the State Government's commitment is capped at \$60Million, conditional on Council committing a minimum of \$5.5Million, with the funding being released on completion of the business case. They have also confirmed that Council will need to deliver the project and will be solely responsible for any project cost overruns. This TfNSW position differs to their initial intent of TfNSW delivering the project.

The final draft of the Business Case was submitted to TfNSW in June 2019. TfNSW comments on the draft were received in November 2019, however could not be addressed as the cost estimates review by TfNSW had not completed. In February 2020, the cost estimates were completed and the TfNSW comments on the Business Case began to be addressed. The final Business Case will be submitted to TfNSW by mid-June 2020.

Given the significant funding gap risk, confirmation that TfNSW will not deliver the project and the capped funding from the State Government, it is recommended that Council discuss this project with the Federal Government in order to secure the required funding. The impacts of COVID-19 currently present a great opportunity for a project of this scale to stimulate the economy for our region.

### **Options**

Council can resolve in line with the recommendation included in this report or resolve in some other manner.

### **Community Engagement and Internal Consultation**

There has been no external community engagement in relation to this report.

Internal consultation has taken place with the following:

- General Manager
- Director Infrastructure
- Group Manager Infrastructure Planning
- Group Manager Project Delivery

A Councillor briefing providing an update on the Ocean Drive Duplication Project was held on 22 April 2020. All Councillors with the exception of the Mayor were in attendance. A further briefing is scheduled on 14 May 2020 to brief the Mayor.

### **Planning and Policy Implications**

This project is not currently listed for delivery in the draft 2020/21 Operational Plan. The commencement of the construction phase in 2020/21 will have planning implications on other capital works projects as Project Delivery Group resources have been fully assigned to the current projects listed in the draft Plan. Should the

required funding be confirmed, a further report will be brought to a future Council meeting detailing the impacts on the works program of including the Ocean Drive Duplication Project.

**Financial and Economic Implications**

The delivery of this project has the potential to have significant positive economic implications for the region which, given the current economic situation caused by COVID-19 should be given strong consideration.

Should Council be unable to secure the required additional funding and still proceed with delivering the project there would be significant financial implications on the Long Term Financial Plan that would have to be analysed prior to any decision being made.

Should the Federal Government be unable to completely cover the estimated funding gap, Council should investigate the possibility of increasing the \$5.5Million commitment via borrowings or other relevant sources.

**Attachments**

Nil



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**Item: 13.03**

**Subject: LONG TERM ENERGY STRATEGY - SIX MONTHLY UPDATE**

**Presented by: Strategy and Growth, Jeffery Sharp**

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### **Alignment with Delivery Program**

4.7.1 Promote renewable energy outcomes within Council.

### **RECOMMENDATION**

**That Council note the update on the Long Term Energy Strategy implementation as provided in this report.**

### **Executive Summary**

In October 2017, Council adopted a Long Term Energy Strategy to responsibly plan for and manage its long term energy requirements. As part of the adoption of this strategy, Council resolved to “receive six monthly reports on progress towards implementing the Long Term Energy Strategy”.

The following brief covers Council’s progress for the reporting period of November 2019 to May 2020.

### **Discussion**

Council’s adopted Long Term Energy Strategy comprises 4 components:

1. Council will aim to source 100% of its electricity from renewable sources by 2027.
2. Council will aim to implement one or more mid-scale solar projects, when this technology becomes cost efficient to install and operate, in the medium to long term.
3. Council will continue to implement appropriate energy efficiency initiatives (including but not limited to more small-scale solar projects) in the short to medium term.
4. Council will report on progress via the annual Operational Plan, an annual report to Council, and periodically obtain strategic advice to inform the organisation of relevant advances in renewable energy technology.

At the last update in November 2019, Council resolved the following:

*That Council:*

1. *Note the update on the Long Term Energy Strategy implementation as provided in this report.*
2. *Consider the inclusion of suitably sized solar PV systems, potentially with battery storage, for both the Port Macquarie STP and Wauchope WTP system, in the 2020-2021 Operational Plan, as identified in previous*

- investigations undertaken by NSW Public Works on a number of Council sites.*
3. *Request the General Manager provide a report in July 2020 on suitable sites within the Port Macquarie-Hastings LGA, including indicative costings and benefits of a 25GWh per annum solar PV project to meet 100% of Council's current, and short term projected, electricity usage.*
  4. *Request the General Manager to continue to provide six-monthly update reports on the Long Term Energy Strategy, with the May 2020 report to include an update on implementing points 2 and 3 above, and the annual November reports to collate programs completed in the year, and electricity consumption and costs for that year and the previous year.*
  5. *Request the General Manager to identify appropriate funding sources to urgently seek strategic advice on renewable energy technology to suit Council's needs, and develop a solar procurement and project management plan.*
  6. *Request the General to provide a briefing to Councillors on the Long Term Energy Strategy and the impact on our community.*

In alignment with the Long Term Energy Strategy, staff have been working on both a strategic and an operational level in execution of the strategy.

The key national strategic elements of transition in the energy industry are identified by the Climate Council of Australia and are influential considerations for Council's implementation of renewable energy initiatives and targets. They include:

1. The inevitable retirement of Australia's ageing, unreliable and inefficient coal-fired power stations.
2. Dramatically falling costs for solar, wind and battery storage.
3. Rapidly changing consumer preferences.
4. Domestic gas prices due to expanded Liquefied Natural Gas exports linking Australian gas markets with international markets.
5. Action on climate change requiring an orderly transition from fossil fuelled power stations to zero emission renewable power sources

#### Strategic Execution

With respect to Point 3 of the November 2019 Council resolution and progressing towards a full update report in July 2020, Council staff have entertained representations from some power suppliers with regard to the possible suitability of sites within the LGA for solar farms and utility scale renewable energy generation.

The discussions with the suppliers will inform Council as to the suitability of its portfolio for a utility scale solar farm.

Some suppliers are anxious to protect their Intellectual Property in the investigation phase. Council will explore the market in a competitive approach that is performance based prior to considering agreements of exclusivity.

A number of operating models are available and can be negotiated to reflect the risk appetite and realistic benefits.



Staff have also met with providers of large scale generation on land outside of the Local Government Area (LGA), looking to form partnerships with Port Macquarie-Hastings Council and other LGA's to enable their projects to materialise.

#### Operational Execution

In relation to Point 2 of the November 2019 Council resolution, operational execution of the Long Term Energy Strategy includes the implementation of 30 energy efficiency projects and an additional 15 that have been identified for execution.

The implementation has included:

| OPERATIONAL EXECUTION OF THE LONG TERM ENERGY STRATEGY |   |              |                                |
|--|---|--------------|--------------------------------|
| NUMBER OF INSTALLATIONS                                | PROJECT TYPE  | KW           | NUMBER OF FUTURE INSTALLATIONS |
| 10   | LED Flood Lighting Projects to Sports Fields  | -            | 3                              |
| 10   | Variable Speed Drives Installed to Water Supply and Waste Water Services Motor Controls | -            | 4                              |
| 2  | LED Pedestrian Lighting Installations to Footpaths                                      | -            | 2                              |
| 2  | Solar Lighting Projects to Community Facilities   | -            | -                              |
| 6  | Council Owned and Operated Facilities   | 295          | -                              |
| -  | Operational Solar Projects  | 344.5        | 6                              |
| <b>30</b>  | <b>TOTALS</b>   | <b>639.5</b> | <b>15</b>                      |

The identified Operational Solar Projects are:

1. The Port Macquarie Sewage Treatment Plant at 172.5KW
2. The Wauchope Water Treatment Plant at 44KW
3. The Port Macquarie Reclaimed Water Treatment Plant at 33KW
4. Laurieton Pool at 50KW
5. Kendall Pool at 10KW
6. Wauchope Pool at 35KW

The Port Macquarie Sewage Treatment Plant and Wauchope Water Treatment Plant are presently having design review for feasibility and return on investment. They have been included in the Draft Operational Plan and are budgeted at a combined capital expense of \$130,000. The long term strategies of the sites commercially are one element of this review, to ensure alignment of strategic intent for the sites and the Long Term Energy Strategy.

An approach to market is being prepared to competitively cost and analyse the capability of consultants to advise on renewable energy technology to suit Council's needs. This scope will include the production of a solar procurement and solar

project management plan. The funding of the consultant is being explored in accordance with item 5 of the November 2019 Council resolution.

#### Key Strategic Considerations

As detailed, the operational and strategic elements of the Long Term Energy Strategy are both progressing well.

The strategic elements are seeking to deliver on Council's aim to source 100% of its electricity from renewable sources by 2027. The opportunities in utility scale solar generation will be central to achievement of this goal.

Australia has some of the highest average solar radiation per square metre of any continent in the world, some of the highest per capita uptake of residential rooftop solar, and world leading solar photovoltaic (PV) technology.

Given the continuing cost reductions in solar technology, key drivers now include the increasingly large number of corporates and local government authorities actively seeking to increase their use of renewable energy, creating a substantial demand for renewable energy solutions.

The strategic utility scale opportunities have the following elements for consideration:

1. Land tenure.
2. Renewable energy generation.
3. Renewable energy purchase and consumption.

More detail will be provided in the proposed July 2020 Ordinary Council Meeting report.

#### Update

The November 2019 Council report included the following table:

|                 | Financial Year |           |           |
|-----------------|----------------|-----------|-----------|
|                 | 2016/17        | 2017/18   | 2018/19   |
|                 | KW             |           |           |
| Street Lighting | 3,357,082      | 3,153,638 | 2,832,149 |
| Airport         | 274,634        | 276,864   | 253,235   |
| General Fund    | 4,228,493      | 3,843,915 | 5,688,104 |
| Sewer Fund      | 6,179,350      | 5,733,029 | 8,001,484 |
| Water Fund      | 6,068,453      | 5,963,031 | 5,821,139 |

The FY results to February 2020 are included in the table below. It is very difficult to accurately annualise the actual results due to the high number of variables across the energy portfolio. They include:

1. Frequency of accounts and payment terms.
2. The impact of environmental conditions.
3. The impact and timing of the operational solar projects delivery.
4. Material operational changes.
5. The impact of variable fixed cost increases and ratio of total account.

| Financial YTD February 2020 |           |              |           |             |
|-----------------------------|-----------|--------------|-----------|-------------|
|                             | KW        | Cost         | GST       | Total       |
| Street Lighting             | 1,783,760 | \$353,108    | \$35,311  | \$388,419   |
| Airport                     | 391,935   | \$93,077     | \$9,308   | \$102,386   |
| General Fund                | 2,616,606 | \$687,095    | \$68,710  | \$755,805   |
| Sewer Fund                  | 4,816,896 | \$1,153,508  | \$115,351 | \$1,268,859 |
| Water Fund                  | 3,458,079 | \$724,828.31 | \$72,483  | \$797,311   |

The tables do not contain all assets of Council at this time and further refinement of the data set will be undertaken for future update reports. In the last financial year, Council's operations used in excess of 22.5M KW of electricity.

It is clear that environmental conditions have a significant effect on usage across many of the operations, as do the operational solar projects program.

Some insights from the evolution of the data set include:

1. The Glasshouse has a large quantity of solar panels installed and yet has significant electricity charges. This is due in part to the fact that a lot of the use is of an evening in peak consumption periods and that the air conditioning is operated 100% of the time to keep optimum temperature and humidity conditions for the art in the gallery.
2. The airport energy costs have recently significantly increased due to the fact that the new terminal is now fully air-conditioned.
3. Water and Sewer are the leading energy consumption and cost group for Council's energy expense. There are significant benefits being realised by the strategy being used to operate in low demand, and therefore low cost periods for supply.

#### Existing Energy Supply Agreements

Council recently participated in a competitive tender process for energy supply that was conducted by Local Government Procurement (LGP) with 76 other Councils or NGOs for large sites and 62 other Councils or NGOs for small sites.

In September 2019, Council participated in the LGP process by approving the Maximum Price Acceptance Declaration (MPAD). The MPAD included minimum acceptable pricing. Council's acceptance of the MPAD, provided the LGP with approval to accept rates provided they did not exceed the rates specified in the MPAD. At the completion of the tender process, the LGP provided Councils with competitively sourced proposed contracts.

The executed contract commenced on 1 January 2020 for 36 months. A council report detailing this was presented to the March 2020 Council Meeting with the outcomes of this tender process, for information only.

#### **Options**

The report is an update of status.

**Community Engagement and Internal Consultation**

There are no Community Engagement or Consultation impacts that directly relate to this update report.

**Planning and Policy Implications**

Any future decisions made by Council in relation to the Long Term Energy Strategy initiatives and projects may have planning and policy implications. As these issues evolve they will be identified and reported to Council at the appropriate time.

**Financial and Economic Implications**

Any future decisions made by Council in relation to the Long Term Energy Strategy initiatives and projects may have financial and economic implications. As these issues evolve they will be identified and reported to Council at the appropriate time.

**Attachments**

Nil

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Item: 13.04

Subject: PLANNING PROPOSAL PP2017 - 4.1: LOT 516 DP1261705,  
CRESTWOOD DRIVE, PORT MACQUARIE

Presented by: Development and Environment, Melissa Watkins

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#### Alignment with Delivery Program

4.5.1 Carry out strategic planning to manage population growth and provide for co-ordinated urban development.

#### RECOMMENDATION

That Council:

1. Not support the Planning Proposal application in relation to Lot 516 DP 261705, Crestwood Drive, Port Macquarie, requesting a rezoning of the land from RU1 Primary Production to B1 Neighbourhood Centre for the following reasons:
  - a) The proposed Planning Proposal could result in a development that is unacceptable in terms of economic and environmental impact, specifically:
    - i) The request proposes development of land which would be inconsistent with Object (b) of the Environmental Planning and Assessment Act, 1979.
    - ii) The request for approximately 5000m2 of Neighbourhood Business zoned land at Crestwood is inconsistent with Council's Hierarchy of Business Centres as adopted in the Port Macquarie-Hastings Urban Growth Management Strategy 2017- 2036 and the subject land is not identified as a future Local Neighbourhood Centre;
    - iii) A commercial zoning of the land presents significant bushfire risk to life and property as a B1 Neighbourhood Centre zone would allow certain types of residential land uses, which Council is not able to prohibit.
  - b) The Planning Proposal is inconsistent with:
    - i) The North Coast Regional Plan 2036 Principles for urban growth, and Direction 6 Develop successful centres of employment (new commercial precincts, outside of centres, to maintain the strength of the local economy);
    - ii) Port Macquarie-Hastings Urban Growth Management Strategy 2017-2036 (UGMS) - Hierarchy of Business Centres;
    - iii) Ministerial Directions 1.1 Business and Industrial Zones; 4.4 Planning for Bushfire Protection; 5.10 Implementation of Regional Plans; and 6.3 Site Specific Provisions.
    - iv) The Planning Proposal does not demonstrate strategic and site-specific merit in accordance with the Strategic Merit Test outlined in the Department of Planning & Environment's A Guide to preparing planning proposals.



- v) The Planning Proposal Application is inconsistent with Council's Planning Proposal Policy as it is a proposal which is:
    - Inconsistent with the UGMS, and Council's established Hierarchy of Business Centres;
    - Conflicts with Council's economic development objectives for employment and industry.
- 2. Prepare a Planning Proposal to rezone land as shown in Figure 1 of this report, pursuant to section 3.33 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 Lot 516 DP1261705 (private), Lot 497 DP1237901 (Council owned and managed), and Lot 319 DP1214443 (Council owned and managed) at Crestwood to:
  - a) Amend the Land Zoning Map to rezone:
    - i) Lot 516 from RU1 Primary Production to RE2 Private Recreation to facilitate recreation and tourism uses;
    - ii) Lot 497 from part R1 General Residential and part RU1 Primary Production to RE1 Public Recreation to reflect the community and recreational use of the land;
    - iii) Lot 319 from part R1 General Residential to SP2 Infrastructure (Stormwater) to reflect Council's operational use of the land;
    - iv) Amend the Height of Building Map in relation to Lot 516 to impose a maximum Height of Building of 8.5m;  
Amend the Floor Space Ratio Map in relation to Lot 516 to impose a maximum Floor Space Ratio of 0.65:1.
- 3. Forward the Planning Proposal described in point 2 above to the NSW Department of Planning, Industry and Environment for a Gateway Determination under Section 3.34 of the *Environmental Planning & Assessment Act 1979*, and request that the Gateway Determination authorise Council to be the local plan-making authority.
- 4. Delegate authority to the Director Development and Environment to make any minor amendments to the Planning Proposal as a result of the issue of the Gateway Determination, prior to public exhibition of the Planning Proposal.

### Executive Summary

The purpose of this report is to consider a Planning Proposal request (PP2017 - 4.1) from Land Dynamics Australia to rezone Lot 516 DP1261705, Crestwood Drive, Port Macquarie, and provide the outcomes of an assessment of the request.

The request, as amended by the Proponent in February 2020, seeks to rezone Lot 516 from RU1 Primary Production under *Port Macquarie-Hastings Local Environmental Plan (LEP) 2011*, to B1 Neighbourhood Centre. The request states the proponent's intended development outcome is to:

- 1. "facilitate business development on the site;
- 2. allow development of complementary land uses such as a café, restaurant, and neighbourhood shops to support the residents of the surrounding residential estate;
- 3. promote the health and wellbeing of the community".

The current zoning of Lot 516 is *RU1 Primary Production*. The property is within a designated bushfire area (NSW Rural Fire Service).

Proponents for the landholder initiated discussions with Council staff in relation to rezoning Lot 516 for residential purposes in August 2015. Council resolved to include investigations into a change of land use in relation to Lot 516 in March 2018, following resolution of other residue land at Crestwood through an Administrative LEP amendment process in 2017-18.

The Planning Proposal request was lodged in December 2018 and initially proposed to rezone the site to R1 General Residential. Assessment of the information raised significant concerns in relation to the proposed residential use of the site having regard for the designated bushfire hazard, and the Proponent's intention to use Council owned land and National Park estate for the purpose of asset protection zones for development of the land.

The National Parks and Wildlife Service confirmed to the Proponent that it will not accept the use of National Park estate for asset protection purposes for private development. Similarly, it is Council policy to not accept any Asset Protection Zone (APZ) burden or responsibility for residential development over publicly owned land.

The request has been subsequently amended on two occasions in response to the concerns around management of bushfire risk, including the need for on-site containment of APZs for any proposed residential development of the site. In response, the revisions to the request have sought to obtain a commercial development outcome for the site:

1. August 2019: B2 Local Centre;
2. February 2020: B1 Neighbourhood Centre, with covenants restricting residential outcomes in the proposed zone.

Key to the identification of a suitable zoning for the site is the management of bushfire risk and maintenance of the hierarchy of business centres. A business zoning of the site is not supported as this is inconsistent with Council's adopted Hierarchy of Business Centres within the *Urban Growth Management Strategy 2017-2036*, and certain types of residential development are mandated as permissible in the B1 and B2 business zones, such as boarding houses, shop top housing and hostels. Any type of future residential development of the site is not supported by Council on the basis that residential development will require the use of publicly owned land for bushfire asset protection as APZs for such development, and are unable to be contained wholly within the boundaries of the subject land.

The report recommends that Council not support the Proponent's Planning Proposal request for a commercial zoning of the site. However, it is recommended that Council support a variation to the proponent's request and prepare a Planning Proposal to rezone the site to RE2 Private Recreation. This would deliver a development outcome for the proponent in terms of limited retail development on the site, such as cafes, kiosks and takeaway food and drink premises. The proposed zone variation is shown in Figure 1.

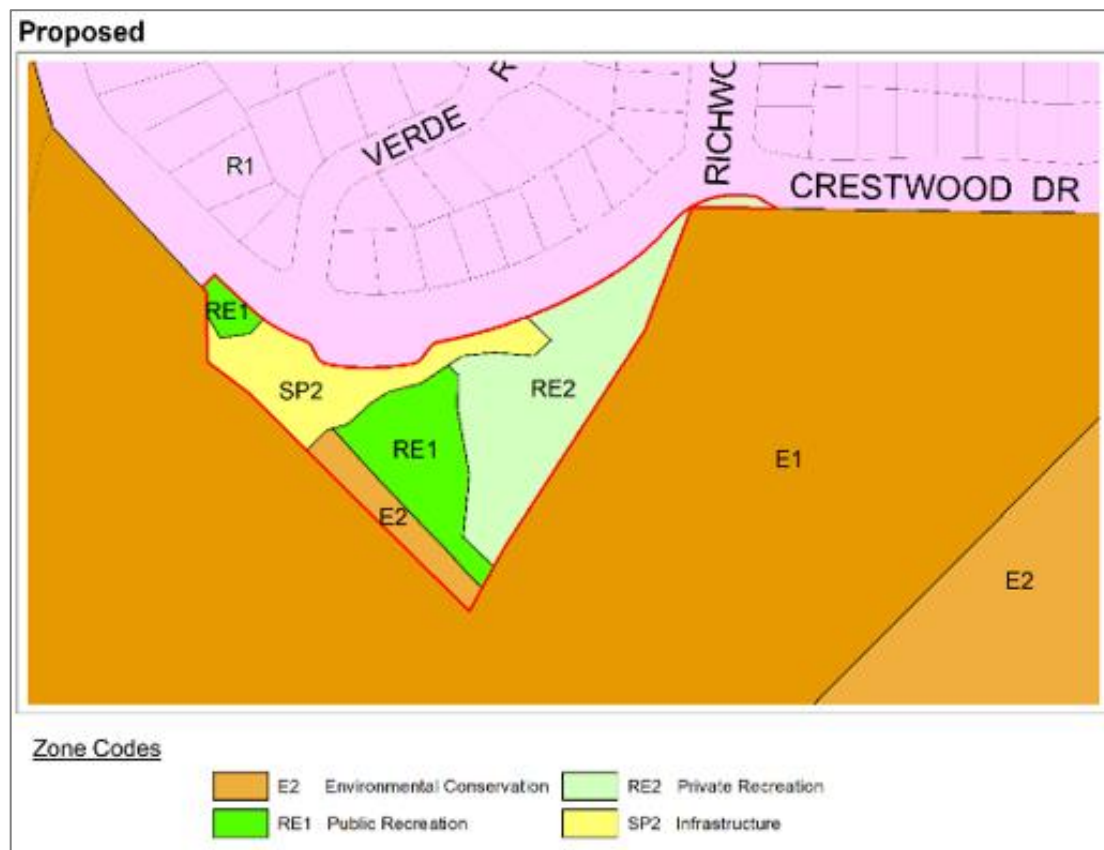


Figure 1: Recommended Zone Layout

The report also recommends that additional land adjoining the site be incorporated within the Planning Proposal. This land is Council owned and managed, however is currently zoned Part RU1 Primary Production (Lot 497 DP1237901) and Part R1 General Residential (Lot 319 DP1214443, and Part Lot 497 DP1237901), which are not appropriate land use zones having regard to their function as playground (Community land) and Stormwater Management (Operational land) under the *Local Government Act, 1993*.

### Background

There have been a number of update reports presented to Council in relation to the status of all Site Specific Planning Proposal requests, most recently at the Ordinary Council meeting on 11 December 2019 (Item 13.10). At this meeting Council noted that a large amount of work had been undertaken by Council staff in relation to the request for Crestwood Drive, which remained in the same Status Category for a range of reasons including the Proponent lodging additional information requiring internal referral and review, and negotiations around key issues.

In November 2019 Council staff advised the Proponent that a commercial zoning of the site presented a range of planning inconsistencies:

- Conflicts with Council's adopted Hierarchy of Business Centres in the UGMS 2017-2036. The land is not identified as an existing or future location for a business centre in the Port Macquarie LGA and is not considered suitable for a commercial zoning;

- Conflicts with NSW Government strategic principles for Planning for Bushfire Protection (2019). The shape and location of the site make it vulnerable to significant bushfire hazard and risk. Additionally, Council staff have identified that in-perpetuity asset protection zones (APZs) for any residential development on the site are unable to be wholly contained on site due to the irregular shape of the land, and as required under *NSW Rural Fire Service Planning for Bushfire Protection 2019*.
- A commercial zoning of the land presents significant bushfire risks to life and property in this location, as a B1 Neighbourhood Centre or B2 Local Centre zone allows certain types of residential uses which Council is not able to prohibit.

In negotiations with the Proponent in late 2019, Council staff suggested an alternative pathway for a potential future zoning of the land to zone *E3 Environmental Management* to provide opportunity for a single residential dwelling, or zone *RE2 Private Recreation* to provide for some small scale activity such as a kiosk, restaurant or café on the site.

In February 2020, the proponent submitted an amended Planning Proposal request. The amended request opted against Council staff advice, and has requested a B1 Neighbourhood Centre zoning of the land.

### The Site

The subject land comprises un-subdivided rural residue land at the southern extension of Crestwood Drive, Port Macquarie.

The land has a site area of around 5,027m<sup>2</sup> and is irregular in shape, with direct frontage to Crestwood Drive. It is legally described as Lot 516 DP 1261705. Progressive filling and levelling over the course of the Crestwood development has achieved a generally level site at RL5:0m - RL5.3m with steep batters to the adjoining wetland and reserve areas.

The Site is adjoined by National Park estate to the east as shown in Figure 2 and Council owned land for open space and stormwater management to the north and west. Figure 2 below shows the extent of land included in the Proponent's Planning Proposal Application, and adjoining Council land and National Park Estate zoned E1 (National Parks and Nature Reserves).





Figure 2: Extent of land included in the Proponent's Planning Proposal request (outlined yellow).

Council records show that the subject land shown above was not included in the original zoning of the land for residential subdivision due to its low lying, and flood prone nature. The zoning file shows that the extent of the residential zone at the time was based on the 3m contour level, the residue area being significantly below this level prior to filling.





*Figure 3: Location photo, overlooking the site (mid centre, and overgrown), in the context of surrounding nature reserve, playground and housing.*

The site is located approximately within a 1.4 - 4km radius of other local business centres such as Tacking Point Shopping Centre, Shelly Beach Store, and Waniora and Greenmeadows Drive local centres.

The site is zoned RU1 Primary Production under the *Port Macquarie-Hastings Local Environmental Plan 2011* with a minimum lot size for subdivision of 40 hectares.

#### **Proponent's Amended Planning Proposal Application, 19 February 2020**

An amended Planning Proposal request and associated documentation was received on 19 February 2020 (**Attachment 1**). The revised Planning Proposal requests a rezoning of the land to B1 Neighbourhood Centre.

Included in the amended Planning Proposal are:

1. Pre-lodgement Notes
2. Proposed Rezoning Plan
3. Indicative Open Space Management Plan
4. Services Plan
5. Indicative Buffer Plan
6. Aboriginal Cultural Assessment
7. Bushfire Assessment
8. Indicative Commercial Site Plan
9. Initial Business Demand Supply Review
10. Cover Letter

The submission contends that there is local community support for *“a low scale business centre with facilities for the local community to assist with their day-to-day needs, provide a social meeting space through cafes, amenities including drinking fountains, toilets and shade areas”*.

Also, that *“this parcel of land is residue and has the opportunity to be the central hub of the estate. The rural zoning of the site is unsuitable and there is need for a suitable infill development which has a benefit to the landowner and the community, rather than leaving an overgrown residue piece of land in a prominent location, frequented by not only residents but also visitors to the area”*.

#### Intended Development Outcome

The Planning Proposal Application seeks to rezone the subject land from RU1 Primary Production to zone B1 Neighbourhood Centre. The objectives of the B1 zone are to:

- *Provide for a range of small-scale retail, business and community uses that serve the needs of people who live or work in the surrounding neighbourhood.*
- *Ensure that new developments make a positive contribution to the streetscape and contribute to a safe public environment.*
- *Provide a focal point for the neighbourhood community.*

Refer Figure 4 for the Proponent's requested zoning plan.



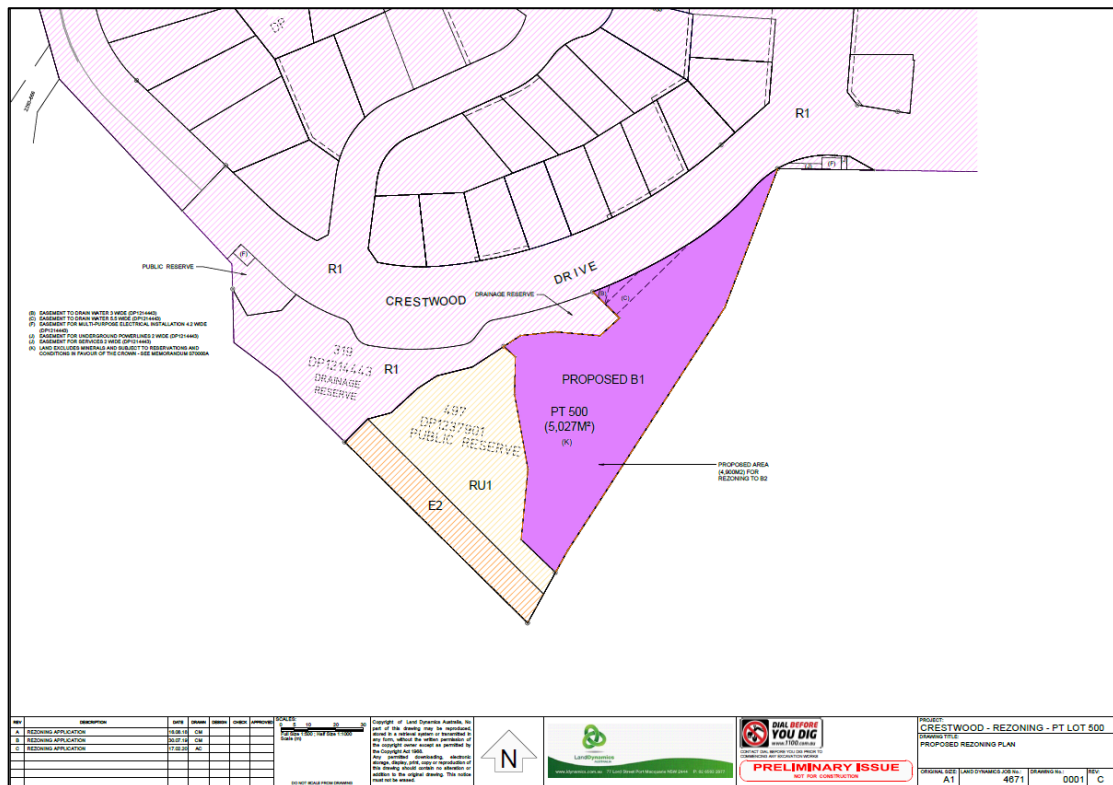


Figure 4: The Proponent's intended zone plan.

The Proponent has advised that the key objectives of the amended Planning Proposal are to:

*“Achieve business development of the site, complementary to the surrounding area and land uses, whilst having regard to the irregular shape and constraints of the site”.*

*“Enable the residue rurally zoned land, which is not required by Council for open space purposes, to be developed for commercial purposes, specifically a Neighbourhood Centre to complement the residential estate of Crestwood and provide supporting services for the residents such as a café, restaurant, doctor and neighbourhood shops”.*

*“To promote the health and wellbeing of the community”.*

Refer Figure 5 for the Proponent's indicative development concept for the site.

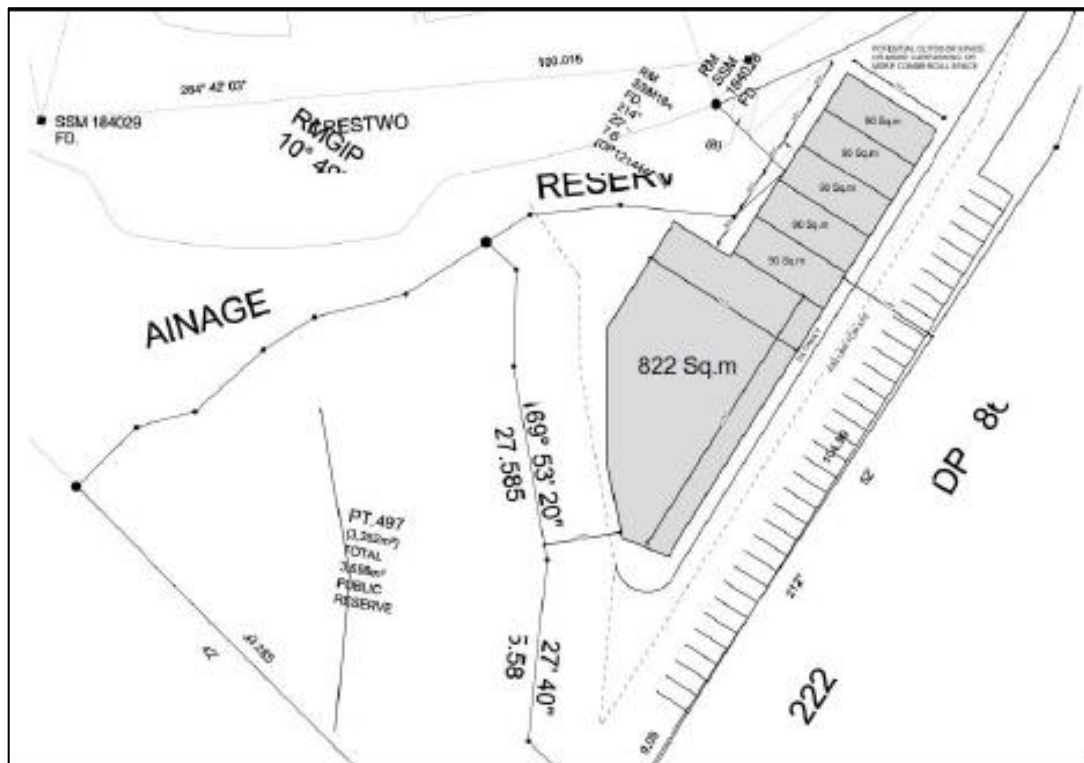


Figure 5: Proponent's Indicative Site Plan for Commercial Purposes (Source: Collins W Collins)

The Proponent has advised that if the land is rezoned, the site has the opportunity to be the central hub of the Crestwood estate. The Proponent considers that the rural zoning of the site is unsuitable, and there is need for a suitable infill development which has a benefit to the landowner and the community, rather than leaving an overgrown residue piece of land in a prominent location, frequented by residents and visitors to the area.

Following the formal lodgement of the Planning Proposal in December 2018, and payment of fees in January 2019, a number of referral and reviews of proponent information have occurred and meetings have been held between the Proponent, land owner representatives and Council staff to discuss key concerns. The most recent meeting was on 4 December 2019. An amended Planning Proposal was received from the Proponent on 19 February 2020.

In their amended planning proposal request, the Proponent notes that,

*"We have amended our Planning Proposal request to seek a commercial zoning over the entire site to B1 Neighbourhood Centre.*

*We have taken on board the discussion and the issues and we are aware that the key principal issue with the previously proposed residential zone, and the current proposed business zone, relates to bushfire. It is clear from the discussions with Council's Bushfire Officer that residential use of the land cannot be achieved due to bushfire constraints. Therefore, allowing a residential land use in the B1 zone such as shop top housing would not be able to be achieved due to bushfire constraints, despite the zoning.*

*“Whilst bushfire would prevent specific land uses at the Development Application stage when a full assessment of a specific land use is known and able to be undertaken, the landowner is proposing to be proactive and place a restriction on the title which prohibits residential use of the site. Council would be the responsible authority to control any variation to this restriction, which is not anticipated to occur”.*

Staff have consistently outlined their concerns around introduction of any new commercial zones within the Port Macquarie area, as well as bushfire and permissible use limitations.

Importantly, Council's adopted hierarchy of business centres does not support a new business zone in this location, including a neighbourhood business zone as proposed in the Proponent's revised submission (February 2020), and the use of a restriction-to-user on the title to the land to disallow a permissible (mandated) residential use in zone B1 Neighbourhood Centre as suggested is inappropriate. The Proponent has further suggested addition of a local clause in Port Macquarie-Hastings LEP 2011, to prohibit residential accommodation, including shop top housing on the subject land.

The inclusion in the LEP of such a provision cannot be supported because it would effectively create a sub zone prohibition, which is unlikely to be supported by the NSW Parliamentary Counsel's Office.

Council staff have been working with the Proponent and land owner over a period of time to determine an acceptable development outcome for the site, suggesting an RE2 Private Recreation zone, as a more appropriate zone having regard for its location, and their expressed objective for some small-scale commercial outcome on the site.

Notwithstanding this advice, the revised Planning Proposal request maintains the landholder's original objective to achieve a full business/commercial outcome for the site.

### **Existing planning strategies and controls**

Relevant legislative requirements are:

#### **1. Environmental Planning and Assessment Act, 1979**

*Part 1.3 Objects of the Act.* The relevant objectives of the Act are:

- (b) *‘to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment’;*
- (c) *‘to promote the orderly and economic use and development of land’.*

*Part 3: Planning Instruments.* This part sets out the legal requirements for preparing and making of environmental planning instruments, including amending local environmental plans (LEPs).

#### **2. State Environmental Planning Policies**



Of relevance to the Planning Proposal are:

- *SEPP No. 36 Manufactured Housing Estate.*

The SEPP aims to facilitate manufactured housing on certain land on which caravan parks are permitted as a contemporary form of medium density housing.

An assessment of the planning proposal request against the requirements of the *Policy* is provided in the Assessment section of the report.

- *SEPP (Coastal Management) 2018.*

The aim of this Policy is to promote an integrated and co-ordinated approach to land use planning in the coastal zone. *Clause 10 Development on certain land within coastal wetlands*, and *Clause 11 Development on land in proximity to coastal wetlands* of the policy are relevant to the proposal.

An assessment of the planning proposal request against the requirements of the *Policy* is provided in the Assessment section of the report.

- *SEPP 55 Remediation of Land*

This policy specifies that the consent authority must not consent to the carrying out of any development unless it has considered whether the land on which the development is proposed is contaminated and/or is required to be remediated for its intended use.

An assessment of the planning proposal request against the requirements of the *Policy* is provided in the Assessment section of the report.

There are no inconsistencies with the SEPPs with the Planning Proposal. Refer **Attachment 2** of the report for an assessment of the consistency of the Planning Proposal against relevant State Environmental Planning Policies (SEPPS).

3. Policy Directions for Plan Making - Ministerial Directions under Section 9.1 (EP&A Act, 1979)

All council's must follow certain directions when preparing planning proposals for new and amending LEPs. Relevant applicable Directions are:

- 1.1 Business and Industrial Zones
- 1.2 Rural Zones
- 2.2 Coastal Management
- 2.6 Remediation of Contaminated Land
- 4.4 Planning for Bushfire Protection
- 5.10 Implementation of Regional Plans

The Planning Proposal is inconsistent with a number of Ministerial Directions. Refer **Attachment 3** of the report for an assessment of consistency of the Planning Proposal against relevant Ministerial Directions.

**4. NSW Rural Fire Service Planning for Bushfire Protection (PBP) (2019)**

PBP identifies best practice for developing in bush fire prone areas. NSW planning law requires all new development on bush fire prone land to be done in accordance with PBP.

A review has been conducted of Planning for Bush Fire Protection 2019 and included in the Assessment section of the report.

**5. North Coast Regional Plan 2036**

This plan encompasses a vision, goals and actions to deliver greater prosperity for living, working and visiting the region. All levels of government are required to cooperate to deliver the plan to deliver on-ground outcomes. Council is required to ensure compliance with the plan prior to preparing a planning proposal to rezone land.

Relevant Directions are:

- Direction 1: Deliver environmentally sustainable growth
- Direction 6: Develop successful centres of employment.
- Direction 7: Coordinate the growth of Regional Cities.
- Direction 8: Promote the growth of Tourism

Relevant Planning Principles for guiding growth on the North Coast are:

- Principle 1: Direct growth to identified urban growth areas i.e. within the UGA.
- Principle 2: Manage the Sensitive Coastal Strip
- Principle 3: Provide great places to live and work in a unique environment.

Relevant map layers are:

- Coastal Strip
- Urban Growth Area (UGA) boundary

An assessment of the Planning Proposal request against the requirements of the *North Coast Regional Plan 2036* is provided in the Assessment section of the report.

**6. Port Macquarie-Hastings Urban Growth Management Strategy 2036**

The *Port Macquarie-Hastings Urban Growth Management Strategy 2036* has been endorsed by the NSW State Government (November 2018).

The strategy aims to achieve well planned growth in the right places, to create a more diverse and prosperous economy and maintain a healthy environment and great places to live.

Further detail, including an assessment of the planning proposal request against the requirements of the *Strategy* is provided in the Assessment section of the report.

**7. Port Macquarie-Hastings Local Environmental Plan 2011**

The plan sets out the local environmental planning provisions for land in Port Macquarie-Hastings in accordance with the relevant standard environmental planning instrument under section 33A of the Act.

The land is currently zoned RU1 Primary Production. Relevant LEP development standards and controls are discussed in the Assessment section of the report.

### Planning Proposal Assessment

Council, as the Planning Proposal Authority under the NSW *Environmental Planning and Assessment Act 1979* is responsible for assessing and preparing planning proposals which seek to amend the local environmental planning instrument (LEP).

Consistent with state and local government guidelines, the progression of the Planning Proposal for the subject land is reliant on Council's assessment and determination of the strategic and site specific merit of the Planning Proposal. This assessment is based on the Department's '*A guide to preparing planning proposals*' and Council's *Planning Proposal Policy (2019)*.

The following assessment is based on the Proponent's amended request submitted 19 February 2020.

#### **A. Does the proposal have strategic merit?**

##### *1. Will it give effect to the North Coast Regional Plan 2036?*

The North Coast Regional Plan 2036 identifies three (3) Principles for guiding growth on the North Coast.

##### Principle 1: Direct Growth to identified Urban Growth Areas (UGA).

*To achieve a balance between urban expansion and conservation of natural and environmental assets, the regional plan identifies the limits to urban growth for each local government area. The UGAs help to maintain the distinctive character of our local communities; direct growth away from significant farmland and sensitive ecosystems, and enable efficient planning for infrastructure and services.*

#### **Comment:**

Lot 516 is not located within the Urban Growth Area for Port Macquarie-Hastings. Importantly, it was omitted from the original conversion of the Crestwood area from rural to urban due to its low lying nature, irregular position extending into the Lake Innes Nature Reserve, and suitability for stormwater detention. The landholder also sought & received staged relief from developer contributions for open space by dedicating land for open space and establishing a playground (which adjoins Lot 516 to the west).

The extent of stormwater and open space dedication is shown in Figure 6.





Figure 6: Nearmap 2019 image of the vacant residue site (right of centre), and Council playground and drainage reserve (left and centre)).

The Proponent has undertaken an assessment against the Urban Growth Area Variation Principles in the Regional Plan as required by the NSW government. The Proponent's view is that the request is reasonable having regard for the variation principles and complimentary to adjoining residential development.

Council staff agree that the Proponent's assessment is able to demonstrate some consistency with the relevant criteria. However, Council staff do not agree that all UGA Principles are satisfied. Particular inconsistencies include:

UGA Principle 1 - The intent of the *North Coast Regional Plan 2036* in relation to new commercial precincts outside of centres. The regional plan provides that any proposed new commercial precincts, outside of centres, will be of an appropriate size and scale relative to the area they will be servicing. They should demonstrate how they will deliver positive social and economic benefits for the wider community and maintain the strength of the regional economy. Proposals for new commercial centres will need to demonstrate how they respond to retail supply and demand; respond to innovations in the retail sector; maximise the use of existing infrastructure (including public transport and community facilities) commensurate with the scale of the proposal; and enhance the value of the public realm.

The proponent has provided an "*Initial Business Supply and Demand Review*" (prepared by Land Dynamics Pty Ltd) to support their amended rezoning. The Review contends that there is un-serviced area west of Ocean Drive in the Southern portion of Port Macquarie, and that a new proposed B1 Neighbourhood Centre zone at Crestwood would not be in competition with the Port Macquarie CBD or other local centres given the level of growth in the area.

The Proponent has marked up an extract of Council's UGMS Retail Hierarchy and Business Centres Map, refer Figure 7, suggesting that "*the site varies from the main*

centre of Port Macquarie, and due to the size, location and likely nature, is not in competition". It is also contended that rezoning to neighbourhood business is proposed to fill a gap in Council's Hierarchy of Business Centres in the southern Port Macquarie area.

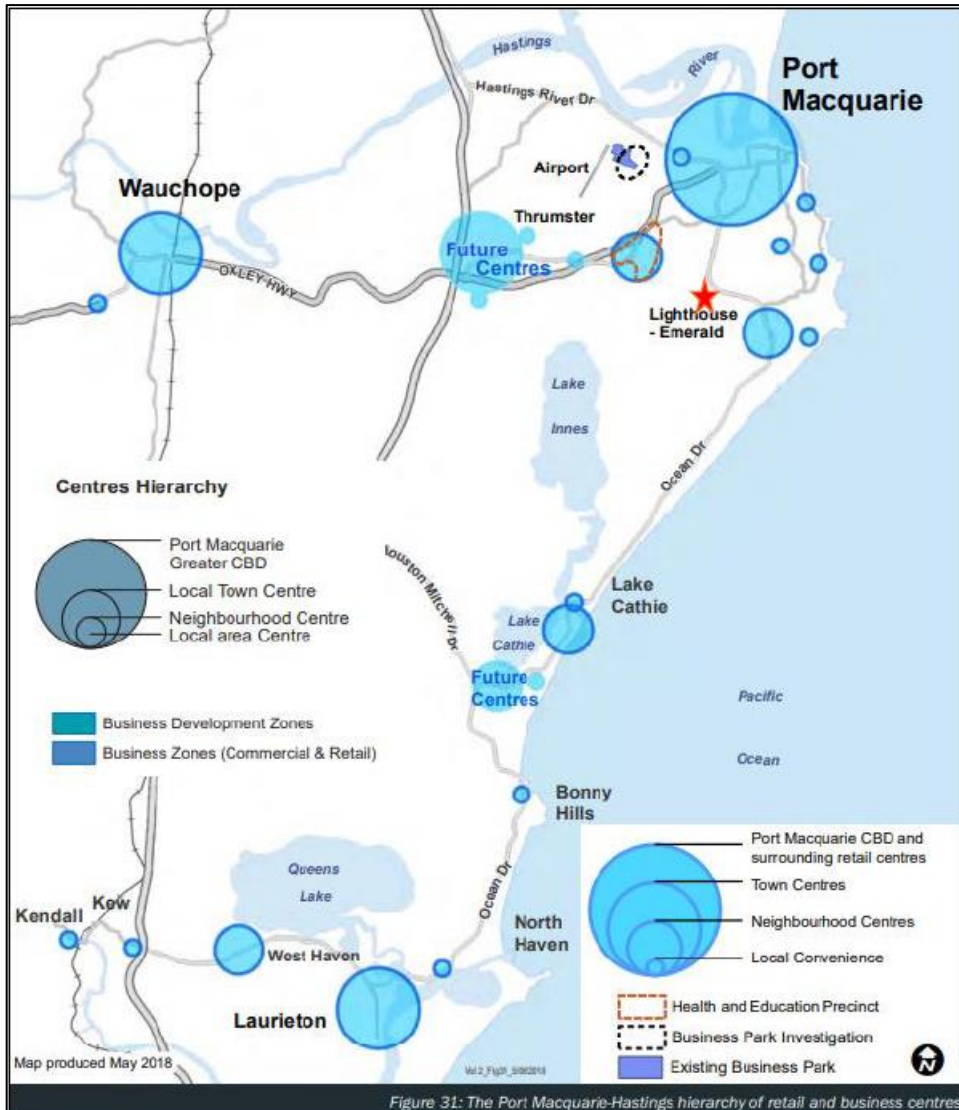


Figure 1 – Extract UGMS Retail Hierarchy and Business Centres Figure 31 (source: [www.pmhc.nsw.gov.au](http://www.pmhc.nsw.gov.au))

Figure 7: Extract from Proponent's Business Supply and Demand Review.

However, it is not accepted that there are compelling reasons for a new middle-sized, out-of-centre, business zone at Crestwood, or that the area is experiencing significant increases in population and real income, as stated by the Proponent, sufficient to justify introducing a new retail centre in competition with existing centres. The area is low density in character and well serviced by both small and larger retail offers at Tacking Point, Lighthouse Plaza, Shelly Beach and Flynn's Beach.

Staff have suggested zone RE2 Private Recreation to the Proponent as a more appropriate zone for the site having regard for the constraints to residential development and the low density amenity of the adjoining residential area. A private recreation zone also offers opportunities for a commercial outcome on the site,



satisfying the landholder's expectations for small scale food and drink premises and access to high quality walking and cycling trails and the natural environment of the Lake Innes Nature Reserve.

Principle 2: Manage the Sensitive Coastal Strip.

*The coastal strip (or Zone) comprises land east of the Pacific Highway. The area is ecologically diverse, with wetlands, estuaries, significant farmland and areas of local, state and National significance. The area is also exposed to natural hazards and risks such as flooding, coastal inundation, erosion and recession. To safeguard the strip, the regional plan limits development in this area, and only minor and contiguous variations to the boundary will be considered by the State government.*

**Comment:**

Lot 516 and the adjoining Council owned land are located within the Coastal Strip as defined in the Regional Plan. The area is also outside the UGA. However, a minor variation to the growth area boundary is supported in this location on the basis that updating planning controls as recommended in the report is consistent with vision and guiding principles in the Regional Plan.

Principle 3: Provide Great Places to Live and Work in a Unique Environment.

*The regional plan emphasises the need for cities and centres to be the focus for housing diversity, jobs and activities to reduce pressure on the environment and maximise the advantages of the North Coast's unique environment.*

**Comment:**

As noted above, Council's adopted UGMS Centres Hierarchy does not support a neighbourhood centre in this location. This is consistent with Direction 6 of the Regional Plan, which provides that proposed new commercial precincts, outside of centres, will be:

- of an appropriate size and scale relative to the area they will be servicing;
- deliver positive social and economic benefits for the wider community and maintain the strength of the regional economy;
- respond to retail supply and demand;
- respond to innovations in the retail sector;
- maximise the use of existing infrastructure (including public transport and community facilities) commensurate with the scale of the proposal; and
- enhance the value of the public realm.

For the reasons expressed above in relation to Principles 1 and 3 (or under the Variation Principles assessment), Council staff have concerns about the impact on Council's adopted retail hierarchy, of a proposed 5000sqm local centre in this location. However, a potential rezoning of the site to RE2 Private Recreation will provide the proponent with small scale retail and nature-based development opportunities in keeping with the low density residential nature of the area, its proximity to the national park, and access to passive recreational opportunities.

2. Will it give effect to a relevant local strategic planning statement/strategy that has been endorsed by the department (i.e. Port Macquarie-Hastings Urban Growth Management Strategy 2017-2036)?

There is no Local Strategic Planning Statement (LSPS) for Port Macquarie-Hastings currently. As detailed above the proposal is inconsistent with the endorsed local growth management strategy for Port Macquarie-Hastings UGMS 2017-2036.

Council's policy in the UGMS is to promote a clear hierarchy of centres, ranging from the Port Macquarie CBD and Settlement City to local neighbourhood centres. The aim is to ensure each centre is centrally located to service its catchment population. Analysis undertaken for the UGMS confirms that current and planned centres are well placed to accommodate forecast growth in retail and commercial, with the right amount of zoned land to 2036. In summary, there is scope within Council's adopted and planned Hierarchy of Centres as outlined in the UGMS to accommodate forecast growth to 2036. A new, out of centre, retail and commercial area at Crestwood is therefore unable to be supported.

**B. Does the proposal have site-specific merit, having regard to the following?**

1. *The natural environment (including known significant environmental values, resources or hazards)*

The site is within a designated bushfire prone area, and vulnerable to bushfire hazard and risk. Future development of the site will be required to comply with Planning for Bushfire Protection 2019.

As detailed elsewhere in the report, the site is uniquely located to complement the adjoining national park, and expand passive tourist and recreational opportunities for the developer and landholder.

2. *The existing uses, approved uses, and likely future uses of land in the vicinity of the proposal*

The site is currently vacant rural zoned land in private ownership.

It is agreed that the current zoning is unsuitable given its size, and location within the established residential locality of Crestwood. Council staff have worked with the Proponent to achieve a development outcome for the site. However, the landholder's objective for a neighbourhood business and commercial zone is difficult to justify from a strategic and site specific merit perspective, and is not supported.

Instead, staff have suggested Zone *RE2 Private Recreation*, which is intended to accommodate a wide range of recreational opportunities and facilities, is considered to be particularly complementary to the sites unique location, and prospect for passive nature based recreation and tourism.

The RE2 Private Recreation zone would open up a range of potential commercial development opportunities to the landholder, with permitted land uses as follows:

*Building identification signs; Business identification signs; Camping grounds; Caravan parks; Centre-based child care facilities; Community facilities; Emergency services facilities; Environmental facilities; Environmental protection works; Information and education facilities; Kiosks; Recreation areas; Recreation facilities (indoor); Recreation facilities (major); Recreation*

*facilities (outdoor); Registered clubs; Respite day care centres; Restaurants or cafes; and Take away food and drink premises.*

Residential development of any type is prohibited in the zone.

3. *The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision*

The site is readily accessed and serviced by existing infrastructure in Crestwood. The site is accessed via Crestwood Drive Sewerage and Water Supply is available to the site.

Stormwater drainage: Lot 516 adjoins Council owned and managed drainage reserve (Lot 319 DP1214443) to the west, dedicated as part of the Crestwood residential development. The reserve drains the eastern and southern slopes of the larger Crestwood estate; from Ocean Drive in the north-east to Richwood Ridge, Verde RTT and Crestwood Drive (south).

Asset Protection Zone (APZ): The proponent's request as submitted and subsequently amended, intends that the NPWS reserve and adjoining playground area (Council owned) will form the substantial basis for any future APZ for bushfire purposes required at the time of development of the land in question.

Council staff have confirmed to the proponent and landholder that consistent with Council policy, it will not accept any APZ burden or responsibility for residential development over publicly owned land. This has been discussed in length with the proponent, and is key to recommendations in relation to a suitable zoning for the site. Importantly, any type of future residential development of the site will not be supported by Council on the basis that residential development of the site will necessarily require the use of publicly owned land for bushfire asset protection. In summary APZs for any proposed residential development of the site cannot be contained wholly within the boundaries of the site.

**C. Is the planning proposal consistent with applicable State Environmental Planning Policies (SEPPs)?**

State Environmental Planning Policies relevant to the Planning Proposal request are:

- SEPP No. 36 Manufactured Housing Estate

The SEPP aims to facilitate manufactured housing on certain land on which caravan parks are permitted as a contemporary form of medium density housing.

A change of zone will affect permissibility of MHE development under the SEPP. If zoned to B1 Neighbourhood Centre, MHE development will not be permissible. If zoned to RE2 Private Recreation as proposed in the report, MHE development will be permitted with consent.

However, MHE development is unattainable on the site based on designated 'Special purpose development' requirements under NSW Rural Fire Service Guidelines. The

designation imposes additional APZ and mitigation requirements for vulnerable forms of development, which cannot be achieved on the site.

- SEPP (Coastal Management) 2018.

The aim of this Policy is to manage development in the coastal zone and protect the environmental assets of the coast. The subject land is identified as being located within the 'Coastal Zone', as the land is identified by the 'Coastal Wetlands and Littoral Rainforests Area Map' - 'Proximity Area for Coastal Wetlands'. The following controls, are relevant:

Division 1 – Coastal wetlands and littoral rainforests area

*Clause 10 – Development on certain land within coastal wetlands and littoral rainforests area.* The proposed development is not within a coastal wetland or littoral rainforest area and consequently the provisions of this clause are not applicable.

*Clause 11 – Development on land in proximity to coastal wetlands or littoral rainforest.* The site is located within proximity to land mapped as 'Coastal Wetlands'. An assessment of the impact in regard to the provisions of this Policy will be required at the time of future development of the land on the impact on: the biophysical, hydrological or ecological integrity of the adjacent wetland. Further, assessment of stormwater management will be necessary at the time of development of the site to assess the impact on the quantity and quality of surface and ground water flows to and from the adjacent coastal wetland.

- SEPP 55 Remediation of Land

This policy specifies that the consent authority must not consent to the carrying out of any development unless it has considered whether the land on which the development is proposed is contaminated and/or is required to be remediated for its intended use.

The site is not mapped as being subject to potential contamination from past land uses. The site has been filled and raised to a level consistent with the design level of Crestwood Drive. The rezoning proposal states that filling has occurred in association with subdivision works for the adjoining residential estate.

Preliminary geotechnical and contamination assessment reports will be required at the time of development applications for the land if rezoned.

A detailed assessment of consistency with the SEPPs is included at **Attachment 2**.

**D. Is the Planning Proposal request consistent with applicable Ministerial Directions?**

A detailed assessment of the consistency of this Planning Proposal with Ministerial Directions applying within the Port Macquarie-Hastings local government area is in **Attachment 3**.



There are some minor inconsistencies, which require the agreement of an authorised officer of the Department of Planning, Industry & Environment. The minor inconsistencies are:

- 1.1 Business and Industrial Zones.

The objective of the direction is to encourage employment growth in suitable locations, protect employment land, and support the viability of existing centres. The direction states that a planning proposal must:

- a) *give effect to the objectives of this direction,*
- b) *retain the areas and locations of existing business and industrial zones,*
- c) *not reduce the total potential floor space area for employment uses and related public services in business zones,*
- d) *not reduce the total potential floor space area for industrial uses in industrial zones, and*
- e) *ensure that proposed new employment areas are in accordance with a strategy that is approved by the Secretary of the Department of Planning and Environment.*

**Comment:** A proposed new *B1 Neighbourhood Centre* at Crestwood, is contrary to the UGMS, and therefore inconsistent with the Direction.

- 1.2 Rural Zones

The objective of this direction is to protect the agricultural production value of rural land. The direction states that a planning proposal must:

- a) *not rezone land from a rural zone to a residential, business, industrial, village or tourist zone.*
- b) *not contain provisions that will increase the permissible density of land within a rural zone (other than land within an existing town or village).*

A Planning Proposal may be inconsistent with this direction only if the relevant planning authority can satisfy the Secretary of the Department of Planning (or his delegate) that the provisions of the planning proposal that are inconsistent are in accordance with the relevant Regional Strategy or Sub-Regional Strategy prepared by the Department of Planning which gives consideration to the objective of this direction, or, in this case, of a minor nature.

**Comment:** In this case it is considered that an inconsistency is justified because the land is clearly isolated from larger areas of rural zoned land, is not used for rural purposes, and is inappropriate in the location as a rural residue.

- 1.5 Rural Lands

The objectives of the direction are to protect and assist in the management of rural lands and the agricultural potential of rural land; facilitate its orderly and economic use and development; and minimise land use conflict and fragmentation; and encourage sustainable land use practices. The direction applies to preparation of a planning proposal that will in this case affect rural land.



A Planning Proposal must be consistent with relevant strategic plans; consider the agricultural significance of the land affected by the planning proposal; consider the natural and physical constraints of the rural land in question; and promote and prioritise rural investment opportunities to support farmers; and prevent fragmentation of rural land. It must also demonstrate that it minimises rural land fragmentation and land use conflict.

**Comment:** The Planning Proposal is considered consistent having regard for the unsuitability of the current rural zoning of the site, its isolated location, and surrounding land use pattern.

- 2.2 Coastal Management

The objective of the direction is to protect and manage coastal areas of NSW. The proposal applies to planning proposal in relation to land that is within the coastal zone.

A planning proposal must not rezone land which would enable increased development or more intensive land-use on land:

- a) *within a coastal vulnerability area identified by the State Environmental Planning Policy (Coastal Management) 2018; or*
- b) *that has been identified as land affected by a current or future coastal hazard in a local environmental plan or development control plan, or a study or assessment undertaken:*
  - i. *by or on behalf of the relevant planning authority and the planning proposal authority, or*
  - ii. *by or on behalf of a public authority and provided to the relevant planning authority and the planning proposal authority.*

*Subclause 6 - A planning proposal must not rezone land which would enable increased development or more intensive land-use on land within a coastal wetlands and littoral rainforests area identified by the State Environmental Planning Policy (Coastal Management) 2018.*

A Planning Proposal may be inconsistent with this direction only if the relevant authority for the planning proposal can satisfy the Secretary of the Department of Planning and Environment that the provisions of the planning proposal that are inconsistent are justified by a strategy which gives consideration to the direction, or in accordance with an endorsed regional plan; or of minor significance.

**Comment:** In this case the inconsistency is considered minor having regard for the intended recreational use of the land.

- 2.6 Remediation of Contaminated Land

The objective of this direction is to reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered by planning proposal authorities.

The direction applies in this case to:

*Clause 2 [c] - the extent to which it is proposed to carry out development on it for residential, educational, recreational or childcare purposes, or for the purposes of a hospital – land:*

- i) in relation to which there is no knowledge (or incomplete knowledge) as to whether development for a purpose referred to in Table 1 to the contaminated land planning guidelines has been carried out, and*
- ii) (ii) on which it would have been lawful to carry out such development during any period in respect of which there is no knowledge (or incomplete knowledge).*

*Clause 4 - A planning proposal authority must not include in a particular zone (within the meaning of the local environmental plan) any land specified in paragraph (2) if the inclusion of the land in that zone would permit a change of use of the land, unless:*

- a) the planning proposal authority has considered whether the land is contaminated, and*
- b) if the land is contaminated, the planning proposal authority is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for all the purposes for which land in the zone concerned is permitted to be used, and*
- c) if the land requires remediation to be made suitable for any purpose for which land in that zone is permitted to be used, the planning proposal authority is satisfied that the land will be so remediated before the land is used for that purpose.*

*In order to satisfy itself as to subclause 4(c), the planning proposal authority may need to include certain provisions in the local environmental plan.*

*Clause 5 - Before including any land specified in paragraph (2) in a particular zone, the planning proposal authority is to obtain and have regard to a report specifying the findings of a preliminary investigation of the land carried out in accordance with the contaminated land planning guidelines.*

**Comment:** An inconsistency exists. The site is not known to be contaminated, however the land has been filled, and in order to satisfy itself as to the direction, Council will need to consider a report consistent with Clause 5 of this Direction prior to forwarding the Planning Proposal to the Department for a Gateway determination.

- 4.4 Planning for Bushfire Protection

The objectives of this direction are:

- a) to protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas, and
- b) to encourage sound management of bush fire prone areas.

This direction applies when a relevant planning authority prepares a planning proposal that will affect, or is in proximity to land mapped as bushfire prone land. AS referenced in the report, the site is designated bushfire prone land 'buffer'.

There are three technical inconsistencies with the requirements of this Direction, relating to subclauses (4) to (6) of the Direction:

**Comment:** Subclause (4) requires consultation with the Commissioner of the NSW Rural Fire Service following receipt of a gateway determination and prior to undertaking community consultation. Consultation with the RFS will occur following any Gateway Determination for a Planning Proposal in relation to the site.

Subclause (5) requires that the Planning Proposal introduce controls that avoid planning inappropriate developments in hazardous areas. The proposal relies on the current controls and assessment process, and technically is inconsistent by not introducing further controls.

Depending on the interpretation of subclause (6), it is required that the planning proposal contain development application details. If this is the case, then this is a further inconsistency.

- 5.10 Implementation of Regional Plans

The objective of this direction is to give legal effect to the vision, land use strategy, goals, directions and actions contained in Regional Plans.

**Comment:** A Planning Proposal must be consistent with a regional plan. In this case, proceeding with a Planning Proposal as recommended in the report is considered to achieve the overall intent of the regional plan, its vision, goals and directions, or actions.

- 6.3 Site Specific Provisions

The objective of this direction is to discourage unnecessarily restrictive site specific planning controls.

*Clause 4 - A planning proposal that will amend another environmental planning instrument in order to allow a particular development proposal to be carried out must either:*

- a) *allow that land use to be carried out in the zone the land is situated on, or*
- b) *rezone the site to an existing zone already applying in the environmental planning instrument that allows that land use without imposing any development standards or requirements in addition to those already contained in that zone, or*
- c) *allow that land use on the relevant land without imposing any development standards or requirements in addition to those already contained in the principal environmental planning instrument being amended.*

**Comment:** A Planning Proposal prepared on the basis of the Proponent's request is inconsistent with the direction. The inconsistency arises when a planning proposal proposes to restrict an otherwise permitted use in a zone. In the case of the Proponent's request, the Proponent seeks to restrict residential development, which is ordinarily permitted in zone B1 Neighbourhood Centre under the Standard LEP template.

**E. Will the proposal give effect to any endorsed local strategies or strategic plans?****Towards 2030 Community Strategic Plan**

Towards 2030 Community Strategic Plan is an overarching 10-year plan prepared by Council and the community, and based on community priorities. The plan outlines the community's objectives for each of the themes identified in the plan:

- > Leadership and Governance
- > Your Community Life
- > Your Business and Industry
- > Your Natural and Built Environment

Proceeding to rezone the subject land to RE2 Private Recreation as recommended in the report builds on, and implements the objectives and community aspirations expressed in the plan, particularly:

- A collaborative community that works together and uses opportunities for community participation in decision making that is defined as ethically, socially and environmentally responsible.
- A healthy, inclusive and vibrant community. Actively participating in inclusive community activities
- The Port Macquarie-Hastings region is a successful place that has a vibrant, diversified and resilient regional economy for people to live, learn, work, play and invest.
- A connected, sustainable, accessible community and environment that is protected now and into the future.

**Economic Development Strategy 2017 – 2021**

Proceeding with a Planning Proposal to rezone the land RE2 Private Recreation as discussed in the report builds on the vision for Port Macquarie-Hastings to be a successful tourism destination, and region with a vibrant, diversified and resilient regional economy for people to live, learn, work, play and invest.

**Port Macquarie-Hastings Urban Growth Management Strategy 2036**

Discussed previously in this report.

**F. Environmental, social and economic impact**

1. *Is there a likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?*

The *Biodiversity Conservation Act 2016* contains measures to identify and protect critical habitat or threatened species, populations or ecological communities, or their habitats, and to identify and mitigate key threatening processes.

Based on the status of the proponents site as vacant, filled, and managed seeded grassland, and the controlled nature of the adjoining public (Council) land, there are no known or anticipated considerations at this time. A referral to the NSW



Biodiversity Conservation Division (Planning Industry and Environment) is not considered necessary.

2. *Are there any other likely environmental effects as a result of the proposal and how will they be managed?*

A significant bushfire risk exists on the site. NSW Rural Fire Service Guidelines “*Planning for Bushfire Protection 2019*”, effective from March 2020, will apply to future development of the site.

Council staff have discussed the bushfire risk in length with the Proponent, noting that any form of residential development and commercial zoning is highly unlikely to satisfy the requirements for containment of APZs on-site.

A decision by Council in favour of proceeding with a Planning Proposal as per Option 2 and Option 3 of the report will require further consultation with the NSW Rural Fire Service.

3. *Has the proposal adequately addressed any social and economic effects?*

The potential economic effects of the Proponent’s proposal have been addressed in the preceding Strategic Merit Assessment of the report. Social impacts associated with the Council recommended Planning Proposal for an RE2 Private Recreation zoning of the land are considered to be positive.

Staff have noted the developing nature of Crestwood area and its approaching completion, with only around 8 lots currently retained by developers. Housing is predominantly new, low rise, and single dwelling/low density in character.

In summary, a Council initiated Planning Proposal as described and recommended here will deliver complementary development outcomes for the landholder and the broader community, with positive social and economic benefit.

### **Recommended Planning Proposal for Council support**

As described in the report, it is recommended that Council support the preparation and forwarding of an amended Planning Proposal to change the existing planning controls over the subject land, and adjoining publicly owned land for a Gateway determination. The intended objectives of the Planning Proposal are to:

- resolve the current historic rural zoning for the residue land at Crestwood, comprising Lot 516 DP 1261705 (privately owned), Lot 319 DP1214443 (Public stormwater infrastructure), and Lot 497 DP1237901 (Publicly owned recreation area);
- deliver a development outcome for the landholder that is complementary to the site’s unique physical location and characteristics;
- complement adjoining natural and recreational attributes;
- promote active and passive tourism and community open spaces outside urban growth areas, consistent with the North Coast Regional Plan *Direction 1 Deliver Environmentally sustainable growth; and Direction 8 Promote the growth of tourism.*



A summary of the current and proposed planning control provisions is provided in Table 1 and Table 2.

*Table 1: Existing Planning Controls*

| <b>Existing</b>           | <b>Lot 516<br/>DP1261705</b> | <b>Lot 497<br/>DP1237901</b>                         | <b>Lot 319<br/>DP121443</b> |
|---------------------------|------------------------------|--|-----------------------------|
| <b>Tenure</b>             | Private                      | Public / Council                                     | Public / Council            |
| <b>Land Zone</b>          | RU1 Primary Production       | Pt R1 General Residential; Pt RU1 Primary Production | R1 General Residential      |
| <b>Minimum Lot Size</b>   | 40ha                         | Pt 450sqm; Pt 40ha                                   | -                           |
| <b>Floor Space Ratio</b>  | -                            | Pt 0.65:1 (R1 General Residential zone)              | -                           |
| <b>Height of Building</b> | -                            | Pt 8.5m. (R1 General Residential zone)               | -                           |

*Table 2: Proposed Planning Controls*

| <b>Proposed</b>           | <b>Lot 516 DP1261705</b> | <b>Lot 497<br/>DP1237901</b> | <b>Lot 319<br/>DP121443</b>     |
|---------------------------|--------------------------|------------------------------|---------------------------------|
| <b>Tenure</b>             | No change                | No change                    | No change                       |
| <b>Land Zone</b>          | RE2 Private Recreation   | RE1 Public Recreation        | SP2 Infrastructure (Stormwater) |
| <b>Minimum Lot Size</b>   | 5000 sqm                 | 3000 sqm                     | -                               |
| <b>Floor Space Ratio</b>  | 1. 0.65:1                | -                            | -                               |
| <b>Height of Building</b> | 2. 8.5m<br>3.            | -                            | -                               |

The existing and recommended proposed zone layout is included at Figure 8 and Figure 9.

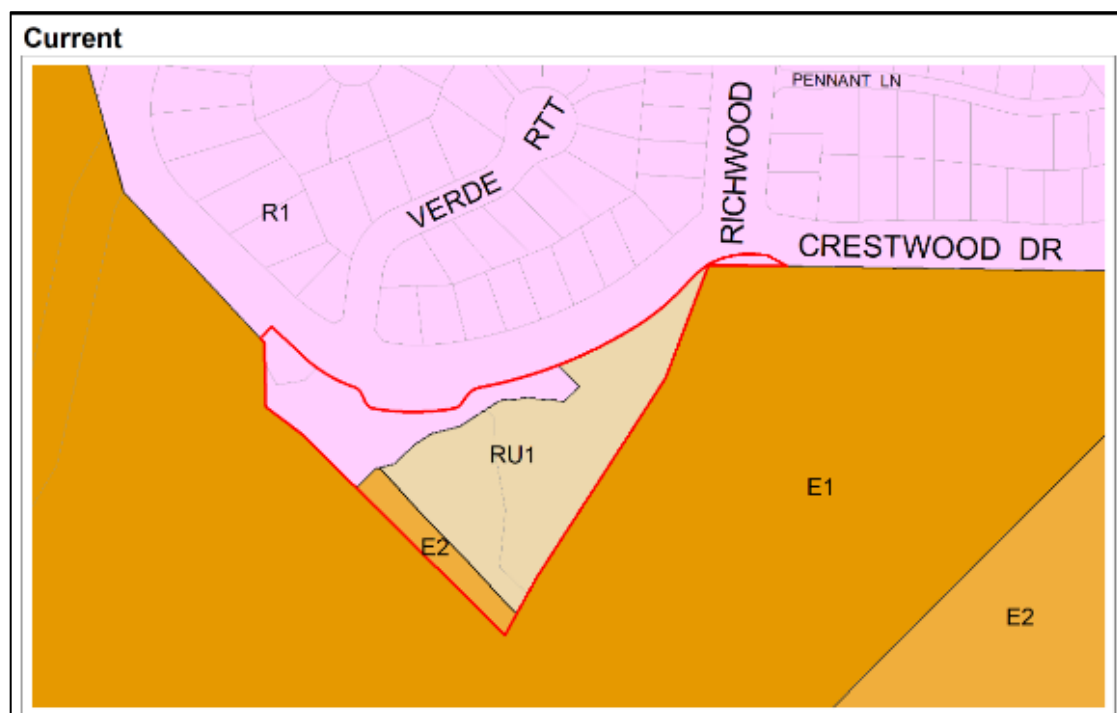


Figure 8: Existing Zone Layout (LEP 2011)

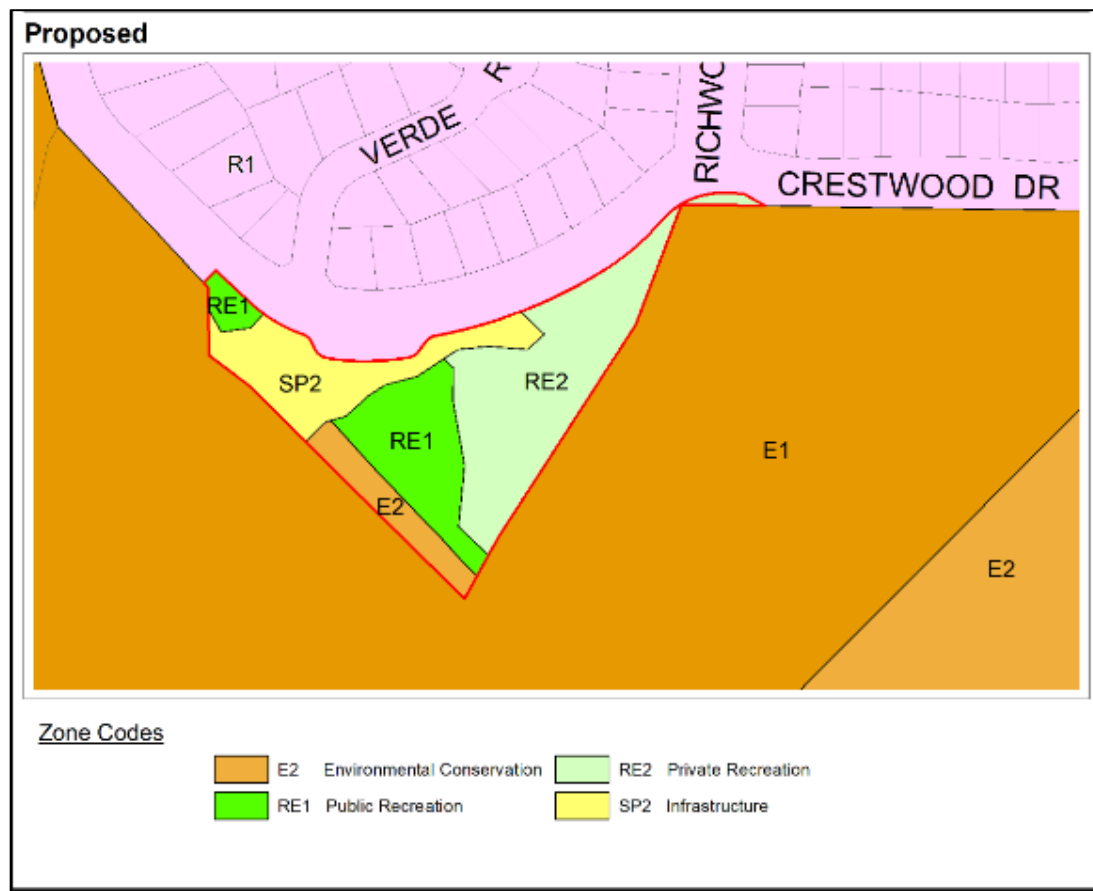


Figure 9: Recommended Zone Layout.

### Options

1. Do nothing. The subject land and adjoining Council owned land would remain zoned rural and residential.
2. Resolve to prepare a Planning Proposal to rezone Lot 516 DP DP1261705 to B1 Neighbourhood Centre on the basis of the Proponent's amended request.
3. Resolve to notify the Proponent that Council does not support their request for a neighbourhood business zone, and that it will instead support a variation to the proposal to rezone Lot 516 DP1261705 to RE2 Private Recreation, and incorporate the adjoining Council owned land to RE1 Public Recreation and SP2 Infrastructure (Stormwater), in line with the discussion and recommendations in this report.

Option 1 does not provide any scope for development of the land held in private ownership as proposed in the request.

Option 2 is not recommended for the reasons outlined in the report. Additionally, it is not considered that the Proponent's proposal to rezone the land to B1 Neighbourhood Centre demonstrates strategic and site-specific merit in accordance with the Strategic Merit Test outlined in the Department of Planning & Environment's *A Guide to preparing planning proposals* and Council's *Planning Proposal Policy* (2019).

Option 3 is recommended based on discussions with the Proponent, and allows for some small-scale business and commercial development outcomes to be undertaken on the site, complementary to the adjoining land use zones at Crestwood.

### **Community Engagement and Internal Consultation**

If progressed, community engagement in relation to any Planning Proposal prepared in relation to the subject site, will need to be carried out consistent with any Gateway Determination issued by the NSW government and Council's *Community Participation Plan* (2019).

There has been internal consultation involving Development and Environment staff, Infrastructure Staff and Strategy and Growth staff.

### **Planning and Policy Implications**

The planning process for making an amending local environmental plan (LEP) to alter or make changes to land use zones or development controls involves preparation of a Planning Proposal document that explains the intended effect of a proposed amending LEP.

A LEP is a legal instrument, and a statutory document. The plan must give effect to the objectives of the EP&A Act, the North Coast Regional Plan 2036, and the council and community derived *Community Strategic Plan* (CSP).

The Department of Planning Guidelines for planning proposals and local environmental plans emphasise the importance of strategic planning in determining whether the land is appropriate for the identified future use, providing certainty for future landowners and investors, and ensuring that future users are not exposed to unexpected or unreasonable development costs.

Under the Guidelines, Council has a responsibility to provide a level of certainty to the government Gateway. This means ensuring that the land is suitable and acceptable for the proposed use and that the identified land can be reasonably and practically developed for its intended purpose. It is not appropriate to defer assessment of relevant environmental, social, economic and other site specific merit considerations, or obligations to later development applications under Part 4 of the EP&A Act.

Formal notification of any request for the preparation of a Planning Proposal that is not supported by the Council is regulated under the *Environmental Planning and Assessment Regulation 2000*. Council is required to notify a proponent in writing as soon as practicable after a decision not to proceed.

The proponent then has 42 days, if desired, to request that the relevant Planning Panel or the Commission review the proposal. A guide to preparing local environmental plans sets out lodgement requirements, including fees and information a proponent must provide to the Department in order for a review to be undertaken. Only the same application that was initially presented to Council will be reviewed by the Planning Panel or Commission. The Planning Panel or Commission will

undertake a strategic and site specific merit assessment of the rezoning review proposal.

**Financial and Economic Implications**

A Stage 1 rezoning fee of \$15,290 has been paid consistent with Council's Fees and Charges.

Resources expended in pre-lodgement discussions, review and reassessment of revised and amended information, staff-proponent negotiations, and reporting requirements since 2017 has expended the fee paid by the landowner.

A decision by Council in favour of Option 3 above may negate payment of the full Stage 2 rezoning fees by the Proponent, however it is considered that some payment should be made by the land owner as limited commercial development will be permitted on the site if the land is rezoned.

Proceeding on the basis of option 3 also involves Council becoming the Proponent for the proposal.

Prior to forwarding any Planning Proposal for a Gateway determination, a stage 1 contamination assessment is required under *Ministerial Direction 2.6 Remediation of Contaminated Land*, and it is considered that this, and any other studies required as a condition of the Gateway should be jointly funded by the Proponent and Council.

**Attachments**

1. [Proponent's Planning Proposal Crestwood Drive, Port Macquarie \(February 2020\)](#)
2. [SEPP Assessment - Planning Proposal - Crestwood Drive, Port Macquarie \(May 2020\)](#)
3. [Section 9.1 Ministerial Direction Assessment - Planning Proposal Crestwood Drive, Port Macquarie \(May 2020\)](#)



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Item: 13.05

Subject: POST EXHIBITION - AIRPORT BUSINESS PARK - PLANNING  
PROPOSAL AND DRAFT DEVELOPMENT CONTROL PLAN

Presented by: Development and Environment, Melissa Watkins

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#### Alignment with Delivery Program

4.5.1 Carry out strategic planning to manage population growth and provide for co-ordinated urban development.

#### RECOMMENDATION

##### That Council:

1. As a result of the consideration of submissions and consultation with public authorities, endorse the forwarding of the Airport Business Park Planning Proposal, as exhibited, to the NSW Department of Planning, Industry and Environment under Section 3.36 of the *Environmental Planning and Assessment Act 1979*, requesting that the Minister for Planning and Public Spaces draft a Local Environmental Plan to amend the *Port Macquarie-Hastings Local Environmental Plan 2011* to give effect to the Planning Proposal.
2. Adopt the exhibited Draft Airport Business Park Development Control Plan provisions, incorporating changes as referred to in this report, as an amendment to the *Port Macquarie-Hastings Development Control Plan 2013*, to commence on notification of the Local Environmental Plan in 1 above, on the NSW Legislation website.
3. Request the General Manager to provide a future report on a Draft section 9.11 Airport Business Park Roads Contributions Plan, as described in this report, prior to development of the Business Park.
4. Notify all persons who lodged a submission of Council's decision.

#### Executive Summary

This report considers the submissions received in response to the public exhibition and consultation with public authorities on the Airport Business Park Planning Proposal and Draft Development Control Plan provisions.

The Planning Proposal aims to facilitate a Business Park and reflect the outcomes of the *Port Macquarie Airport and Surrounding Lands Biodiversity Certification Assessment and Strategy* approved by the NSW Minister for the Environment (now Minister for Energy and the Environment) on 7 September 2018. The Draft Airport Business Park Development Control Plan (DCP) aims to guide future development in the creation of a high quality and aesthetically unified Business Park within the Airport precinct.

The Planning Proposal and Draft DCP were exhibited from 29 January to 26 February 2020. A total of thirty-two (32) submissions were received. A copy of all of

the submissions has been provided to Councillors separately. The key issues raised in the submissions relate to:

- The loss of koala habitat and impact on the local koala population, and
- Concerns regarding Council's delay in adopting the *Draft Port Macquarie-Hastings Coastal Koala Plan of Management*.

A submission from Land Dynamics Consultants, on behalf of owners of land adjoining the proposed B7 Business Park zone, requests a rezoning of all land within the broader Airport Precinct Investigation Area based on equity.

Other issues raised in the submissions relate to the validity of the biodiversity certification process, the adequacy of road infrastructure, the potential impact on other commercial centres, genuineness of the probity review, Draft DCP provisions, airport safety, flooding, Aboriginal heritage and the adjoining Hastings River Shooting Complex.

All matters raised in the submissions are addressed in detail in the body of this report.

As a result of the public exhibition and consultation with public authorities, two amendments are proposed to the Draft DCP to correct minor mapping anomalies.

It is recommended that Council endorse the forwarding of the Planning Proposal, as exhibited, to the NSW Department of Planning, Industry and Environment for approval and making of the Local Environmental Plan to give effect to the Planning Proposal. It is also recommended that Council adopt the Airport Business Park DCP provisions, with amendments in response to the public exhibition, to guide future development assessment.

In recognition that Council has a role as Airport operator, landowner and planning authority in this matter, Council's Development and Environment Division commissioned Cardno (NSW/ACT) to independently review the planning process and prepare probity reports and recommendations in relation to the land use planning statutory process regarding the Airport Business Park Planning Proposal.

A Preliminary Probity Review Report was reported to the November 2018 Council meeting. A Final Probity Review Report, as discussed under the 'Planning and Policy Implications' section of this report, addresses whether there are any probity issues of concern in the public exhibition and review process and in relation to the final recommendations to Council.

The Final Probity Review Report concluded that Council has fulfilled its role as planning authority in a fair and unbiased manner, notwithstanding the ownership of land by Council within the Airport Business Park Investigation Area.

## **Discussion**

### Council Meeting November 2018 – Business Park Site Selection

On 21 November 2018, Council considered a report on a proposed expansion of the existing Business Park zone at the Port Macquarie Airport. This initiative is

consistent with the *North Coast Regional Plan 2036* and the *Port Macquarie Urban Growth Management Strategy 2017-2036*.

The precinct investigations included Council land adjoining the Port Macquarie Airport and three properties in private ownership adjoining Boundary Street. The staff report recommended that the Council land be confirmed as the most suitable land to supply a gross area of 20.5 hectares (ha) of B7 Business Park zoning in the precinct, and that a further report be presented to Council on a Planning Proposal for the land. Council resolved as follows:

**RESOLVED:** *Levido/Hawkins*

*That Council:*

1. *Notes the assessment in this report and confirms that the Council owned land within the Port Macquarie Airport Precinct Investigation Area, as shown coloured light brown in Attachment 15, is the most suitable land to supply 23.75 hectares of gross developable Business Park zoning in the Airport Precinct Investigation Area.*
2. *Receive a further report to the February 2019 Council meeting in respect of a Planning Proposal for the Council owned land as identified in 1 above.*
3. *Advise landowners within the Airport Precinct Investigation Area of the outcome of this decision.*

**CARRIED:** 7/0

**FOR:** *Alley, Dixon, Griffiths, Hawkins, Intemann, Levido and Pinson*

**AGAINST:** Nil

#### Council Meeting July 2019 - Planning Proposal

On 17 July 2019, Council considered a report on a Planning Proposal request to amend the *Port Macquarie-Hastings Local Environmental Plan 2011* for the Port Macquarie Airport and surrounding lands, and resolved as follows:

**RESOLVED:** *Intemann/Alley*

*That Council:*

1. *Endorse the Planning Proposal attached at Attachment 1 pursuant to section 3.33 of the Environmental Planning and Assessment Act 1979 to amend the Port Macquarie-Hastings Local Environmental Plan 2011 in relation to the Port Macquarie Airport and surrounding lands in accordance with the Planning Proposal.*
2. *Forward the Planning Proposal to the Department of Planning, Industry and Environment for a Gateway Determination, and request that the Determination not authorise Council to be the local plan-making authority.*
3. *Prepare draft Development Control provisions in respect of the Airport Business Park as outlined in this report in accordance with clause 18 of the Environmental Planning and Assessment Regulation 2000.*
4. *Prepare a draft Section 9.11 Airport Business Park Roads Contribution Plan as described in this report.*
5. *Commit to bind any purchaser of the Council owned Business Park Zone to contribute proportionally to the cost of upgrading Boundary Street and the Hastings River Drive/Boundary Street intersection.*
6. *Receive a further report providing details of the draft Development Control provisions in 3 above for approval prior to the Planning Proposal and draft Development Control provisions being exhibited concurrently.*
7. *Receive a report following the public exhibition to assess any submissions received.*

8. *Delegate authority to the Director Development and Environment to make minor amendments to the Planning Proposal prior to submission for Gateway Determination.*

CARRIED: 6/2

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

AGAINST: Griffiths and Pinson

### The Planning Proposal

The objectives and intended outcomes of the Planning Proposal are to:

- reshape and expand the existing B7 Business Park zone on Council land on the eastern side of Boundary Street adjacent to the Port Macquarie Airport, to reflect the importance of the Airport as a regional hub
- consolidate existing airport infrastructure with future airside and general aviation uses by rezoning the majority of the existing B7 Business Park zone on the western side of Boundary Street to SP2 Infrastructure (Air transport facility)
- apply building height and minimum lot size standards to the Newman Senior Technical College, which is within the existing B7 Business Park zone on the western side of Boundary Street, for consistency with the proposed Business Park lands
- rezone Council's remaining Airport and adjoining Thrumster lands to reflect the biodiversity certification assessment and strategy outcomes for clearing and conservation of native vegetation approved by the NSW Minister for the Environment on 7 September 2018, and
- identify all lands in the locality that are subject to the *Port Macquarie Airport and Surrounding Lands Biodiversity Certification Assessment and Strategy*.

### The Site

The land to which the Planning Proposal applies is shown edged red in Figure 1 and includes:

- the Port Macquarie Airport lands
- the proposed Port Macquarie Airport Business Park
- Council's land in the adjacent Thrumster (Area 13) Urban Release Area
- Newman Senior Technical College, and
- all land within the Biodiversity Certification Assessment Area, the majority of which has been biodiversity certified. Note: This includes the biodiversity certified and conservation lands within Council's Airport and Thrumster lands as well as some private lands within the Airport obstacle limitation surface (OLS) approach and take-off zones to the north and south of the runway.

The Airport Lands, proposed Airport Business Park, Thrumster Lands, and Newman Senior Technical College are shaded as blue, yellow, red and green, respectively in Figure 1.



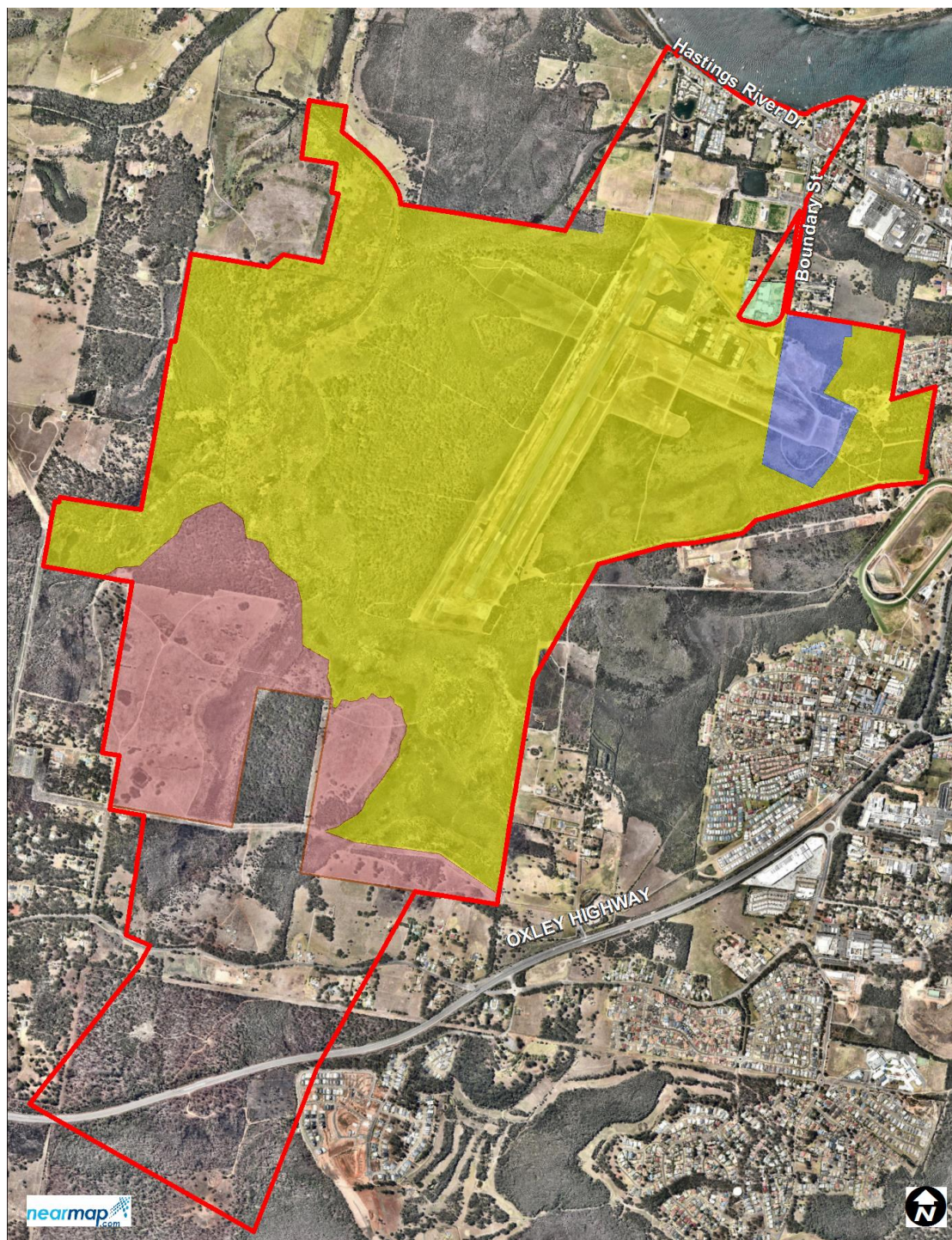


Figure 1 - Land to which the Planning Proposal applies



Council Roles and Responsibilities

For context and transparency, the roles and responsibilities of Council in relation to the Planning Proposal are as follows:

- **PMHC Airport** - Landowner and proponent seeking a rezoning, represented by Consultants, King and Campbell Pty Ltd.
- **Development and Environment (D&E) Division** - Provides advice to Council as the 'Planning Proposal Authority', assesses the strategic and site-specific merit of the Planning Proposal and determines the appropriate content of any Planning Proposal and related planning documents.
- **Elected Council** - As the 'Planning Proposal Authority' (PPA) Council is responsible for the Planning Proposal, the quality of the information provided in support of the proposal and its referral for Gateway determination. At the completion of public exhibition, the elected Council is responsible for considering a report on any submissions received and making a decision whether the Planning Proposal should proceed, be varied, or not proceed.

The PPA is responsible for ensuring that the level of detail in the Planning Proposal document is sufficient to respond to the statutory requirements of the *Environmental Planning and Assessment Act 1979* and related guidelines. The PPA must ensure the information is accurate, current and sufficient for issuing a Gateway determination and detailed enough for the purposes of consulting with government agencies and the general community.

Probity Review

In recognition of Council's roles as the landowner, the proponent and the PPA in this matter, Council's D&E Division has engaged Cardno (NSW/ACT) Pty Ltd to independently review the planning process and provide probity reports and recommendations on the statutory procedures involved in preparing the Airport Business Park Planning Proposal.

A Preliminary Probity report (**Attachment 1**) covered the period from 16 March 2016 to 7 November 2018 and concluded that Cardno had not observed or detected evidence of partiality, bias or probity issues of concern in the planning process leading up to the presentation of the 21 November 2018 report to Council.

A Final Probity report (**Attachment 2**) has reviewed Council's processes for the Business Park Planning Proposal against the ICAC guideline and addresses whether or not there are any probity issues of concern in relation to the exhibition and assessment processes involved in the Planning Proposal preparation and the final recommendations to Council. This report is discussed in more detail under 'Planning and Policy Implications'.

Gateway Determination

Following preliminary consideration of the initial Planning Proposal, the Department of Planning, Industry and Environment (DPIE) requested additional information on land contamination and flood issues to ensure the adequacy of the Planning Proposal prior to the Department's formal assessment process. Following

submission of the additional information, the DPIE issued a conditional Gateway determination (20/11/19) to allow the Planning Proposal process to proceed.

#### Council Meeting December 2019 - Draft Development Control Plan provisions

In accordance with part 3 of Council's July 2019 resolution, Council's D&E staff prepared draft development control plan provisions (DCP) aimed at guiding future development in the creation of a high quality and aesthetically unified Business Park within the Airport precinct.

On 11 December 2019, Council considered a report on the Draft DCP and resolved as follows:

*RESOLVED: Levido/Alley*

*That Council:*

- 1. Endorse the Draft Port Macquarie-Hastings Development Control Plan 2013 - Airport Business Park, at Attachment 3, for public exhibition concurrently with the Airport Business Park Planning Proposal for the period of 29 January to 26 February 2020.*
- 2. Seek an alteration to the Airport Business Park Planning Proposal Gateway Determination to include 'recreation area' as a permitted use in the B7 Business Park Zone.*
- 3. Delegate authority to the Director Development and Environment to make any necessary minor changes to the Draft Development Control Plan, including mapping, before public exhibition.*
- 4. Receive a further report on any submissions to the Draft Development Control Plan following the public exhibition period.*

*CARRIED: 7/0*

*FOR: Alley, Griffiths, Hawkins, Intemann, Levido, Pinson and Turner*

*AGAINST: Nil*

#### Alteration of Gateway Determination

Following a request by Council's D&E staff in accordance with part 2 of Council's December 2019 resolution, the DPIE issued an Alteration of Gateway determination (16/12/19) to allow an amendment to the Planning Proposal, prior to public exhibition, to identify recreation areas as a permitted use in the B7 Business Park zone.

#### Public Exhibition and Consultation with Public Authorities

In accordance with the requirements of the Gateway determination and Council's *Community Participation Plan 2019*, the Planning Proposal and Draft DCP provisions were placed on public exhibition for 28-days from 29 January to 26 February 2020. The exhibited Planning Proposal and Draft DCP are at **Attachments 3** and **4** to this report.

During the exhibition period and as required by the Gateway determination, Council consulted the following public authorities to assist in the Planning Proposal preparation:

- Biripai Local Aboriginal Lands Council
- Civil Aviation Safety Authority

- NSW DPIE (Crown Lands)
- NSW DPIE (Division of Biodiversity and Conservation)
- NSW Police Service
- NSW Rural Fire Service
- Transport for NSW.

In total, thirty-two (32) submissions have been received (27 community and 5 public authorities) raising a range of matters. The key issues raised in the submissions relate to:

- The loss of koala habitat and impact on the local koala population, and
- Concerns regarding Council's delay in adopting its *Draft Port Macquarie-Hastings Coastal Koala Plan of Management*.

An individual submission from Land Dynamics Consultants, on behalf of landowners adjoining the proposed B7 Business Park zone to the north, requests a rezoning of all land within the Airport Precinct Investigation Area based on equity.

Other issues raised in the public submissions relate to the validity of the biodiversity certification process, the adequacy of road infrastructure, the potential impact on other commercial centres, the genuineness of the probity review, flooding impacts and the Draft DCP.

The submissions received from the public authorities provided advice on the adjoining Hastings River Shooting Complex, the road network, airport safety, biodiversity, flooding and Aboriginal heritage.

All submissions have been provided to Councillors under separate cover for information. A summary of all submissions and a planning response to the issues raised is provided in the 'Community Engagement and Internal Consultation' section of this report. Key issues are discussed below:

## **KEY ISSUES**

### **1. Loss of Koala habitat**

The majority of the community submissions raised objections to the Planning Proposal on the basis that the Airport and surrounding lands Biodiversity Certification allows for the clearing of koala habitat. The main concern is that after the recent bushfires, any further loss of koala habitat in Port Macquarie will have a significant impact on what remains of the local koala population.

In summary, the key issues raised are:

- The proposal will lead to the loss of 100ha of koala habitat
- Koalas were in decline and losing habitat to development before the bushfires. All remaining koala habitat is now more precious than ever.
- A census is needed to determine the number of koalas left in Port Macquarie and a moratorium imposed on the clearing of all koala habitat, until the number of surviving koalas is known.
- The offsetting of koala habitat is a fraud. There will be a net loss of koala habitat, despite proposed offsetting measures.

*Comments from Council's Development & Environment Division:*

It is acknowledged that future development of the Airport and Thrumster lands will lead to a loss of koala habitat. It is also recognised and that the local koala population has been adversely impacted by the recent bushfires, particularly in the Lake Innes area.

Council is aware that survey work is being undertaken of koala habitats between Forster and Ballina following the recent bushfires. This work is being carried out by Biolink Ecological Consultants and includes the Lake Innes Nature Reserve. The outcome of this research is not yet available.

The biodiversity certification of the Port Macquarie Airport and surrounding lands occurred before the bushfire event and Council is taking a strategic approach in the protection and conservation of the koala species in implementing the biodiversity certification strategy and through the preparation of the *Coastal Koala Plan of Management*, as discussed later in this report.

The Port Macquarie Airport and surrounding lands Biodiversity Certification Agreement was approved by the NSW Office of Environment and Heritage on 9 August 2018, with the Ministerial Order conferring biodiversity certification, published in the NSW Government Gazette on 7 September 2018. The purpose of the assessment was to obtain biodiversity certification of:

- the land required for the ongoing operational use of the existing Airport, i.e. maintenance of the runway strip and associated obstacle limitation surface (OLS)
- the land affected by the expanded OLS and the extension and/or relocation of critical aviation related infrastructure and facilities, in accordance with the revised Civil Aviation Safety Authority (CASA) aerodrome standards
- future development of existing zoned residential and light industrial lands in the Partridge Creek Residential, Partridge Creek Industrial and West Lindfield neighbourhoods of the Thrumster (Area 13) Urban Release Area, and their associated roads, bushfire asset protection zones, easements and fire trails; and
- the proposed Business Park employment lands within the Airport Precinct and Boundary Street upgrade, as well as the establishment of potential future flood free road access to the Airport consistent with the Airport Master Plan.

Development of the Port Macquarie Airport and Council's surrounding Thrumster lands will be staged over the next 20+ years. The biodiversity certified lands are shown in Figure 2.

The biodiversity certification has the potential (over 20+ years) to affect up to 50 ha of primary koala habitat and 29 ha of secondary koala habitat. This vegetation is largely located within the Airport OLS approach and take-off zone to the south of the runway. Unfortunately, the impact on this vegetation is unavoidable to ensure compliance with CASA aerodrome standards and the ongoing safety of aircraft operations at the Port Macquarie Airport.

The biodiversity certification will also permanently protect, fund and actively manage approximately 444 ha of Council owned operational land and some private lands for conservation (Biobank sites). The conservation lands (shown in Figure 3), which are



proposed to be zoned E2 Environmental Conservation in the Planning Proposal, will be registered as Biobank sites consistent with the terms specified by the Biodiversity Certification Agreement. This will ensure conservation protection and management of these lands in perpetuity.

The conservation lands include approximately 300ha of koala habitat. This represents an area four (4) times the size of the koala habitat impacted by the proposed future development. A further 40 to 50ha of koala habitat will be secured offsite as part of Council's overall conservation management commitment associated with the Port Macquarie Airport.

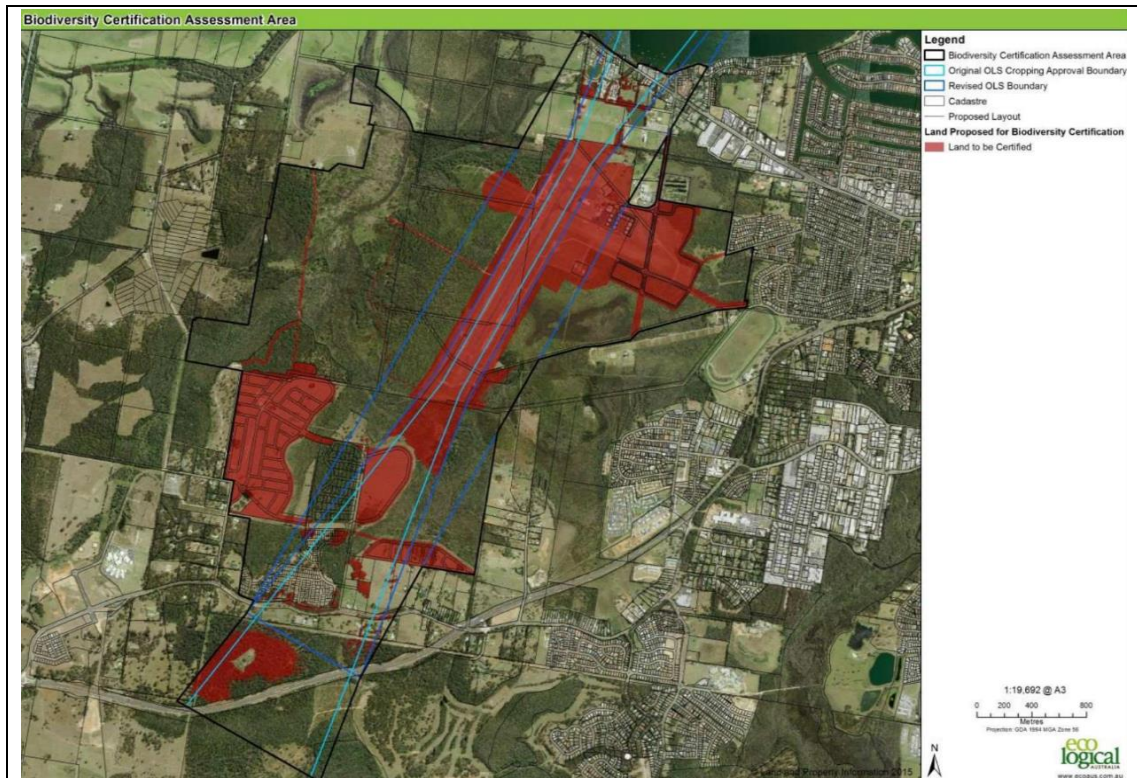


Figure 2: Land to be certified (Source: Government Gazette 7/9/18)



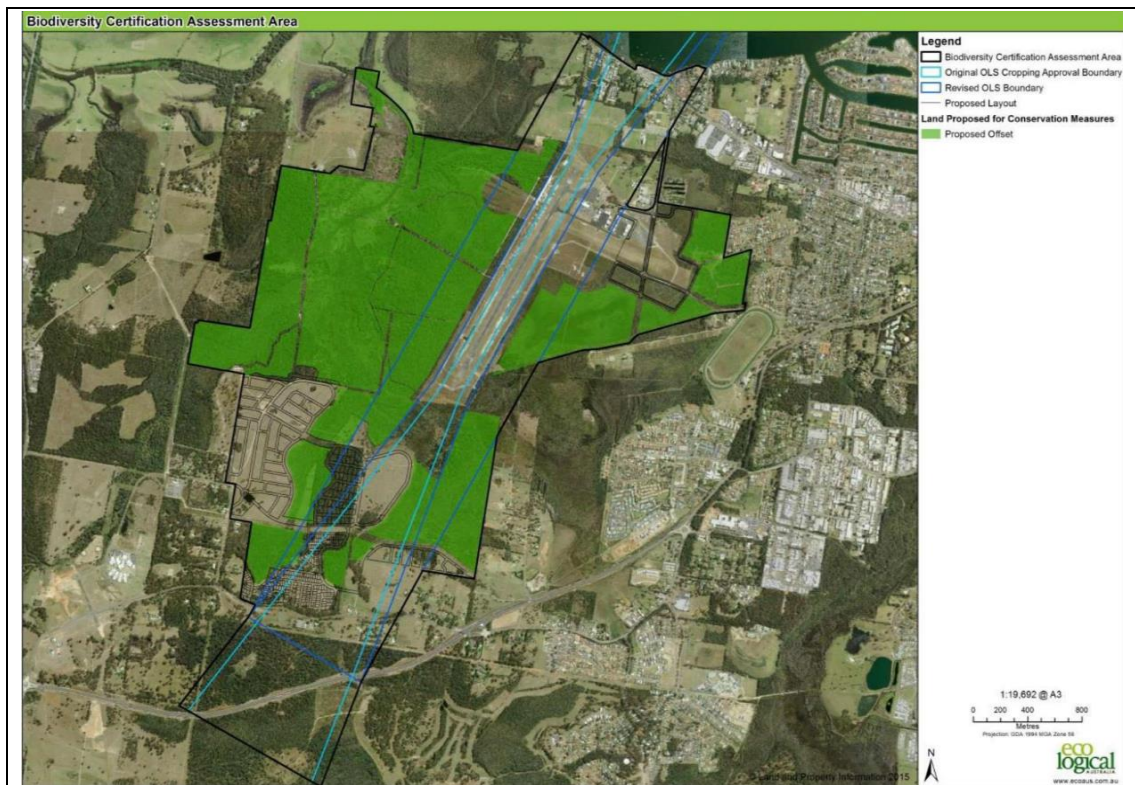


Figure 3: Biodiversity conservation land (Source: Government Gazette 7/9/18)

The conservation lands will be actively managed for conservation prior to any clearing associated with the Airport and surrounding lands development. The Partridge Creek Biobank site to the west of the Airport is already being actively managed well in advance of any clearing.

The proposed Business Park, associated asset protection zones, and potential future flood free road links to the Airport, impact on less than 2ha of primary koala habitat and around 3ha of secondary habitat. These impacts have been fully assessed and offset in the proposed conservation areas as part of the biodiversity certification approval.

In addition, the proposed Business Park has no impact on State or Regional biodiversity links / corridors. A potential future flood free road link option to the Airport has a minor (0.3ha) potential impact on a State biodiversity link. Koala habitat within the State biodiversity link has been protected within the proposed conservation lands.

## 2. Draft Coastal Koala Plan of Management

Together with the concerns about loss of koala habitat, several of the public submissions expressed frustration that after many years of preparation, Council's *Draft Coastal Koala Plan of Management* has not yet been finalised.

*Comments from Council's Development & Environment Division:*

A chronology of key events in relation to the preparation of the *Draft Coastal Koala Plan of Management* (CKPoM) is provided below:

- June 2013 Biolink Ecological Consultants prepared the *Port Macquarie-Hastings Koala Habitat & Population Assessment* report for Council
- May 2015 Council commenced preparation of the Draft CKPoM. The first stages of the project involved a review of the Biolink 2013 report and targeted consultation.
- Mar 2017 Council's ecologists met with representatives of the (former) Department of Planning and NSW Office of Environment and Heritage to seek guidance on the preferred methodology to identify potential koala habitat consistent with the provisions of *State Environmental Planning Policy No 44 Koala Habitat Protection* (SEPP 44).
- 2017 Potential and core koala habitat areas were mapped using the data provided by Biolink (2013), further surveys were undertaken, and a report was prepared detailing the methodology used to develop the mapping. This report also referenced an expert panel involved in the mapping preparation.
- Apr/May 2018 A Draft CKPoM was finalised in accordance with the requirements of SEPP 44 and placed on public exhibition from 4 April to 11 May 2018.
- Sep 2018 Council considered the Draft CKPoM at its 19 September 2018 Meeting and resolved to defer future consideration of the matter pending advice on the hierarchy of legislation that has a direct impact on the Draft CKPoM.
- Dec 2019 Council's ecologists consulted the DPIE Biodiversity Conservation Division regarding the methodology used to prepare the potential and core habitat mapping for the Draft CKPoM and the hierarchy of legislation.
- Mar 2020 On 1 March a new *SEPP - Koala Habitat Protection 2019* repealed and replaced *SEPP 44*.  
  
The new SEPP also includes changes to how a KPoM is prepared and approved. This has implications for Council's Draft CKPoM.  
  
At the time of publishing the new SEPP, the DPIE also circulated a *Draft Koala Habitat Protection Guideline Implementing State Environmental Planning Policy (Koala Habitat Protection) 2019* for consultation up until 30 March 2020. Council D&E staff have provided a submission for DPIE's consideration.

Having regard to the recent introduction of the new SEPP and release of the Draft Guideline, D&E staff are currently determining the actions required to ensure that the Draft CKPoM aligns with the new SEPP. The ability for D&E staff to ensure that the Draft CKPoM can be revised in accordance with the new SEPP will be challenging until such a time as the Draft Guideline is finalised.

The recent introduction of the new SEPP and status of the accompanying Guideline has added another layer of complexity in the process of finalising a Draft CKPoM. More work is required and updates will be provided on Council's website and social media platforms as this work progresses.

### 3. Lot 2 DP 442098 Boundary Street - "Missen land"

A submission received from Land Dynamics on behalf of the Missen, Wilkins and Kingswood Estates Pty Ltd landowner group, adjoining the proposed B7 Business Park zone to the north, suggests that Council's planning should proceed with a rezoning of the Airport Precinct Investigation Area as a whole.

The submission considers that an equitable outcome for all landowners within the wider Airport Precinct Investigation Area would be achieved by allowing all land in the Precinct to be developed to some extent, rather than just a limited area to a greater intensity, as currently proposed.

The submission also notes that discussions with Council in relation to rezoning the Missen land have been ongoing since 1994 and significant expense and time has gone into investigating the site.

#### *Comments from Council's Development & Environment Division:*

The November 2018 report to Council explains the process that has been undertaken and rationale for identifying the Council land as the most suitable land for a proposed Business Park rezoning. The investigations began with the larger area, however, it has not been possible to justify a rezoning of the full Airport Precinct Investigation Area due to road infrastructure and commercial centre hierarchy issues. The proposed extent of B7 Business Park rezoning is a question of relative merit rather than a question of equity.

The Planning Proposal that has been prepared is in accordance with Council's resolution from November 2018. Council could opt to amend the Planning Proposal to include the Missen land, however the Planning Proposal would need to include a planning justification for the addition in terms of the amount of B7 Business Park zoned land, the potential impact on other business zoned areas, and the availability of road infrastructure to cater for the expected traffic generated. These issues are required by the DPIE to be addressed in the Planning Proposal.

Based on the assessment in the November 2018 Council report, a rezoning of all land in the Airport Precinct Investigation Area to B7 Business Park cannot be justified. At this time, the Council owned land, which is less constrained than the remainder of the investigation area, has been identified as the most suitable for development of a Business Park and it is not proposed to vary the Planning Proposal to include additional land.

In the longer term, the remaining lands within the Airport Precinct Investigation area, including the Missen land, are considered to be more viable if road capacity and connectivity is improved by a potential second access from the Oxley Highway and the take up of the Business Park is warranted from a strategic land use planning perspective.

### 4. Road infrastructure

Some of the submissions raised concerns about the capacity of the existing road network to support the Airport Business Park proposal.



*Comments from Council's Development & Environment Division:*

The existing road and transport network have been assessed in detail in the Traffic and Transport technical studies prepared to support the Business Park proposal. Traffic modelling assumed that all access to the proposed Business Park would be from Boundary Street and the modelled traffic generation assumed a hypothetical Business Park mix of uses across the whole of the Airport Precinct Investigation Area.

The traffic assessment concluded that the constraining factor for development was the capacity of the Boundary Street/Hastings River Drive intersection, with the outcome being that the upgraded intersection would have capacity to provide for 50% (i.e. 20.5ha) of the investigation area for Business Park development.

The Planning Proposal seeks rezoning of an expanded Business Park footprint of 23.75ha on the basis that it is not likely to have an unacceptable impact on the capacity of the existing road infrastructure because a floor space ratio of 0.7:1 was assumed for the traffic modelling and a lower floor space ratio of 0.65:1 is proposed. Council's traffic engineers have accepted that the increased footprint of B7 Business Park zone is within the accuracy limits that can be expected to be achieved with the modelling of future traffic outcomes.

It is recognised however, that the Hastings River Drive/Boundary Street intersection will need to be upgraded in addition to improvements to Boundary Street to accommodate the likely traffic associated with the Business Park. These works are a fundamental requirement for the proposed Business Park, the development of which will generate a significant proportion of demand for the upgrade.

As such, Council has resolved (July 2019) to prepare a Contributions Plan to enable collection of developer contributions towards road infrastructure required to service the proposed Business Park, prior to development and/or subdivision of the land, whichever occurs first.

The Contributions Plan will need to be in place prior to development of the proposed Business Park and an appropriate trigger for the future upgrade of the Hastings River Drive/Boundary Street intersection will be determined as part of that process. Specific requirements for road infrastructure will be determined at the later Development Application stage.

##### 5. Retail hierarchy

A submission from Hopkins consultants on behalf of Lewis Land Group for the Sovereign Hills Projects, raised concerns that the proposed Business Park will have an adverse impact on the hierarchy of commercial centres in Port Macquarie.

The submission suggests that office premises should only be permitted in the Business Park where they are related to a light industrial use. It is also suggested that allowing food and drink premises, childcare and gymnasiums in the B7 zone places the Business Park in direct competition with surrounding retail precincts.

Furthermore, it is considered that the proposed Orbital Road link from the Oxley Highway to Hastings River Drive has the potential to impact the existing retail

hierarchy and provide commercial benefit to Council, and that the Airport Business Park Planning Proposal cannot be considered in isolation of this.

*Comments from Council's Development & Environment Division:*

As detailed in the November 2018 and July 2019 reports to Council, a range of studies have been undertaken to determine appropriate planning controls for the proposed Business Park, including economic impact assessments that consider the likely future uses, suitable zones and potential impacts on the business centres hierarchy of the Port Macquarie LGA.

The Planning Proposal seeks to reinforce the unique location and characteristics of the Airport Business Park, while ensuring that the potential impacts on the centres hierarchy are mitigated by:

- amending the B7 Business Park objectives to place greater emphasis on large-scale floorplate development
- changing the land uses permitted with consent in the B7 zone to ensure that the precinct functions as a Business Park and different to the town centre and nearby retail precinct.
- specifying a minimum lot size of 2,000m<sup>2</sup> which is larger than typically provided in other commercial and industrial zones, and
- specifying a maximum floor space ratio of 0.65:1 to ensure traffic generation is within the capacity of the existing road network.

It is considered that the combination of the revised permitted uses, strengthened B7 zone objectives and the proposed lot sizes and floor space ratio controls for the proposed 23.7ha of B7 zoning at the Airport will not result in any significant economic impacts on the centres hierarchy.

Potential routes for flood free road access from the Oxley Highway have been biodiversity certified within the Airport lands. However, in the absence of any certainty regarding a future alternative road access at this stage, it is assumed that all access to the proposed Business Park will be via Boundary Street. A separate approval process is required for any potential flood free access road to the Airport.

### **Options**

The following options are available to Council:

1. Not proceed with the Planning Proposal and Draft DCP.
2. Defer a decision on the Planning Proposal and Draft DCP pending further work and/or review of the Port Macquarie Airport and surrounding lands biodiversity assessment and strategy.
3. Endorse the Planning Proposal as exhibited, for forwarding to the DPIE for approval, and adopt an amended Draft DCP, as recommended.
4. Prepare a Planning Proposal and Draft DCP for alternative land.

Option 3 is recommended.



**Community Engagement & Internal Consultation**

In accordance with the requirements of the Gateway determination and Council's *Community Participation Plan 2019*, the Planning Proposal and Draft DCP provisions were placed on public exhibition for 28 days (29 Jan to 26 Feb 2020).

The public exhibition included notification in the local press, notification on Council's website and written notification to all landowners within and adjoining the Biodiversity Certification Assessment Area shown edged red on Figure 1 in this report. This included the adjoining private landowners within the Airport Precinct Investigation area as well as Newman Senior Technical College.

Written notification was also provided to Mr John Jeayes, and Lewis Land Group for Sovereign Hills Project, who raised concerns during the biodiversity certification process, to ensure any actual or perceived overlapping or outstanding issues could be considered and addressed. This is a recommendation of Preliminary Probity Review report.

A Statement of Council Interest was included with the exhibition material, consistent with the DPIE's *Best Practice Guideline - LEPs and Council Land 1997*.

During the public exhibition, consultation also occurred with relevant public authorities in accordance with the DPIE's Gateway determination.

As a result of the public exhibition and consultation with public authorities, a total of thirty-two (32) submissions were received. The key issues identified in the submissions have been considered in the 'Discussion' section of this report.

A summary of the submissions and a planning response to the issues raised is below. All persons and public authorities who made a submission have been notified of this matter being reported to Council.

| Submission |                                      | Comment/Issue  |
|------------|--------------------------------------|--|
| 1.         | NSW Police Force - Firearms Registry | <p>No objections raised.</p> <p>The Registry confirms that the Planning Proposal has no impact on the operation of the existing Hastings Regional Shooting Complex.</p> <p>Advice provided that if any development encroach into the 100 metre 'pop over area' of the Shooting Complex, an expensive conversion of those ranges would be required to bring them to the standard of 'No Danger Area'.</p> |
|            | <b>Response/ Comment:</b>            | Noted.   |
| 2.         | Transport for NSW (TfNSW)            | <p>No objections raised.</p> <p>TfNSW suggests that the Planning Proposal include a sensitivity analysis addressing the highest and best use for the proposed Business Park to assist in determining</p>   |

| Submission |  | Comment/Issue  |
|------------|--|--|
|            |  | <p>any road network improvements needed to accommodate any future demand.</p> <p>General advice also provided about the need for an appropriate trigger for future upgrade of the Hastings River Drive/Boundary Street intersection; approvals for any new works on Hastings River Drive; and the need for a Traffic Impact Assessment for future development of the proposed Business Park.</p>   |
|            | <b>Response/Comment:</b>                               | <p>The Airport Business Park proposal has involved numerous traffic studies over the last four years. These investigations have included many scenarios and sensitivity tests. Business Parks by definition have the potential to contain a wide range of land uses and therefore, it would be very difficult to define the highest and best use.</p> <p>Therefore, due to the complexity and high level of detail of the traffic studies completed to inform the Planning Proposal to date and the broad land use potential for a Business Park, additional sensitivity analysis is not considered necessary to support the proposal.</p> <p>An appropriate trigger for future upgrade of the Hastings River Drive/Boundary Street intersection will be determined as part of the contributions planning to accommodate likely future traffic associated with the Business Park. Council will consider a future report on a Draft Contributions Plan prior to development and/or subdivision of the land, whichever occurs first.</p> <p>TfNSW's advice regarding approvals for any new works on Hastings River Drive and need for a Traffic Impact Assessment for future development of the proposed Business Park is noted.</p> |
| 3.         | Civil Aviation Safety Authority (CASA)                 | <p>No objections raised.</p> <p>CASA recommend that Council apply the National Airports Safeguarding Framework guidelines when planning and assessing developments on and within the vicinity of the Port Macquarie Airport.</p> <p>The Framework consists of a set of planning principles with guidelines relating to aircraft noise, windshear and turbulence, wildlife strikes, wind turbines, lighting distractions and protected airspace.</p>  |
|            | <b>Response/Comment:</b>                               | <p>The <i>Port Macquarie-Hastings LEP 2011</i> includes provisions for development in relation to protected airspace and aircraft noise.</p> <p>The Draft DCP is consistent with the Framework guidelines relating to activities that may interfere with aircraft operations such as, intense artificial lighting, sunlight reflectivity from external building materials, and landscaping design to minimise potential for wildlife and bird strike hazards.</p>  |
| 4.         | NSW Department of Planning, Industry and Environment - | No objections raised.  |

| Submission |  | Comment/Issue   |
|------------|--|---|
|            | Biodiversity Conservation Division (BCD)   | <p>The response notes that the BCD has already assessed the biodiversity values of the Airport and surrounding lands and has no further comments. It also notes that the Flood Impact Assessment for the proposal meets the requirements of the <i>Floodplain Development Manual 2005</i>.</p> <p>BCD highlight that a very high density of recorded sites containing Aboriginal objects exists with a 5 km radius on lands of similar topography and type. It is therefore recommended that prior to any development involving ground disturbing works, a more intensive Aboriginal survey be conducted by an appropriately qualified and experienced person, to determine whether Aboriginal objects occur within the proposed footprint.</p> <p>It is noted that this assessment should be undertaken at the Development Application stage and informed by consultation with the local Aboriginal community, background research and an archaeological field assessment.</p> |
|            | <b>Response/Comment:</b>   | The comments in relation to biodiversity and flood impact are noted. Where earthworks are proposed as part of future development, details of Aboriginal heritage investigations as recommended by BCD will be required to accompany the Development Application.  |
| 5.         | NSW Rural Fire Service   | <p>No objections raised.</p> <p>Advice provided that future development is to comply with the requirements of <i>Planning for Bush Fire Protection</i>.</p>   |
|            | <b>Response/Comment:</b>   | Noted.  |
| 6.         | Land Dynamics Australia for JW Missen, JF & GC Wilkins and Kingswood Estates Pty Ltd | <p>(a) To achieve an equitable outcome for all landowners, Council's planning should include all land within the Airport Precinct Investigation Area allowing all sites to be developed to some extent, rather than just a limited area to a greater intensity.</p> <p>(b) Council should proceed with a rezoning of the Airport Precinct as a whole and include the Missen land given that discussions have been ongoing since 1994 and significant expense and time has gone into investigating the Missen site.</p> <p>(c) Flood free access should be a priority and in place before any approval of development in the Airport Business Park and reflected in the DCP.</p> <p>(d) Council should consider purchasing the Missen site for community purposes as part of precinct planning.</p>  |

| Submission |                               | Comment/Issue  |
|------------|-------------------------------|--|
|            |                               | <p>(e) The Draft DCP indicates a 40m wide road reservation for the proposed north-south collector road. This is considerably larger than the 20m reservation of Boundary Street and should not be continued into any Boundary Street upgrade.</p> <p>(f) Draft DCP Figure 7 shows an indicative stormwater discharge onto adjoining private property without any consent to do so.</p> <p>(g) Draft DCP Figure 10 shows an indicative sewer main through private property, which should be contained within the road reserve.</p>  |
|            | <b>Response/<br/>Comment:</b> | <p>(a) The proposed extent of B7 Business Park rezoning is addressed in the 'Discussion' section of this report. The issue was also considered in detail by Council in its consideration of the July 2019 Council report.</p> <p>(b) The request to include the Missen land in the Planning Proposal is addressed in the 'Discussion' section of this report.</p> <p>(c) It is agreed that flood free access is important however, it is not essential to proceeding with the Planning Proposal. As pointed out in the July 2019 Council report, in the absence of any certainty regarding a future alternative road access at this time, it is assumed that all access to the proposed Business Park will be via Boundary Street.</p> <p>Design work (concept and detailed) is progressing for an upgrade of Boundary Street to the 1:20 year flood level. This level meets the minimum advanced warning time and evacuation route requirements of Council's <i>Flood Policy 2018</i> for commercial/industrial development.</p> <p>(d) The potential purchase of the Missen site by Council is beyond the scope of the subject Planning Proposal.</p> <p>(e) The upgrade of Boundary Street is currently a design project of Council and will deal with the proposed road reservation width and location of services.</p> <p>(f) Draft DCP Figure 7 has been amended as requested.</p> <p>(g) Draft DCP Figure 10 has been amended as requested.</p> |
| 7.         | Sam Shead                     | Supports the proposed Business Park. Considers that it will help to transform the Airport and provide job and economic benefits to the community.  |
|            | <b>Response/<br/>Comment:</b> | Noted.   |
| 8.         | Hastings Birdwatchers         | (a) Supports the proposed increase in E2 Environmental Protection zoning.  |



| Submission |                          | Comment/Issue   |
|------------|--------------------------|---|
|            |                          | <p>(b) Requests that the location of the additional 40-50ha of koala habitat to be purchased by Council offsite be publicised together with the date that it will be established.</p> <p>(c) Concerned about possible clearing of hollow bearing trees and seeks assurance that any loss of hollows will be offset.</p>   |
|            | <b>Response/Comment:</b> | <p>(a) Noted.</p> <p>(b) Council has committed to securing an additional 40-50ha of Blackbutt Tallowood dry grassy open forest koala habitat by either (in order of preference):</p> <ul style="list-style-type: none"> <li>– securing additional privately-owned land within the LGA offered for sale that provides habitat for these species, or</li> <li>– purchasing credits from registered BioBank sites located within the LGA, or</li> <li>– purchasing credits from registered BioBank sites located outside of the LGA, or</li> <li>– purchasing the required credits from the proposed NSW Government Biodiversity Conservation Fund, once available.</li> </ul> <p>The Biodiversity Certification Agreement requires that these additional credits be secured within 7 years (i.e. by Sep 2025).</p> <p>(c) The biodiversity certification assessment includes the offsetting of hollow bearing trees and confirms that the number of hollow bearing trees and logs on the ground are expected to increase as a result of actively managing the Conservation lands.</p> |
| 9.         | Stefanie Morris          | Objects to the proposal due to loss of koala habitat. The need to protect what remains of our local koala population following the recent bushfires is emphasised.  |
|            | <b>Response/Comment:</b> | The concerns raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal are addressed in detail in the 'Discussion' section of this report.  |
| 10.        | Mandy                    | <p>Opposes the proposal as it will destroy approx. 100ha of koala habitat.</p> <p>Koalas were in decline and losing habitat to development before the bushfires. All remaining koala habitat is now more precious than ever.</p> <p>It appears all this Council cares about is development.</p>   |
|            | <b>Response/Comment:</b> | Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report. The concerns raised in the submission are noted.  |
| 11.        | Philip Lloyd             | <p>Strongly objects to the proposal due to:</p> <p>(a) Loss of koala habitat after the devastating impact of recent bushfires on the local koala population.</p>  |



| Submission                    | Comment/Issue  |
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|                               | <p>(b) The concept of offsetting does nothing to provide meaningful koala habitat.</p> <p>(c) The proposal reinforces Council's lack of any meaningful protection for koalas as witnessed by no <i>Coastal Koala Plan of Management</i> for the last 8 years.</p> <p>(d) The flood free access road destroys more koala habitat in the Fernhill Road region, effectively stops races at the Racecourse and forces sales of properties along Lady Nelson Drive/Fernhill areas.</p> <p>(e) There seems to be no cost benefit analysis for this project, nor any traffic studies for the proposed additional Airport access roads.</p> <p>(f) A conflict of interest exists where Council is the developer and regulator for this project. I have little confidence in the probity checks by the 'independent' firm paid for by Council. How do we know what information this firm has/has not been privy to?</p>   |
| <b>Response/<br/>Comment:</b> | <p>(a) - (b) Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report.</p> <p>(c) Council acknowledges the frustrations arising from the CKPoM not being completed, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing to protect koala habitat.</p> <p>(d) Potential routes for flood free road access from the Oxley Highway have been biodiversity certified within the Airport lands. However, in the absence of any certainty regarding a future alternative road access at this point in time, it is assumed that all access to the proposed Business Park will be via Boundary Street. A separate approval process is required for any potential flood free access road to the Airport.</p> <p>(e) Investigations for a flood free road access to the Airport are currently underway. However, as pointed out in the July 2019 Council report and as noted in (d) above, in the absence of any certainty regarding a future alternative road access at this time, it is assumed that all access to the proposed Business Park will be via Boundary Street.</p> <p>(f) Preliminary and Final Probity Review reports prepared by Cardno (NSW/ACT) Pty Ltd are discussed in the 'Planning and Policy Implications' section of this report and include detail on</p> |



| Submission |                                  | Comment/Issue  |
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|            |                                  | the information and processes reviewed in relation to the preparation of the Airport Business Park Planning Proposal.  |
| 12.        | Nicole Mitchell                  | <p>Strongly oppose the proposal due to the impact on koala habitat, particularly after the destruction caused by the drought and recent bushfires. We cannot afford to risk losing any more koalas.</p> <p>Council needs to go back to the drawing board to ensure that we do not push our koalas to extinction.</p> <p>A formal Koala Recovery Plan needs to be prepared, implemented and actioned.</p> <p>The concept of offsetting koala habitat is fraught with issues. There is no way you can start with two viable areas of koala habitat, end up with one somewhere else, and trust that koalas will flourish.</p> <p>It appears all Council cares about is development at all costs, without foresight and consideration for the environmental impacts of its strategies.</p> |
|            | <b>Response/Comment:</b>         | The concerns and frustrations raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report.  |
| 13.        | David Hills                      | <p>Objects to the proposal as it will remove approx. 95ha of prime koala habitat, which is unacceptable following the massive destruction of koala habitat by the recent bushfires.</p> <p>When will Council have a <i>Coastal Koala Plan of Management</i> so that koala habitat can be managed in a direct and controlled manner?</p>  |
|            | <b>Response/Comment:</b>         | <p>Impacts on koala habitat as a result of the Planning Proposal and progress on the <i>Draft Coastal Koala Plan of Management</i> are addressed in the 'Discussion' section of this report.</p> <p>Council acknowledges the frustrations arising from the CKPoM not being completed, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing to protect koala habitat.</p>  |
| 14.        | Roslyn Mumford - submission No 1 | <p>Strongly objects to the proposal due to:</p> <p>(a) Loss of koala habitat after the devastating impact of recent bushfires on the local koala population.</p> <p>(b) The concept of offsetting does nothing to provide meaningful koala habitat.</p> <p>(c) The proposal reinforces Council's lack of any meaningful protection for koalas as witnessed by</p>  |



| Submission |                               | Comment/Issue   |
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|            |                               | <p>no <i>Coastal Koala Plan of Management</i> for the last 8 years.</p> <p>(d) The flood free access road destroys more koala habitat in the Fernhill Road region, effectively stops races at the Racecourse and forces sales of properties along Lady Nelson Drive/Fernhill areas.</p> <p>(e) There seems to be no cost benefit analysis for this project, nor any traffic studies for the proposed additional Airport access roads.</p> <p>(f) A conflict of interest exists where Council is the developer and regulator for this project. I have little confidence in the probity checks by the 'independent' firm paid for by Council. How do we know what information this firm has/has not been privy to?</p>  |
|            | <b>Response/<br/>Comment:</b> | <p>(a) - (b) Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report.</p> <p>(c) Council acknowledges the frustrations arising from the CKPoM not being completed, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing in relation to the protection of koala habitat.</p> <p>(d) Potential routes for flood free access have been biodiversity certified within the Airport lands. However, in the absence of any certainty regarding a future alternative road access at this point in time, it is assumed that all access to the proposed Business Park will be via Boundary Street. A separate approval process is required for any potential flood free access road to the Airport.</p> <p>(g) Investigations for a flood free access to the Airport are currently underway. However, as pointed out in the July 2019 Council report and as noted in (d) above, in the absence of any certainty regarding a future alternative road access at this time, it is assumed that all access to the proposed Business Park will be via Boundary Street.</p> <p>(h) Preliminary and Final Probity Review reports prepared by Cardno (NSW/ACT) Pty Ltd are discussed in the 'Planning and Policy Implications' section of this report and include detail on the information and processes reviewed in relation to the preparation of the Airport Business Park Planning Proposal.</p> |
| 15.        | John Jeayes                   | Strongly objects to the expansion of the Port Macquarie Airport as the proposal will involve further removal of koala habitat at a time when fires have incinerated 350+  |

| Submission               | Comment/Issue   |
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|                          | <p>koalas in what used to be the Lake Innes hub, recognised as containing the strongest population on the coast. This population is now classed as functionally extinct. What miserable Council would hasten the koala demise by destroying the adjoining habitat to that hub?</p> <p>At this time there should be a census taken of how many animals are left and NO clearing of any koala habitat in the LGA until we know exactly what remains of the Port Macquarie koala population.</p> <p>The offsetting of any koala habitat is a fraud. There is no way you can start with two viable areas of koala habitat and end up with one somewhere else and claim there has been no net loss. How a third of an environmental corridor can be offset is beyond rational reasoning.</p> <p>It is particularly annoying to those who spent months going to <i>Coastal Koala Plan of Management</i> (CKPoM) meetings to help devise the Draft CKPoM to find it was never accepted! One can only presume it was not accepted because Council would have had to protect core koala habitat but they needed Biocertification to allow clearing of koala habitat first.</p> |
| <b>Response/Comment:</b> | <p>The concerns raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal and progress on the <i>Draft Coastal Koala Plan of Management</i> are addressed in the 'Discussion' section of this report.</p> <p>Council acknowledges the frustrations arising from the CKPoM not being completed, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing to protect koala habitat.</p> <p>Any moratorium on land clearing related to development in bushfire-affected areas would need to be a decision of the NSW State Government.</p>  |
| 16. Russell May          | <p>Objects to the proposal as it will destroy core koala habitat. With recent bushfires, this habitat needs to be protected. Council should take a step back and look at the big picture. Also, no Biodiversity report has been provided with the proposal.</p>   |
| <b>Response/Comment:</b> | <p>The concerns raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report.</p> <p>The Planning Proposal has been informed by an approved biodiversity certification assessment and strategy, which is also discussed in the 'Discussion' section of this report.</p>   |



| Submission                           | Comment/Issue  |
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| 17. Justin Poppleton                 | <p>Objects to the proposal as it will destroy approx. 100ha of koala habitat, which is more precious than ever since the recent bushfires.</p> <p>The proposal would hasten the demise of koala by destroying habitat in an area adjacent to the Lake Innes hub.</p> <p>There should be a census taken of how many koalas are left in remaining habitat and clearing of koala habitat in the Port Macquarie-Hastings LGA must cease until it is known exactly what koala population remains.</p> <p>I am very disappointed that Council does not have a <i>Coastal Koala Plan of Management</i> (CKPoM). One can only presume it was not accepted because Council would have had to protect core koala habitat and they needed Biocertification of the Airport precinct to allow clearing of koala habitat first.</p> <p>The concept of offsetting koala habitat is a fraud. Offsetting is not preservation. There is no way you can start with two viable areas of koala habitat and end up with one somewhere else and claim there has been no net loss.</p> <p>It appears all this Council cares about is development at any cost.</p> <p>The proposal needs a serious rethink, one that achieves a balance between development and conservation.</p> |
| <b>Response/Comment:</b>             | <p>The concerns raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal and progress on the <i>Draft Coastal Koala Plan of Management</i> are addressed in the 'Discussion' section of this report.</p> <p>Council acknowledges the frustrations arising from the CKPoM not being completed, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing to protect koala habitat.</p> <p>Any moratorium on land clearing related to development in bushfire-affected areas would be a decision of the NSW State Government.</p>   |
| 18. Roslyn Mumford - submission No 2 | <p>Strongly opposes the proposal as it will involve further destruction of koala habitat, which is more important than ever since the recent bushfires. Estimates are approx. 350+ koalas in the Lake Innes area alone are now classed as functionally extinct.</p> <p>Proceeding with the proposal would significantly hasten the demise of koalas by destroying habitat in an area adjacent to the Lake Innes hub.</p>   |



| Submission |                          | Comment/Issue   |
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|            |                          | <p>There should be a census taken of how many animals are left in the remaining habitat and clearing of koala habitat in the LGA must cease until it is known exactly what koala population remains.</p> <p>I am very disappointed that Council does not have a <i>Coastal Koala Plan of Management</i> (CKPoM). It appears all this Council cares about is development at any cost.</p> <p>Is it a coincidence that Council does not have a CKPoM? It can only be presumed that the Draft CKPoM presented to Council was not accepted because Council would have had to protect core koala habitat and they needed Biocertification of the Airport precinct to allow clearing of koala habitat first.</p> <p>The concept of offsetting koala habitat is a fraud. There is no way you can start with two viable areas of koala habitat and end up with one somewhere else and claim there has been no net loss.</p> |
|            | <b>Response/Comment:</b> | <p>The concerns raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal and progress on the <i>Draft Coastal Koala Plan of Management</i> are addressed in the 'Discussion' section of this report.</p> <p>Council acknowledges the frustrations arising from the CKPoM not being completed, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing to protect koala habitat.</p>  |
| 19.        | Krystyna Zawadzka        | Against.  |
|            | <b>Response/Comment:</b> | Noted.  |
| 20.        | Terry Rhook              | <p>Strongly disagrees with the Airport Business Park proposal, based mainly on inadequate traffic management solutions, including the Airport access road and the destruction of more koala habitat following the devastating drought and bushfires.</p> <p>It seems that Council doesn't value feedback from residents. The process with the Airport access road was a joke and consultation took place well after the powers to be had already decided on an outcome and therefore they were just paying lip service. This proposal seems wrapped up in the same process.</p>   |
|            | <b>Response/Comment:</b> | Council is currently investigating potential corridors for a flood free secondary Airport road access separate to this Planning Proposal, however, in the absence of any certainty regarding a future   |

| Submission |            | Comment/Issue  |
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|            |            | alternative road access at this stage, it is assumed that all access to the proposed Business Park will be via Boundary Street. The capacity of Boundary Street to service the proposed Business Park is addressed in the 'Discussion' section of this report.   |
| 21.        | Denis Lane | <p>(a) Council's <i>Koala Recovery Strategy 2018</i> identified that the koala population at that time was approx. 2,000 animals. Following the recent bushfires the Port Macquarie Koala Hospital estimates that approx. 350 to 700 koalas have died. What is Council's estimate and on what basis?</p> <p>The <i>Koala Recovery Strategy</i> accepts that without intervention and clear direction and action to mitigate or remove some of the threats currently impacting the koala population, it is likely they will become extremely rare in most areas within 25 years and functionally extinct in the next 50 years. Surely, after the impact of the recent bushfires this timeline will have advanced.</p> <p>Whatever the koala Species Credit Offset Scheme implies, it is more than apparent that koalas and indeed many of our native fauna will be the continuing victims to this Council's approach to rapacious development.</p> <p>(b) Much is made in the Planning Proposal of the importance of the <i>North Coast Regional Plan 2036</i> but nothing of the point under Goal 1 of maintaining the most stunning environment in NSW or of the demand within the document to protect the iconic koalas and their habitat.</p> <p>There is so much wrong with this proposal and so much that is beyond the clear understanding of the average resident for instance:</p> <p>(c) What is a biobank and how does that help the environment?</p> <p>(d) What value to the koala population is E2 and E3 zonings?</p> <p>(e) The Planning Proposal (p15) refers to 'designated development'. What is the real impact of this classification?</p> <p>(f) Acid sulphate soil - major problem for Lake Cathie - no problem for this proposal.</p> <p>(g) November 2018 report to Council - What about the flood prone land in the area - no problem - the <i>Port Macquarie Flood Policy 2018</i> is presented at the next Council meeting and adopted ensuring the</p> |



| Submission                    | Comment/Issue   |
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|                               | <p>proposal gets a tick. What other development proposal would receive such treatment?</p> <p>(h) The area is mapped as being bushfire prone but at the time of preparing the Planning Proposal Council was unsure as to the seriousness of the threat.</p> <p>(i) The whole road saga around this proposal has been atrocious. This proposal suggests strongly that Boundary Street will adequately cope with this development, despite Council holding an opposite viewpoint.</p>   |
| <b>Response/<br/>Comment:</b> | <p>(a) The concerns and frustrations raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report.</p> <p>(b) Direction 2 of the <i>North Coast Regional Plan 2036</i> requires that new development should be appropriately located to limit any adverse impact on the region's biodiversity, coastal and aquatic habitats and water catchments.</p> <p>The land is identified as containing potential high environmental value land. As the Planning Proposal has been informed by an approved Biodiversity Certification Assessment and Strategy, it is considered to be consistent with Action 2.1 which requires that development focus on areas of least biodiversity sensitivity and implement the 'avoid, minimise, offset' hierarchy to biodiversity, including areas of high environmental value.</p> <p>(c) A biobank site is an area of private or public land within NSW over which the landowner has agreed to place a BioBanking agreement to manage land for conservation in perpetuity. The agreement is a secure legal covenant on the title of the land and provides ongoing funding for management. As a result, a biobank site is considered to be one of the best means for protecting biodiversity on areas that are outside the national parks reserve system.</p> <p>(d) Environmental zones - or 'E zones' - are designed to protect land that is of important environmental value. The E2 Environmental Conservation zone is for areas with high ecological, scientific, cultural or aesthetic values outside national parks and nature reserves. This zone provides the highest level of protection, management and restoration for such lands whilst allowing uses compatible with those values. Areas where a broader range of uses is required (whilst retaining environmental protection) are more appropriately zoned E3 Environmental Management.</p> <p>(e) Where development is designated development, a detailed Environmental Impact Statement (EIS) is to be prepared and</p> |



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|            |                          | <p>submitted with a Development Application. The EIS must be prepared in accordance with the NSW Planning Secretary's environmental assessment requirements.</p> <p>(f) The land proposed for B7 Business Park zoning contains acid sulphate soils and is supported by a groundwater study that assesses the actual and/or potential presence of acid sulphate soils affecting the site. The <i>Port Macquarie-Hastings Local Environmental Plan 2011</i> also contains suitable provisions to ensure that this matter can be appropriately considered and addressed at the later Development Application stage.</p> <p>(g) At the time of developing the proposed Business Park, filling (1,800m<sup>3</sup>) will be required to achieve flood-planning levels for fringe areas in the north and south of the proposed Business Park footprint to comply with the <i>Port Macquarie-Hastings Flood Policy 2018</i>. The Planning Proposal is supported by a Flood Impact Assessment which concludes that the impact of this filling is minor and within the allowable tolerances prescribed by the <i>Port Macquarie-Hastings Flood Policy</i>. As noted in the submission from the Biodiversity Conservation Division of the DPIE, the Flood Impact Assessment meets the requirements of the State's <i>Floodplain Development Manual 2005</i>.</p> <p>(h) The existing vegetated areas with the proposed B7 Business Park zone are mapped as bushfire prone land. As noted in the Planning Proposal, this vegetation has been biodiversity certified and is proposed to be cleared as future development of the proposed Business Park occurs. Future development of the proposed Business Park will also need to provide adequate bushfire Asset Protection Zones to the Biobank lands (i.e. future E2 zones to the east and south) and to adjoining rural land to the north.</p> <p>(i) Council is currently investigating potential corridors for a flood free secondary Airport Access, however, in the absence of any certainty regarding a future alternative road access at this point in time, it is assumed that all access to the proposed Business Park will be via Boundary Street. The suitability of the Boundary Street access to service the proposed Business Park, at a reduced footprint of developable land, is addressed in the 'Discussion' section of this report.</p> |
| 22.        | Anna Hazenveld           | Very concerned about the proposal as it will destroy too much koala habitat. After the recent bushfires, we need to protect all remaining koala habitat. Also 'offsetting' koala habitat does not work. Please do not go ahead with this proposal.  |
|            | <b>Response/Comment:</b> | The concerns raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report.  |



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| 23.        | Sheriden Sommerley       | <p>Opposes the proposal due to:</p> <ul style="list-style-type: none"> <li>(a) Further loss of koala habitat. We should be seeking to conserve koala habitat rather than destroying it given the scarcity of what remains after the recent Australia-wide fires.</li> <li>(b) Potential noise impact because of possible increase in air traffic flying over residential land.</li> <li>(c) The extension and development of the Airport will likely lead to an increase in the number of visitors to Port Macquarie, which is already unable to provide a reliable water supply to its residents.</li> <li>(d) Funds could be spent on something far more pressing such as easing the traffic problem at Lake Road and the Hospital roundabouts, which is becoming worse daily.</li> </ul>  |
|            | <b>Response/Comment:</b> | <ul style="list-style-type: none"> <li>(a) Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report. The concerns raised in the submission are noted.</li> <li>(b) The future footprint of the Port Macquarie Airport is based on the adopted <i>Port Macquarie Airport Master Plan 2010</i> and <i>Addendum Report 2013</i>, which includes consideration to potential aircraft noise.</li> <li>(c) As per commentary for (b) above.</li> <li>(d) Noted.</li> </ul>   |
| 24.        | Julie Ho                 | <p>Objects to the proposal as it will destroy the habitat of koalas and other native flora and fauna. The NSW Energy and Environment Minister has just stated that <i>"This season's significant bushfires have resulted in devastating losses to Koala numbers across NSW, so it is imperative that remaining populations and habitat are protected (SMH 18/2/20)."</i> We must save existing koala habitat, especially after the recent bushfires.</p> <p>The intention to 'offset' lost habitat relies on a flawed concept without evidence to support it. Offsetting cannot by definition, replace a unique place instantly and without trauma to living flora and fauna.</p> <p>Council's first priority should be to adopt and implement its CKPoM to ensure developments do not cause more koala deaths, directly or indirectly.</p> <p>Clearing of koala habitat in our LGA should cease while Council complies with the need for a CKPoM.</p> <p>At the same time, any available land known to be koala habitat must be given permanent protection and purchased if necessary by the NSW Government or by</p> |



| Submission |                          | Comment/Issue   |
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|            |                          | <p>Council. A suitable land package is currently for sale at 147 the Ruins Way, Port Macquarie.</p> <p>It may be time to contact the NSW Energy and Environment Minister who also said the government had reconvened the NSW Koala Strategy Independent Expert Advisory Panel and other experts to provide advice on options to support the koala population after the bushfires.</p>   |
|            | <b>Response/Comment:</b> | <p>Impacts on koala habitat as a result of the Planning Proposal and progress on the <i>Draft Coastal Koala Plan of Management</i> are addressed in the 'Discussion' section of this report. The concerns raised in the submission are noted.</p> <p>The frustrations arising from the CKPoM not being completed are acknowledged, however as detailed in the report, there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing to protect koala habitat.</p> <p>Any moratorium on land clearing related to development in bushfire-affected areas would be a decision of the NSW State Government.</p> |
| 25.        | W Sharp                  | <p>Disappointed and strongly object to the proposal as it will destroy approx. 100ha of koala habitat, which we cannot afford to lose after the recent bushfires.</p> <p>Clearing of koala habitat in the LGA should cease until a count is completed of how many koalas remain.</p> <p>Why doesn't Council have a <i>Coastal Koala Plan of Management</i> implemented?</p> <p>It appears that all Council cares about is development at any cost.</p>  |
|            | <b>Response/Comment:</b> | <p>The concerns raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal and progress on the <i>Draft Coastal Koala Plan of Management</i> are addressed in the 'Discussion' section of this report.</p> <p>Any moratorium on land clearing related to development in bushfire-affected areas would be a decision of the NSW State Government.</p> <p>The frustrations arising from the CKPoM not being completed are acknowledged, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing to protect koala habitat.</p>  |
| 26.        | Peter Oriel              | <p>Strongly opposes the proposal.</p> <p>Australia and the world has expressed emotional and financial support for our koalas and native fauna following the recent bushfires.</p>  |

| Submission |                          | Comment/Issue  |
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|            |                          | <p>Council however, seems hell bent on charging ahead with a development that will decimate two environmental corridors and 100ha of koala habitat and assume that this can be offset elsewhere.</p> <p>What hasn't Council adopted the <i>Draft Coastal Koala Plan of Management</i>?</p>   |
|            | <b>Response/Comment:</b> | <p>Impacts on koala habitat as a result of the Planning Proposal and progress on the <i>Draft Coastal Koala Plan of Management</i> are addressed in the 'Discussion' section of this report. The concerns raised in the submission are noted.</p> <p>The frustrations arising from the CKPoM not being completed are acknowledged, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and these are increasing to protect koala habitat.</p>   |
| 27.        | Martin Hazenveld         | <p>Council promotes itself as supporting koalas but happily bulldozes koala habitat as will be happening in this case.</p> <p>No decent Koala Plan of Management is in place. The koala issue is more about organising conferences and statues to window dress the push for development.</p> <p>With the recent massive bushfires, a lot of koala habitat has been destroyed and the NSW government has put a ban on logging on private lands.</p> <p>The science is there that koalas cannot be transplanted so how is the trading off going to work for this proposed development?</p> <p>Council should be at the forefront and stop clearing koala habitat as private property owners have to do, or at least stop being two-faced and show that it cares about koalas to ratepayers and the general public.</p> |
|            | <b>Response/Comment:</b> | <p>The concerns raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal and progress on the <i>Draft Coastal Koala Plan of Management</i> are addressed in the 'Discussion' section of this report.</p> <p>Any moratorium on land clearing related to development in bushfire-affected areas would be a decision of the NSW State Government.</p>  |
| 28.        | Grant Mitchell           | <p>Objects to the destruction of more koala habitat given that recent bushfires have decimated Port Macquarie's koalas and their habitat, particularly in the adjoining Lake Innes Koala Hub, where estimates of 350 to 700 koalas have perished.</p> <p>The concept of 'offsetting' is fraud. You cannot start with two viable areas of koala habitat and end up with</p>   |

| Submission |                          | Comment/Issue  |
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|            |                          | <p>one somewhere else and claim there has been no net loss.</p> <p>Given the plight of koalas in the LGA the fact that Council does not have an agreed <i>Coastal Koala Plan of Management</i> (CKPoM) is criminal.</p> <p>A cynic could assume that the Draft CKPoM put before Council (v4) was not accepted because Council would have had to protect core koala habitat but biocertification of the Airport precinct was needed to allow clearing of koala habitat first.</p> <p>If Council continues down this path they and staff will have contributed significantly to the extinction of koalas in Port Macquarie.</p> <p>A rethink is needed to get a better outcome than currently proposed. The cost of this proposal to the environment is too high despite the highly reference State government biocertification for the project.</p> |
|            | <b>Response/Comment:</b> | <p>The concerns and frustrations regarding the State Government's biodiversity certification legislation raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report.</p> <p>Any moratorium on land clearing related to development in bushfire-affected areas would be a decision of the NSW State Government.</p> <p>The frustrations arising from the CKPoM not being completed are acknowledged, however as detailed in the report there have been a number of contributing factors to these delays, including legislation changes. These delays however, will not result in the actual or potential loss of koala habitat. Higher orders of legislation exist to protect all habitat and are increasing to protect koala habitat.</p>          |
| 29.        | Trudy Carlin             | <p>To suggest destroying more koala habitat to provide more roads in town seems expensive and fruitless.</p> <p>The focus should be on providing a Business Park with easy access to the highway or train line, as opposed to bringing more traffic into town and creating a whole lot of new infrastructure.</p>  |
|            | <b>Response/Comment:</b> | <p>Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report. The concerns raised in the submission are noted.</p> <p>The location of the proposed Airport Business Park is consistent with the <i>North Coast Regional Plan 2036</i> and Council's DPIE approved <i>Port Macquarie-Hastings Urban Growth Management Strategy 2017-2036</i>, both of which identify the importance of supporting a strong and growing Airport precinct at Port Macquarie.</p>   |
| 30.        | Frank Dennis             | <p>Objects to the proposal. The biodiversity certification approval is no longer valid and cannot be used to justify</p>   |



| Submission |  | Comment/Issue   |
|------------|--|---|
|            |  | <p>the development proposal and destruction of the habitat it entails.</p> <p>A moratorium on clearing koala habitat is needed until detailed studies and assessment, including changing the laws and regulations based on knowledge of koala biology and ecology, are implemented. Very little suitable habitat remains.</p> <p>All areas of forest, especially those left unburnt are potentially critical to koala survival. The forests, which have been identified as being occupied and utilised by koalas in the past 20 years, must be protected from logging and clearing until it is established that koala habitat needs can be met and given long term protection.</p> <p>How can Council justify clearing yet more prime koala habitat especially when you don't know the consequences of doing so? 85% of koalas present before the fires have been killed. It is vital the science is trusted and not ignored. Do you want to preserve koalas in the wild or not?</p> <p>An attached extract, from a submission made by the Environmental Defenders Office NSW to the Upper House 'Enquiry into Koala populations and habitat in New South Wales' (Sep 2019), provides an outline of nine (9) overarching deficiencies in environment laws that exacerbate the threats to koalas in NSW, including habitat loss.</p> <p>It is requested that these 'inadequacies' be examined, responded to and considered fully in any determination made in relation to this proposal and its impacts.</p> |
|            | <b>Response/Comment:</b>                         | <p>The concerns and frustrations regarding the State Government's biodiversity certification legislation raised in the submission are noted. Impacts on koala habitat as a result of the Planning Proposal are addressed in the 'Discussion' section of this report.</p> <p>Any moratorium on land clearing related to development in bushfire-affected areas would be a decision of the NSW State Government.</p>  |
| 31.        | Hopkins Consultants Pty Ltd for Lewis Land Group | <p>(a) Lewis Land Group were not formally notified of the public consultation as required by the Preliminary Probity Review report. They were only notified through Council's website as per the general public.</p> <p>(b) The concerns raised in the 2016 submission prepared for Lewis Land Group by GEM Planning (attached to this submission) re mapping have not been addressed. Mapping for the Obstacle Limitation Surface (OLS) and Australian Noise</p>   |



| Submission               | Comment/Issue   |
|--------------------------|---|
|                          | <p>Exposure Forecast (ANEF) for the Business Park must be completed.</p> <p>(c) The concerns raised in the GEM Planning 2016 submission for Lewis Land Group regarding potential impacts to the retail hierarchy have not been satisfactorily addressed. Office premises should only be permitted in the Business Park where they are related to a light industrial use. Also, the indication that food and drink premises, childcare and gymnasiums are all encouraged uses puts the Business Park in direct competition with surrounding retail precincts.</p> <p>(d) The concerns raised in the GEM Planning 2016 submission for Lewis Land Group regarding the proposed Orbital Road link from the Oxley Highway to Hastings River Drive have not been satisfactorily addressed. The road link has the potential to affect the existing retail hierarchy and provide commercial benefit to Council, and the Airport Business Park Planning Proposal cannot be considered in isolation of this.</p>  |
| <b>Response/Comment:</b> | <p>(a) In 2016, GEM Planning lodged a submission on behalf of Lewis Land Group for Sovereign Hills Project during the public exhibition of the Airport and surrounding lands biodiversity certification assessment and strategy. The issues raised were more relevant to the proposed expansion of the B7 Business Park zone at the Airport (i.e. this Planning Proposal).</p> <p>Therefore, the Preliminary Probity Review report recommended that Lewis Land Group for Sovereign Hills Project, be notified of the Airport Business Park Planning Proposal public exhibition and invited to lodge a submission to ensure that any actual or perceived overlapping and/or outstanding issues could be considered and addressed, prior to a decision on the Planning Proposal.</p> <p>Consistent with the Preliminary Probity Review report, the July 2019 Council report states that Council's D&amp;E Division will write to Lewis Land Group for Sovereign Hills Project (represented by GEM Planning) alerting them to the Planning Proposal exhibition and inviting them to make a submission.</p> <p>On 29 January 2020, Council D&amp;E staff notified GEM Planning in writing of the public exhibition period, as the consultant acting on behalf of Lewis Land Group for Sovereign Hills Project. At no time in responding to Council's notification, nor during subsequent telephone discussions with D&amp;E staff regarding the Planning Proposal on behalf of other clients, did GEM Planning advise they were no longer representing Lewis Land Group in this matter.</p> |

| Submission |                            | Comment/Issue   |
|------------|----------------------------|---|
|            |                            | <p>(b) Clause 7.7 of the <i>Port Macquarie-Hastings LEP 2011</i> contains provisions relating to airspace operations and the restriction of certain development that penetrates the OLS. Clause 7.8 of LEP 2011 applies to development in areas subject to potential aircraft noise for which aircraft noise exposure forecast (ANEF) maps have been prepared, which together with the relevant Australian Standard AS 2021—2000, can be used as a tool to assist in planning for new development proposed near airports.</p> <p>As the OLS and ANEF Maps can be amended at short notice subject to the change of airport operations, it is best practice not to include them into the LEP to avoid the need for frequent LEP amendments. These maps are contained within the <i>Port Macquarie Airport Master Plan 2010</i> and <i>2013 Airport Master Plan Addendum Report</i>, which are available for view/download on Council's Port Macquarie Airport website.</p> <p>(c) The potential impact of the proposed Business Park on the centres hierarchy is addressed in the 'Discussion' section of this report.</p> <p>(d) The proposed Business Park, as currently presented in the Planning Proposal, does not rely on a new road link between the Airport and the Oxley Highway. However, any future establishment of a flood free access from the Oxley Highway to the Airport would benefit the whole of the community.</p> |
| 32.        | GEM Planning for Leroy Day | <p>The submission relates to Lot 4 DP 613304 and raises concerns that the landowner was not made aware of the Biodiversity Certification affecting the south eastern corner of the land.</p> <p>The submission confirms that the landowner is:</p> <ul style="list-style-type: none"> <li>• Not in a position to provide landowner consent for the Biodiversity Certification</li> <li>• Not in a position to provide landowner consent to access the land for the purpose of environmental assessment to support an Environmental Impact Study, and</li> <li>• Requests that Lot 4 be removed from the Planning Proposal.</li> </ul>   |
|            | <b>Response/Comment:</b>   | <p>The request to remove Lot 4 DP 613304 from the Planning Proposal is not supported.</p> <p>With respect to the Biodiversity Certification, it is confirmed that it only applies to Lot 4 to the extent of vegetation clearing due to the OLS for the safety of Airport operations, and limited to a small area of land in the south eastern corner of the site.</p> <p>The request for access did not relate to the whole of the property but was intended to be limited to only the footprint of the land required to be cleared for the OLS.</p>  |

| Submission | Comment/Issue  |
|------------|--|
|            | <p>The biocertification of that part of Lot 4 DP 613304 confirms that biodiversity impacts associated with the clearing of the vegetation required to establish the OLS on Lot 4 land have already been dealt with and offset. The Planning Proposal makes no change to the current zoning and development controls applicable to Lot 4 DP 613304.</p> <p>The consent from the owner of Lot 4 DP 613304 will be required to be able to include the clearing of the vegetation needed to establish the OLS on that property in the Environmental Impact Statement (EIS) currently being prepared for Council seeking approval for the planned works, including clearing of vegetation associated with the OLS. If landowner consent is not provided, the EIS will not seek development consent for the removal of the vegetation on the small area of biocertified land within Lot 4 DP 613304.</p> |

Internal consultation in relation to the submissions received in response to the public exhibition and consultation with public authorities has occurred with managers and staff of Council's Infrastructure Planning, Natural Resources, and Contributions Planning teams.

#### Post-exhibition Amendments

Having considered the submissions in response to the public exhibition and consultation with public authorities, no variation to the Planning Proposal is considered necessary; however, the following minor amendments to the Draft DCP are proposed:

- Figure 7 (Concept Stormwater Management Plan) - arrow graphic in the northwest of the proposed B7 Business Park footprint reoriented to show indicative stormwater discharge contained wholly within Council's land.
- Figure 10 (Concept Sewer Strategy) - line work adjusted to show indicative sewer main location within the road reserve.

A copy of the revised Draft DCP provisions incorporating the proposed post-exhibition map amendments is at **Attachment 5** to this report.

#### **Planning & Policy Implications**

The Planning Proposal is the outcome of the *North Coast Regional Plan 2036* and Council's DPIE approved *Port Macquarie-Hastings Urban Growth Management Strategy 2017-2036*, both of which identify the importance of supporting a strong and growing Airport precinct at Port Macquarie.

The proposed rezoning of the remainder of the Airport lands and Council's adjoining Thrumster lands is consistent with the approved Biodiversity Certification Assessment and Strategy.

As Council is the landowner, the proponent and the Planning Proposal Authority in this matter, Council has not sought delegation from the DPIE to be the local plan-making authority for the Planning Proposal. As such, Council has not been

authorised to make the Local Environmental Plan giving effect to the Planning Proposal. If approved, the Plan will be made by the NSW Minister for Planning and Public Spaces and published on the NSW Legislation website.

The Airport Business Park DCP would take effect upon publication of the LEP amendment on the NSW Planning legislation website.

When prepared, the Contributions Plan will facilitate collection of contributions for improvements to the road network to service the proposed Business Park.

#### Probity Review

Council is committed to ensuring a clear and transparent process for land use decision-making. Therefore, Cardno (NSW/ACT) Pty Ltd were engaged by Council D&E to undertake an independent review of Council's planning processes relating to the preparation of the Airport Business Park Planning Proposal.

The key objective of the probity review was to address the following question:

*Has Council fulfilled its role as planning authority in a fair and unbiased manner, notwithstanding the ownership of land by Council within the Airport Business Park Investigation Area?*

Cardno's Preliminary Probity Review report (at **Attachment 1**) covered the period from 16 March 2016 to 7 November 2018 in the lead up to the Business Park site selection process reported to the 21 November 2018 Council meeting. As part of this review, Cardno undertook a range of tasks, including:

- sighting documents, reports, technical studies, consultancy briefs, Councillor briefing material and meeting minutes
- confirming the confidentiality of sensitive information and internal file security arrangements
- reviewing Council D&E planning criteria for site assessment, and
- observing meetings between Council D&E and landowners/consultants.

The Preliminary Probity report concluded that Cardno had not observed or detected evidence of partiality, bias or probity issues of concern in the planning process leading up to the presentation of the 21 November 2018 report to Council.

Since that time, Cardno has continued to review Council D&E's processes for the Airport Business Park Planning Proposal and a Final Probity Review Report has been prepared (at Attachment 2).

The Final Probity Review Report covers the intervening period and provides an independent assessment of Council D&E's planning processes to form an opinion on whether there have been any probity issues of concern in relation to the Planning Proposal exhibition and assessment processes and the final recommendation to Council.

Work performed by Cardno in the conduct of the Final Probity Review Report included:



- Attendance, either in person or via internet link, at meetings between Council D&E and the PMHC Airport, including receipt and review of meeting notes
- Sighting of all correspondence to/from the Missen landowners and Council's replies, together with all meeting notes involving the Missen landowners and their representatives
- Sighting of the Gateway Determination and Planning Proposal public exhibition material
- Sighting of all State agency and public submissions
- Review of Council D&E's submissions report including the final recommendation
- Reaffirmation of the confidentiality of sensitive information and internal file security arrangements
- Assessment of Council's processes against the relevant NSW planning legislation and guidelines, the recommendations of the Preliminary Probity Review Report, and the Probity Principles of the NSW Independent Commission Against Corruption.

The findings of the Final Probity Review Report confirm that Cardno has not observed or detected evidence of partiality, bias or probity issues of concern in the planning processes and associated tasks involved in the preparation of the Airport Business Park Planning Proposal.

### **Financial & Economic Implications**

As discussed in this and in the November 2018 and July 2019 reports to Council, there are no significant economic impacts expected on the existing and proposed hierarchy of business centres in the Port Macquarie-Hastings LGA because of the proposed Business Park rezoning.






There is a potential for financial risks to impact upon Council associated with infrastructure requirements, particularly for roads infrastructure to service the proposed Airport Business Park. These risks are to be mitigated through the development of a Contributions Plan to address road infrastructure upgrades to service the proposed Business Park, prior to development. It is recommended that a Draft Section 9.11 Airport Business Park Roads Contributions Plan be reported to a future Council Meeting.

Other major infrastructure costs in developing the proposed Business Park relate to sewer servicing, water supply and stormwater management. These requirements will need to be resolved at the later Development Application stage.

The proponent has paid the stage 1 and stage 2 rezoning fees to prepare the Planning Proposal in accordance with Council's *Schedule of Fees and Charges*.

Council's D&E Division, as part of the assessment process, has funded the Probity Review reports.

### Attachments

1.  Preliminary Probity Review Report
2.  Final Probity Review Report
3.  Exhibited Planning Proposal
4.  Exhibited Draft DCP
5.  Final Draft DCP

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Item: 13.06

Subject: LAKE INNES ACID SULPHATE SOIL MANAGEMENT OPTIONS  
STUDY - GRANT APPLICATION UPDATE

Presented by: Development and Environment, Melissa Watkins

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#### Alignment with Delivery Program

4.6.1 Develop and implement a range of programs for the environmental management of lands within the local government area.

#### RECOMMENDATION

##### That Council:

1. Note the outcome of the Coast and Estuary Management Grant application.
2. Fund the budget shortfall of \$145, 500, outlined in the Financial and Economic Implications section of this report, from funds identified in Council's resolution in respect of Item 10.08 (Borrowing for Projects) at the Ordinary Council Meeting on 16 October 2019.
3. Note that a tender will not be sought for the Lake Innes Acid Sulphate Soil Management Options Study in accordance with the Local Government Act 1993 section 55(3)(b) being a *"contract entered into by a Council with the Crown (whether in right of the Commonwealth, New South Wales or any other State or a Territory), a Minister of the Crown or a statutory body representing the Crown"*.
4. Accept the quotation from the NSW Government Soil Conservation Services to undertake the Lake Innes Acid Sulphate Soil Management Options Study for \$293,000 (ex GST).

#### Executive Summary

As resolved by Council on 16 October 2019, Council applied for grant funding through the Coast and Estuary Management Grants to undertake background studies that were identified by the Government stakeholders in consideration of long term solutions to issues affecting the Lake Innes Lake Cathie Estuarine System as follows (with estimated costs):

1. A digestion model of the Acid Sulphate Soil (ASS) uncovered as a result of a study commissioned by Council and NPWS in May 2019 - \$185,000
2. A review of 2013 Lake Inness Reversion Study - \$50,000
3. An ecological condition assessment of the saltmarsh community within Lake Innes - \$10,000. NB: The Australian Government has listed *Subtropical and Temperate Coastal Saltmarsh* as vulnerable in the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).
5. Review of possible short term emergency ASS containment works - \$50,000.

In the October 2019 report the above actions were estimated to cost \$295,000. Council resolved to fund 50% of the cost of these studies and seek funding for the other 50%.

Council was advised in March 2020 by the NSW Department of Industry and Environment (DPIE) that this application has been included on the “reserve list”, with funding subject to completion of the Coastal Management Program (CMP) Scoping Study prior to the next round of funding opening in August 2020. A copy of the advice is provided attached as **Attachment 1**.

Although all attempts have been made to meet this timeframe, it is not possible, given the need for a 28-day community consultation period for the draft CMP Scoping Study and the fact that the final Scoping Study requires endorsement from Council and DPIE prior to being eligible for funding, that this deadline could be met. Further delays in commencing this project will have significant flow on impacts for the Lake Cathie/Lake Innes and Bonnie Hills chapter of the CMP. It is therefore recommended that Council allocate funding from previously approved borrowings (Item 10.08 (Borrowing for Projects)) adopted at the Ordinary Council Meeting on 16 October 2019 to allow this project to commence so as to not unreasonably delay the CMP process for Lake Cathie/Lake Innes and Bonnie Hills. A copy of this Notice of Motion and resolution is included here as **Attachment 2**.

It is also recommended that Council directly engage the NSW Soil Conservation Service (SCS) to undertake a review of the *Lake Innes Environmental Assessment* (2013) including background studies as detailed above. The project will consist of specialist studies that quantify the Acid Sulphate Soil (ASS) risk to the lake system, review the 2013 Lake Innes reversion study in light of these findings, and detail management options to address the ASS risk.

### Discussion

In early 2019, Port Macquarie-Hastings Council (PMHC) and NSW National Parks (NPWS) engaged the NSW Soil Conservation Service (SCS) to undertake an assessment of the current and potential Acid Sulphate Soil (ASS) risk of the Lake Cathie and Lake Innes estuary system.

The *Lake Cathie and Lake Innes Acid Sulphate Soil Risk Assessment (2019)* identified a significant ASS risk in Lake Innes.

Due to the drought conditions at that time, Council was (and still is) receiving a significant amount of community feedback about the management of the lake despite Council not being the owner or the manager of either Lake Cathie or Lake Innes. These community concerns along with the ASS issue resulted in Council facilitating a number of meetings with the key government agencies involved in the management of the Lake Cathie and Lake Innes estuary system to discuss solutions and options. These stakeholders include: NPWS, Department of Primary Industries - Fisheries (DPI Fisheries), Department of Primary Industries - Crown Lands (DPI Crown Land). Please note following a NSW Government restructure all of these agencies now fall under a ‘super’ department called the Department of Planning, Industry and Environment (DPIE).



In September 2019, all of the stakeholder government agencies agreed on a way to progress the situation, and on 16 October 2019, a recommendation was put to Council requesting approval of 50% funding for the following:

- A digestion model of the acid sulphate soil within Lake Innes as a result of the recent ASS study undertaken by SCS.
- A review of the *Lake Innes Environmental Assessment (2013) (the reversion study)*
- An ecological condition assessment of the saltmarsh community within Lake Innes.
- A review of possible emergency ASS containment works.

Council resolved in Item 13.09 at the 16 October 2019 meeting the following:

*RESOLVED: Alley/Griffiths*

*That Council:*

1. *Note the information provided in the Lake Innes/Lake Cathie Estuary System Update Report.*
2. *Request the General Manager to seek 50% Coastal Management Program funding to undertake the initial background studies as outlined, for input to the Lake Innes/Lake Cathie Coastal Management Program being \$147,500.*

*CARRIED: 8/0*

*FOR: Alley, Dixon, Griffith, Hawkins, Intermann, Levido, Pinson and Turner*

*AGAINST: Nil*

Council applied for funding on 2 December 2019 as part of the Coastal and Estuary Management Grants in the amount of \$147,500 to cover 50% of the costs. Council was notified 27 March 2020 that the application was placed on a “reserve list” subject to the completion of the PMHC Coastal Management Program (CMP) Scoping Study before the next round of funding opens in August 2020. A copy of the advice is included here as **Attachment 1**.

The Lake Cathie and Lake Innes estuarine system is managed by a number of NSW State bodies, namely NPWS, Fisheries and Crown Land. In order to understand the constraints and issues within the estuarine system a number of studies must be undertaken to better inform planning and decision making. As such in mid-2019 Council and NPWS engaged Soil Conservation Service of NSW (SCS) to undertake initial investigations of the risk of acid sulphate during the drought and what would be the possible impacts on the lake if an opening was undertaken. The conclusion of that initial review provided guidance for additional studies that needed to be done in order to better inform management of acid sulphate in Lake Innes. At the October 2019 Council meeting these studies were supported and funding was sought as per the Coast and Estuary Management Grant funding program.

The acid sulphate studies that are requested to be undertaken include:

- Quantify the ASS risk of the lake system using ASS digestion and hydrodynamic modelling.
- Review the 2013 Lake Innes reversion study in light of the findings.
- Provide management options to address the ASS risk and review the preferred option under 2030 and 2070 climate change projections.

SCS provided Council with a quote which proposes to form a partnership between Southern Cross University, DPIE Environment, Energy and Science, Aquatic Science Management and Midcoast Consulting Engineers to provide a multidisciplinary team to deliver the work.

The work is of a specialized nature and as such Council has sought out experts in this field of work. SCS provides not only expertise but is able to coordinate an effective partnership with other organisations to deliver excellent on-ground outcomes.

Given this ongoing specialised work a tender will not be sought for the Lake Innes Acid Sulphate Soil Management Options Study in accordance with the Local Government Act 1993 section 55(3)(b) being a *“contract entered into by a Council with the Crown (whether in right of the Commonwealth, New South Wales or any other State or a Territory), a Minister of the Crown or a statutory body representing the Crown”*. Accordingly, this report also recommends that Council accept the quotation from the NSW Government Soil Conservation Services to undertake the Lake Innes Acid Sulphate Soil Management Options Study for \$293,000 (ex GST)

The CMP Scoping Study is currently being developed. It is the foundational guiding document for the Coastal Management Program for PMHC and as such is imperative to ensure it is well written and allows time to undertake meaningful and effective community consultation. A separate report has been included on the May 2020 Ordinary Council Meeting agenda relating to the draft CMP Scoping Study which recommends that the draft Scoping Study be placed on public exhibition for a period of 28 days which means, that if adopted, it is unlikely that Council would meet the funding deadline of August 2020 and if it did it is likely to be a further period of time delay while applications were considered and granted by the DPIE.

It is also important that Council begin work on the CMP for Lake Cathie/Lake Innes and Bonny Hills Estuary and Coastline for Stage 2. As such, the proposed Acid Sulphate work is an integral portion of this stage 2 work and is at a risk of an unreasonable delay if the project is not funded by Council or is contingent on grant funding.

Council would however, continue to apply for future funding for the development of the CMP.

### **Options**

Council could opt to:

1. Continue to work on the draft CMP Scoping Study with the intention of making a further funding application in August 2020 to access the funding; or
2. Fund the cost of the ASS Management Options Study to allow commencement and apply for funding in the new funding round for other works related to the CMP; or
3. Resolve in some other manner.

### **Consultation**

Internal consultation regarding the requirements for the Lake Innes Acid Sulphate Soil Management Options Study has been previously completed with:

- Waste and Environmental Manager, formally Development and Environment;
- Environmental Projects Officer, Development and Environment;
- Group Manager, Environment and Regulatory Services;
- Director, Development and Environment; and
- Strategic Procurement Manager, Procurement

External consultation regarding the requirements for the Lake Innes Acid Sulphate Soil Management Options Study has been undertaken with:

- Department of Planning, Industry and Environment (DPIE) - various divisions.

### Planning and Policy Implications

Failure to secure funding and complete the Lake Innes Acid Sulphate Options Study may impact on completion of the Coastal Management Program for Lake Cathie/Lake Innes and Bonny Hills Estuary and Coastline CMP.

### Financial and Economic Implications

An application for grant funding for 50% (\$147,500) of the Lake Innes Acid Sulphate Options Study is contingent on having the CMP Scoping Study endorsed by Council by August 2020. It is anticipated that this may not be obtainable. Therefore, failure to obtain this round of funding will require a new funding option to be secured which will delay the project further. This will result in potential delays to the completion of the CMP for Lake Cathie/Lake Innes and Bonny Hills Estuary and Coastline.

It is requested that an additional \$145,500 (based on the quotation received from Soil Conservation Commission of NSW) be allocated to this project from funds identified in Item 10.08 Borrowing of Projects as resolved at the Ordinary Council Meeting on 16 October 2019. At this meeting Council resolved that funds would be allocated to "Carry out investigations and planning with respect to undertaking tidal improvements that form part of the Lake Innes and Lake Cathie Estuarine System from the Ocean Drive bridge in a westerly direction." A copy of this resolution is attached as **Attachment 2**.

**Attachment 3** is a copy of the quote (consultancy agreement). This confidential attachment titled "*Soil Conservation Service Consultancy Agreement - Lake Innes Acid Sulphate Management Options Study*" contains information that relates to commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. *Local Government Act 1993 - Section 10A(2)(di)*.

### Attachments

1. [Acid Sulphate - Grant Application Letter -Reserve List](#)
2. [Ordinary Council Meeting Minutes 16/10/2019 - Resolution - Borrowing for Projects - Lake Cathie October](#)
3. Confidential - Soil Conservation Service Consultancy Agreement - Lake Innes Acid Sulphate Management Options Study - D2019/409907 (Confidential)

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**Item: 13.07**

**Subject: DRAFT COASTAL MANAGEMENT PROGRAM SCOPING PLAN**

**Presented by: Development and Environment, Melissa Watkins**

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### **Alignment with Delivery Program**

4.6.1 Develop and implement a range of programs for the environmental management of lands within the local government area.

### **RECOMMENDATION**

#### **That Council:**

- 1. Place the draft Coastal Management Plan Scoping Study (Attachment 1) on public exhibition commencing from 21 May 2020, for 28 days.**
- 2. Request the General Manager to provide a further report to Council following the exhibition detailing the submissions received from the public during the exhibition period.**

### **Executive Summary**

In 2016, the NSW Government introduced a new framework to manage the coastal environment in an ecologically sustainable way for the social, cultural and economic wellbeing of the residents and visitors of NSW. The cornerstone of this framework, the *Coastal Management Act 2016*, contains provisions that should be followed to develop long-term strategies for the management of the coastal zone.

The Coastal Management Program (CMP) will set the long-term strategy for the coordinated management of the coastal zone. It will achieve the purpose and objectives of the CM Act. The process to write a CMP is prescriptive so that it provides consistency across NSW. It aims to provide a framework for management of the coastal zone, which acknowledges and reflects the needs of the coastal area but balances this with the reality of the competing needs of the Local Government Area (LGA) and the various desires/mandates of other stakeholders. Opportunities for funding will be sought often and communication and engagement will be top priority.

After the scoping study is completed, the remainder of the CMP will be divided into four 'chapters' based on geographic areas, to better manage localised issues. Each of the stages 2, 3, 4 and 5 will be done repetitiously for the four chapters:

1. Lake Cathie/Lake Innes and Bonny Hills Estuary & Coastline - incorporating the open coastline from the 4 x 4 access track adjacent to Dirah Street, Lake Cathie to the southern side of Grants Head at Bonny Hills
2. Hastings River Estuary
3. Camden Haven River



4. Port Macquarie-Hastings Open Coastline (excluding the open coastline that is covered in the Lake Cathie/Bonny Hills area)

Although not required by the CMP guidelines, it is proposed to place the Draft Coastal Management Program Scoping Study (**Attachment 1**) on public exhibition for a period of 28 days to allow the final Study, incorporating community feedback, to be recommended to Council for endorsement following exhibition. Given the level of community interest in our Coastal environment, engagement is considered essential throughout every stage of the Coastal Management Program process.

### Discussion

The NSW Government is delivering a new legislative and regulatory framework to better equip coastal communities to respond to the dynamic nature of the coast and sustainably manage the coastal environment. Local councils and public authorities are required to manage their coastal areas and activities in accordance with relevant state legislation, policies and plans.

Port Macquarie-Hastings Council (PMHC) recognises that the coastline is one of our greatest assets. It is a diverse, complex and dynamic environment made up of sandy open-coast beaches, dunes, rocky headlands, cliffs, rock platforms, estuaries, coastal floodplains, coastal lakes and lagoons. It has a range of unique values, natural and urban landscapes and cultural significance that support our vibrant, healthy and prosperous lifestyle.

As such, Council has resolved to prepare a Coastal Management Program (CMP). A CMP aims to provide a long term, coordinated strategy for managing the coastal zone in accordance with the *Coastal Management Act 2016* (CM Act) and local objectives. This management program will be implemented through the coordination between Council, state agencies and other key stakeholders.

In accordance with the NSW Coastal Management Framework, Stage 1 of preparing a CMP is to undertake a Scoping Study. The scoping study aims to consolidate information gathered both during Stage 1 and from previous management plans and outline the proposed pathway for the following stages of the CMP.

Key components of the scoping study include:

- Strategic context for coastal management
- Purpose, vision and objectives of the CMP
- CMP scope - issues and areas, including maps of relevant CMAs
- Review of current management practices and arrangements
- Identification of roles and responsibilities including other councils and relevant public authorities
- First-pass risk assessment to identify where action is required, including studies to be completed in Stage 2
- Stakeholder and community engagement strategy
- Preliminary business case
- Plan for future stages and timetable for CMP preparation. Include a timeframe for steps in the preparation of a planning proposal if changes to the LEP are proposed

The CMP will focus on and be guided by understanding, addressing and contributing to solutions around the following topics:

- How do we use our coastal zone?
- How do we balance environmental values with these uses?
- What do we want our coastal zones to look like in the future?
- How do we adapt to the increasing challenges of living on the coast?
- Who is responsible for management of the coastal zone?

The scoping study will assist Council to identify the communities and stakeholders to be involved in the process and prepare an engagement strategy, determine the context of coastal management in the local area and establish roles, responsibilities and governance arrangements to deliver management actions across the Local Government Area (LGA). After the scoping study is completed, the remainder of the CMP will be divided into four 'chapters' based on geographic areas, to better manage localised issues. Each of the stages 2, 3, 4 and 5 will be done repetitiously for the four below chapters (areas) to ensure site-specific detail to enable best management of the on-ground issues.

The Chapters are:

1. Lake Cathie/Lake Innes and Bonny Hills Estuary & Coastline - incorporating the open coastline from the 4 x 4 access track adjacent to Dirah Street, Lake Cathie to the southern side of Grants Head at Bonny Hills
2. Hastings River Estuary
3. Camden Haven River
4. Port Macquarie-Hastings Open Coastline (excluding the open coastline that is covered in the Lake Cathie/Bonny Hills area)

### **Options**

Council could opt to:

1. Proceed to place the draft Coastal Management Program Scoping study on public exhibition; or
2. Not proceed to place the draft Coastal Management Program Scoping study on public exhibition; or
3. Resolve in some other manner.

### **Community Engagement and Internal Consultation**

The draft Coastal Management Program Scoping Study has been prepared with input from the Biodiversity Conservation Division from the NSW Department of Industry and Environment. In addition, previous community consultation has been undertaken for CZMPs and EMPs. The findings exemplify that the community values the unique natural beauty of the LGA, access and facilities for recreational activities and the rich biodiversity. These findings have been integrated into Stage 1 scoping study.

It is intended that additional community and stakeholder engagement sessions will be undertaken in Stage 2 of the CMP process to further build on this information. PMHC is planning to conduct a live Q&A session on the 9<sup>th</sup> of June with expert NSW Government speakers to communicate to the community why PMHC is developing a CMP and how it will be utilised to manage our coastline and estuarine systems.

PMHC understand that extensive engagement is required in order to capture the vast array of values held by people across the LGA and to incorporate the knowledge from cross-disciplinary interactions. A planned and strategic communication and engagement plan will be rolled out over the delivery of the CMP as it evolves.

### **Planning and Policy Implications**

The purpose of the Coastal Management Program is to provide a framework for the long-term strategic and integrated management of priority coastal hazards, issues and risks to the Port Macquarie-Hastings Coastal Zone, in line with the community's needs, NSW state objectives and legislation. The successful development and implementation of a robust CMP will provide a range of short, medium and long-term outcomes.

### **Financial and Economic Implications**

In April 2020 the NSW Government announced that it was increasing financial assistance to Councils to help mitigate coastal erosion risks and restore degraded coastal habitats.

Minister for Local Government Shelley Hancock MP has advised that the funding ratio for eligible projects under approved Coastal Management Programs will increase to 2:1 meaning the State will now contribute two-dollars to every one-dollar put in by Councils.

These changes are part of 32 supported recommendations from a recent review that examined ways of improving Councils access to funding under the Coastal and Estuary Management Program.

The 2:1 funding ratio will bring the Coastal and Estuary Management Grants Program in line with the Floodplain Management Grants Program.

The 2:1 funding ratio is only applicable to planning and implementation projects where they are in an approved CMP, as such the action items from the endorsed Lake Cathie CZMP are not eligible for 2:1 funding and will only be able to access funding from the NSW Government at a 1:1 ratio.

Current Coastal and Estuary Grant Program funding is only available until the end of the 2020/2021 financial year. Grant funding arrangements after this time are unknown.

### **Attachments**

1.  Draft Coastal Management Program - Scoping Study (Stage 1)

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Item: 13.08

Subject: DA2019 - 309.1 RESIDENTIAL SUBDIVISION AT LOT 302 DP  
754434 EMILY AVENUE, PORT MACQUARIE  
APPLICANT: KING AND CAMPBELL PTY LTD  
OWNER: PORT MACQUARIE-HASTINGS COUNCIL

Presented by: Development and Environment, Melissa Watkins

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### Alignment with Delivery Program

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

### RECOMMENDATION

**That DA2019 - 309.1 for a residential subdivision at Lot 302, DP 754434, Emily Avenue, Port Macquarie, be determined by granting consent subject to the recommended conditions.**

### Executive Summary

This report considers a development application for a five (5) lot residential subdivision and provides an assessment of the application in accordance with the Environmental Planning and Assessment Act 1979.

Following exhibition of the application, three (3) submissions were received.

The site is located on Council owned land. Council's Conflict of Interest - Development Applications Policy applies. The conflict of interest policy requires that all development applications on Council land where objections have been received be referred to Council for determination. In accordance with this policy the General Manager also determined that an external consultant be engaged to report on the application. Kempsey Council were engaged to undertake an independent assessment of the application and provide a recommendation. The assessment and recommendation is provided as **Attachment 1**.

A copy of the assessment report as presented to the DAP on 6 May 2020 is provided as **Attachment 2**. This report recommends that the development application be approved subject to the conditions included in **Attachment 3**.

### Discussion

A detailed assessment of the of the application in accordance with the relevant requirements in Section 4.15 of the Environmental Planning and Assessment Act 1979 has been carried out and is included in **Attachment 1** to this report.

The Development Assessment Panel considered the proposal at its meeting on 6 May 2020, with the consensus being:



*“That it be recommended to Council that DA2019 - 309 for a residential subdivision at Lot 302, DP 754434, Emily Avenue, Port Macquarie, be determined by granting consent subject to the recommended conditions with the following amendments:*

- *Amend Condition B(2), Point 1 to read: ‘Road works along the frontage of the development including extension of Emily Avenue to ‘Access Place’ standard (AUSPEC D1.5) joining smoothly with the existing section of road with a minimum carriage way width of six (6) metres ending in a sealed nine (9) metre radii cul-de-sac with reflectorised posts.’*

*Amend condition B(10), Point a) to read: The legal point of discharge for the proposed development is defined as the existing downstream informal vegetated stormwater basin. In this regard, a suitably sized piped drainage system (minimum 375mm diameter) shall be extended from the basin to the site. The pipeline must be designed to have capacity to convey flows that would be collected within the development as generated by a 5% AEP storm event.*

*Furthermore, in difference to the concept pipeline alignment illustrated on the Stormwater Management Plan prepared by King and Campbell, Drawing No, 5328P\_Exhibits Sheet 6 Revision C and dated 27-11-19, the location of the pipeline discharging to the existing ‘basin’ should be relocated to the north so that is located beneath the invert of the existing swale drain, or other such location with the agreement of Council’s stormwater engineer, to assist in draining that area. The change of direction/inlet pit can also then function to capture runoff from the upstream swale to the west.”*

The site is considered suitable for the proposed development and the proposal adequately addresses relevant planning controls. The development is not considered to be contrary to the public’s interest and will not result in significant adverse social, environmental or economic impact.

This report recommends that the development application be approved subject to the conditions included as **Attachment 3**, which include the minor changes to consent conditions recommended by the Development Assessment Panel on 6 May 2020.

### Options

Council has the following options in determining the development application:

1. Grant consent to the application subject to the recommended conditions.
2. Grant consent to the application subject to amended conditions.
3. Refuse consent to the application.

If consent is refused, Council is required to provide reasons for refusal in accordance with the Environmental Planning and Assessment Act 1979.

### Community Engagement and Internal Consultation

The application has been notified in accordance with the Port Macquarie-Hastings Council’s Community Participation Plan 2019. Following exhibition of the application,

three (3) submissions were received. The submissions are addressed in detail in the assessment report in **Attachment 1**.

The assessment report and recommended conditions of consent have been prepared with internal consultation in relation to roads and traffic, natural resources, parks and gardens, stormwater, water supply and sewer.

**Planning and Policy Implications**

The assessment report in the Attachments includes consideration of relevant planning legislation applicable to the proposed development.

**Financial and Economic Implications**

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

**Attachments**

- 1. [DA2019 - 309.1 4.15 Assessment Report by Kempsey Council](#)
- 2. [DA2018 - 309.1 DAP Report - Meeting 6 May 2020](#)
- 3. [DA2019 - 309.1 Recommended Conditions](#)

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**Subject: CONFIDENTIAL SESSION**

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**RECOMMENDATION**

1. That Council move into Confidential Session to receive and consider the following items:

**Item 15.01 EOI-20-02 Independent Members of the Cultural Steering Group**

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

2. That pursuant to Section 10A subsections 2 & 3 and 10B of the Local Government Act 1993 (as amended), the press and public be excluded from the proceedings of the Confidential Session of Council on the basis that the items to be considered are of a confidential nature.
3. That the resolutions made by Council in Confidential Session be made public as soon as practicable after the conclusion of the Confidential Session and such resolutions be recorded in the Minutes of the Council Meeting.