

ORDINARY COUNCIL

Wednesday 12 August 2020

Ordinary Council Meeting

Wednesday, 12 August 2020

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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



Local Government NSW Annual Conference 2020

Sunday 22 November – Tuesday 24 November 2020

Main conference venue: Crowne Plaza Hunter Valley, 430 Wine Country Drive, Lovedale NSW 2325

Theme: Growing Community Resilience

DRAFT PROGRAM (as of 22 July 2020)

PRE – OPENING OF CONFERENCE, OPTIONAL WORKSHOPS AND SPECIAL EVENTS	
SUNDAY 22 NOVEMBER 2020, CROWNE PLAZA HUNTER VALLEY	
1.00pm – 7.00pm	Registration opens at the Galleria, Conference and Events Centre
1.30pm – 3.00pm	<p>1. Presentation Panel: Semillon 1 (180 pax)</p> <p>Cooling Our Cities</p> <ul style="list-style-type: none"> • Dr Sebastian Pfautsch, Senior Research Fellow – Western Sydney University, Climate and environmental changes ▪ Ms Stephanie Barker, Executive Director City Strategy, Greater Sydney Commission ▪ Dr Rebecca Huntley, Principal Consultant, Vox Populi Research
1.30pm – 3.00pm	<p>2. Workshop: Semillon 2 (180 pax)</p> <p>Leading a Safe Organisation: The roles and responsibilities of councils to lead in child protection & domestic violence prevention presented by the Office of the Children's Guardian and Domestic Violence (DVNSW)</p> <p>and</p> <p>Collaborating for Informed Decision Making presented by Maire Sheehan, Facilitator, Educator and former mayor and councillor</p>
1.30pm – 3.00pm	<p>3. Workshop: Semillon 3 (180 pax)</p> <p>Population migration panel session facilitated by Cr Dai Le, LGNSW Board Member. A facilitated panel session on population shifts, migration and successful refugee resettlement. Panel presentations will be followed by a 30 minute question and answer session.</p> <p>Panel members:</p> <ul style="list-style-type: none"> • Multicultural NSW (MNSW) • Settlement Services International (SSI)
1.30pm – 2.30pm	<p>4. Presentation: The Verdelho Room (80pax)</p> <p>"It's a jungle out there. Biosecurity can bite. Are you ready for it?"</p> <p>Nicola Dixon, State Priority Weeds Coordinator, and Ian Turnbull, Invasive Species Officer, Department of Primary Industries.</p>

2.00pm – 3.00pm	Bus transfers begin departing from select hotels going to Crowne Plaza Hunter Valley for the Ministers sessions and the welcome reception
3.00pm – 5.00pm	<p>The Galleria, Conference and Events Centre, Cabernet Merlot Room</p> <p>Meet the Politicians Forum with Masters of Ceremony: Cr Linda Scott, President and Scott Phillips, CE, LGNSW</p> <p>Addresses from:</p> <ul style="list-style-type: none"> • The Hon. Shelley Hancock MP, Minister for Local Government • Ms Jodi McKay, Leader of the Opposition <p>Followed by the Politicians' panel: What is the best way for State Government to partner with councils to assist in a locally led recovery?</p> <ul style="list-style-type: none"> • The Hon. Shelley Hancock MP, Minister for Local Government • The Hon. Melinda Pavey MP, Minister for Water, Property and Housing • Mr David Shoebridge, MLC • Mr Greg Warren MP, Shadow Minister for Local Government • The Hon. John Barilaro MP, Deputy Premier and Minister for Regional NSW Trade and Industry (invited) • The Hon. Adam Marshall MP, Minister for Agriculture and Western NSW <p>Presentation of the AR Bluett Awards by the Trustees</p> <p>This session is optional. Attendance is free to members registered to attend the conference. RSVPs are required as part of the conference registration.</p>

CONFERENCE OPENS – WELCOME RECEPTION**SUNDAY 22 NOVEMBER 2020, POOLSIDE AT CROWNE PLAZA HUNTER VALLEY**

5.00pm – 8.00pm	<p>President's Welcome Reception:</p> <ul style="list-style-type: none"> • Welcome by Master of Ceremonies Cr Bob Pynsent, Mayor, Cessnock City Council • Address by Cr Linda Scott, President, LGNSW • Sponsor address by Chair, Statewide Mutual <p>Registration will be available at this event.</p>
From 7.30pm	Bus transfers back to conference hotels to commence

MONDAY 23 NOVEMBER 2020 – Business Session Day 1, Crowne Plaza Hunter Valley

7.30am – 5.00pm	Registration opens at the Galleria, Conference and Events Centre
8.00am – 4.00pm	<p>Trade exhibition opens at the Exhibition Centre and Sauvignon Room</p> <p>Delegate Lounge opens for networking</p>
8.45am	<p>Doors open for official conference proceedings</p> <p>Distribution of voting materials and electronic handsets</p>
9.05am – 9.10am	Conference introduction by Scott Phillips , Chief Executive, LGNSW

9.10am – 9.15am	Welcome to Country
9.15am – 11.00am	<p>Address by Cr Linda Scott, President, LGNSW</p> <p>Opening of the Federal Conference including demonstration of voting units, adoption of standing orders, presentation of the auditor's report, general financial report and operating report to members, business session and consideration of motions.</p> <p>Opening of the State Conference including adoption of standing orders, presentation of the auditor's report, general financial report and operating report to members, business sessions, and consideration of motions.</p> <p>Chaired by Cr Linda Scott</p>
11.00am – 11.30am	Morning tea in trade exhibition, sponsored by Local Government Super
11.30am – 1.00pm	Consideration of conference business continued, chaired by LGNSW President
1.00pm – 2.00pm	Lunch in trade exhibition, sponsored by Local Government Super
1.00pm – 2.00pm	StateCover General Manager's Lunch - Semillon 1 and 2, Level 2 (exclusive to GMs)
2.00pm – 2.05pm	Distinguished sponsor topic by Local Government Super
2.00pm – 3.30pm	Consideration of conference business continued, chaired by LGNSW President
3.30pm – 4.00pm	Afternoon tea in trade exhibition
4.00pm – 5.00pm	<p>Consideration of conference business continued, chaired by LGNSW President</p> <p>Collection of all electronic handsets and motions voting cards</p>
5.00pm	Conference business session closes
5.30pm – 6.00pm	Transfer buses begin departing for the conference hotels
7.00 pm – 7.30pm	Transfer buses to pick up from designated hotels, going to Hope Estate
Conference Dinner at Hope Estate, 2213 Broke Road, Pokolbin NSW 2320	
7.30pm	StateCover sponsor address
8.00pm	LGNSW President and Elite Sponsor present Outstanding Service Awards to elected members
8.30pm	Dinner and entertainment begins
10.00pm	Transfer buses to begin departing back to conference hotels
11.00pm	Dinner ends
TUESDAY 24 November 2020 – Business Session Day 2, Crowne Plaza Hunter Valley	

7.30am – 5.00pm	Registration opens at the Galleria, Conference and Events Centre
7.30am – 8.45am	Semillon 1 and 2 Australian Local Government Women's Association (ALGWA NSW) Breakfast "Big Expectations: how to make a difference and why community is important" Panel guest speakers: The Shahrouk Sisters , facilitated by Ellen Fanning
8.00am – 4.00pm	Trade exhibition opens, The Exhibition Centre and Sauvignon Room Delegate Lounge opens for networking
8.45am	Doors open for conference official proceedings Distribution of voting materials and electronic handsets if required
9.00am	Introduction by Ellen Fanning , Master of Ceremonies
9.05am – 9.30am	Keynote address: Building resilience through partnership. Presented by Commissioner of Resilience NSW, Shane Fitzsimmons
9.30am – 9.35am	Planning sponsor address by Resilience NSW
9.35am – 10.30am	Opening Keynote Panel: Recovery and Resilience: local strategies and actions to prepare for, recover from and build resilience to disasters and crisis. <ul style="list-style-type: none"> • Leanne Barnes OAM, GM, Bega Shire Council • Mick Willing, NSW Assistant Police Commissioner, Bushfire Recovery (invited) • Dr Adrian Zammit, CEO, Landcare NSW Inc, regarding strategies to manage bushfires moving forward • James McTavish, NSW Cross Border Commissioner, Department of Planning, Industry and Environment
10.30am – 11.00am	Morning tea in trade exhibition, sponsored by Landcom
11.00am – 11.05am	Distinguished sponsor address by Landcom
11.05 – 11.20am	Address from Cr Linda Scott , President, LGNSW, on Association Initiatives
11.20am – 11.30am	Treasurer's report, Cr Jerome Laxale , Treasurer, LGNSW Locally Led campaign launch, Cr Linda Scott , President, LGNSW
11.30am – 12.30pm (one hour)	Presentation: Panel Regional Services: 'Regional renaissance: how to help regional communities bounce back and thrive in a post pandemic world' <ul style="list-style-type: none"> ▪ The Hon. Mark Coulton MP, Minister Regional Health, Regional Communications and Local Government ▪ The Hon. Jason Clare MP, Shadow Minister for Regional Services, Territories and Local Government ▪ Brendan Nelson, CEO Regional Growth, Department of Regional NSW (invited)

12.30pm – 1.00pm (30 mins)	Presentation: Craig Foster , Former Socceroo, Broadcaster, Adjunct Professor of Sport & Social Responsibility and Humanist presents 'Tapping into the Here and Now: Social and Community Strength'
1.00pm – 1.05pm	Distinguished sponsor topic by OTHER
1.05pm – 2.00pm	Lunch in trade exhibition, sponsored by Landcom
2.05pm – 3.05pm	Closing Address: Dr Norman Swan , Medical & Health Broadcaster, Host, Health Report ABC RN, Commentator & Journalist ABC TV, cofounder Tonic Health Media, presents Control is the Source of Community Resilience. How can systems and organisations acknowledge and allow for individual and community control?
3.05pm – 3.15pm	Close of conference, Cr Linda Scott , LGNSW President
3.15pm – 3.45pm	Afternoon tea in trade exhibition

This program is correct at the time of publication; speakers and program details may have changed due to unforeseen circumstances.

POLICY REGISTER		No. of Policies		77							
COUNCIL ADOPTED											
Title	Responsible Division	Last Council Adoption Date	Last Review Date	Review Outcome	Comments	Review Stage	Revised Review Date				
A Frame Sign	Development & Environment	Feb-13	Feb-13	New Policy (Council adopted)	Requires further risk review for impact under Council's insurance policy.	Deferred	Dec-20				
Action Requests and Complaints	Strategy & Growth	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Elements of this policy overlap with Complaints Against and Compliments in Favour of Staff policy. A new Policy replacing these will go before Council by October 2020	Deferred	Oct-20				
Activities in Public Places	Development & Environment	Feb-13	Feb-13	Major amendments (Council adopted)	Currently with the Co-ordinator (Compliance). Only minor amendments required and the policy will be submitted to the Executive Group for endorsement.	Review initiated	Dec-20				
Airport Leasing of Land and Buildings	Corporate Performance	Aug-17	Aug-17	Major amendments (Council adopted)	Only minor amendments expected - to be presented to GM/Exec for endorsement	N/A - Current	Sep-20				
Alcohol Use on Public Reserves and Beach	Strategy & Growth	Nov-18	Nov-18	New Policy (Council adopted)	This should be a 4 year review so should not be updated until 2022	N/A - Current	Oct-22				
Asset Disposal	Strategy & Growth	Feb-13	Feb-13	New Policy (Council adopted)	The Property Investment Policy replaces this policy. The Property Investment Policy is due for review on the December 2020	Not commenced	Dec-20				
Asset Management	Strategy & Growth	Apr-17	Apr-17	Major amendments (Council adopted)	The Property Investment Policy replaces this policy. The Property Investment Policy is due for review on the December 2020	N/A - Current	Apr-21				
Beach Driving	Development & Environment	Aug-18	Aug-18	Minor amendments (GM/Exec approved)	Major Review Required. Requires consultation with NPWS for interface issues Dogs and 4WD's on beaches. Start community engagement early 2021. Consider changing review period from annually to as needed.	N/A - Current	Jun-21				
Bushfire Risk Mitigation on Public Land	Development & Environment	Jun-11	Jun-11	New Policy (Council adopted)	Major review underway to determine need for policy given changes to overarching bushfire legislation. Review being coordinated with Parks and Reserves Use policy which is to be reported to December 2020 Council meeting with public exhibition period to follow.	Review initiated	Dec-20				
Cattle Grids on Roads in Rural Areas	Infrastructure	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Review commenced, amendments considered minor in nature.	Review initiated	Dec-20				
Commercial Activities on Council-managed Land	Strategy & Growth	Apr-17	Jul-19	No changes required		N/A - Current	Jun-21				
Community Engagement	Strategy & Growth	Jul-14	Jul-14	Major amendments (Council adopted)	We have been working through a process with the Communications Portfolio and the Councilors to develop an approach to engagement - "Working Together". The policy will be written when this is finalised if it is required. This is also linked to the work currently being undertaken through the Customer Experience Project	Review initiated	Jun-21				

Title	Responsible Division	Last Council Adoption Date	Last Review Date	Review Outcome	Comments	Review Stage	Revised Review Date
Complaints Against and Compliments in Favour of Staff	Strategy & Growth	Jan-12	Jan-12	Major amendments (Council adopted)	This policy is still on hold awaiting the finalisation and outcome of the Customer Experience project. The project has recently finished with recommendations to be presented to the Executive.	Deferred	Dec-20
Compliance	Corporate Performance	Oct-10	May-17	Minor amendments (GM/Exec approved)		Deferred	Dec-20
Contaminated Land	Development & Environment	May-17	May-17	Minor amendments (GM/Exec approved)	Minor amendments required and the policy will be submitted to the Executive Group for endorsement.	Deferred	Jan-21
Construction of Infrastructure Works on Public Property by Contractors	Infrastructure	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Review not commenced.	Not commenced	Jun-21
Contributions for Footpath and Kerb and Gutter Construction	Infrastructure	Dec-11	Dec-11	Major amendments (Council adopted)	Review commenced, amendments considered minor in nature.	Review initiated	Dec-20
Control of Burning	Development & Environment	Jun-18	Jun-18	Minor amendments (GM/Exec approved)	Minor amendments required and the policy will be submitted to the Executive Group for endorsement.	Deferred	Jan-21
Councillor Induction	Corporate Performance	Sep-13	Sep-13	Major amendments (Council adopted)	Policy will be reviewed prior to Council elections in Sept 2021	Deferred	Sep-21
Councillor Portfolio Protocol	Corporate Performance	Dec-18	Dec-18	Major amendments (Council adopted)		N/A - Current	Sep-22
Councillor Professional Development	Corporate Performance	Jul-12	Dec-13	Minor amendments (GM/Exec approved)	Policy will be reviewed prior to Council elections in Sept 2021	Deferred	Sep-21
Cemeteries	Strategy & Growth	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Deferred pending sale of Innes Gardens Memorial Park. Cemeteries function transferred to Strategy & Growth.	Deferred	Jun-21
Customer Service	Strategy & Growth	Jul-13	Jul-13	Major amendments (Council adopted)	A draft approach was developed through the Customer Experience Project but put on hold until Group Manager Customer Experience commenced. This policy is currently being re-drafted and is anticipated that it will return to Council prior to December 2020.	Review initiated	Dec-20
Debt Recovery	Corporate Performance	Aug-17	Aug-17	Major amendments (Council adopted)	Review and submission to Executive planned by December 2020	Not commenced	Dec-20
Development Applications Conflict of Interest	Development & Environment	Jul-18	Jul-18	Minor amendments (GM/Exec approved)		Deferred	Jun-20
Development Contributions Assessment	Development & Environment	Oct-16	Oct-16	Major amendments (Council adopted)		Deferred	Oct-19

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Title	Responsible Division	Last Council Adoption Date	Last Review Date	Review Outcome	Comments	Review Stage	Revised Review Date
Developments, Public Place & Events - Waste Minimisation and Management	Corporate Performance	Jun-20	Jun-20	New Policy (Council adopted)		N/A - Current	Jun-22
Dogs in Public Spaces	Development & Environment	Apr-11	Apr-11	New Policy (Council adopted)	Major Review Required. Requires consultation with NPWS for interface issues Dogs and 4WD's on beaches. Start community engagement early 2021. Consider changing review period from annually to as needed.	Review initiated	Jun-21
Footpaving of Roads in Retail and Commercial Areas	Infrastructure	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Review commenced, amendments considered minor in nature.	Review initiated	Jun-21
Fraud Prevention	Corporate Performance	Oct-10	May-17	Minor amendments (GM/Exec approved)		Review initiated	Dec-20
Gifts and Benefits	Corporate Performance	Aug-17	Aug-17	Major amendments (Council adopted)		N/A - Current	Dec-20
Investment	Corporate Performance	Feb-19	Feb-19	Major amendments (Council adopted)	Second exhibition period has recently closed. Recommended policy to be tabled at August 2020 meeting.	Public Consultation	Feb-20
Loans to Incorporated Sporting Bodies and Incorporated Community Groups	Corporate Performance	Jul-12	Apr-17	Minor amendments (GM/Exec approved)	Review and submission to Executive planned by December 2020	Not commenced	Dec-20
Local Orders Policy: Restrict Keeping of Dogs in Koala Habitat Areas - Thrumster	Development & Environment	Dec-17	Dec-17	Major amendments (Council adopted)		N/A - Current	Sep-21
Making of Council Policy	Corporate Performance	Sep-15	Sep-15	New Policy (Council adopted)	Policy reviewed, will be going to the Executive with a recommendation to submit to Council to publically exhibit. Proposed for October 2020 Council meeting.	Review initiated	Oct-20
Markets Policy	Strategy & Growth	Nov-18	Nov-18	New Policy (Council adopted)		Deferred	Dec-20
Mayoral Discretionary Fund	Corporate Performance	Jul-12	Jul-12	Major amendments (Council adopted)	To be reviewed prior to Council Elections in Sept 2021	Deferred	Sep-21
Media Relations	Strategy & Growth	Sep-18	Sep-18	Major amendments (Council adopted)	This policy needs to be expanded to cover all the ways that Council communicates with community. Review has commenced and it is anticipated that a draft policy will be considered by Council by October 2020.	N/A - Current	Oct-20
Mobile Food Vending Vehicles and Temporary Food Stalls in a Public Place	Development & Environment	Sep-18	Sep-18	Minor amendments (GM/Exec approved)		N/A - Current	Aug-20

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Title	Responsible Division	Last Council Adoption Date	Last Review Date	Review Outcome	Comments	Review Stage	Revised Review Date
Mooring Agreement for Lady Nelson Wharf	Development & Environment	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Major review required. Policy to be reported to December Council meeting with public exhibition period to follow.	Review initiated	Dec-20
Naming and Renaming of Reserves	Corporate Performance	Dec-17	Dec-17	Major amendments (Council adopted)		N/A - Current	Dec-21
Naming and Renaming of Roads	Corporate Performance	Dec-17	Dec-17	Major amendments (Council adopted)		N/A - Current	Dec-21
Outdoor Dining	Corporate Performance	Jul-18	Jul-18	Minor amendments (GM/Exec approved)		Review initiated	Jul-20
Parking	Infrastructure	Jul-11	Jul-11	New Policy (Council adopted)	Being undertaken as larger parking review project	Deferred	Oct-21
Parks and Reserves Use	Development & Environment	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Major review required. Policy to be reported to December Council meeting with public exhibition period to follow.	Review initiated	Dec-20
Payment of Expenses and Provision of Facilities to Councillors	Corporate Performance	Oct-17	Oct-17	Minor amendments (GM/Exec approved)	To be reviewed prior to Council Elections in Sept 2021	N/A - Current	Sep-21
Payment of Late Rate Instalment Due Death of Ratepayer's Spouse	Corporate Performance	Oct-10	Apr-17	Minor amendments (GM/Exec approved)	Review and submission to Executive planned by December 2020	Not commenced	Dec-20
Pensioner Concession Rebates	Corporate Performance	Jul-15	Apr-17	Minor amendments (GM/Exec approved)	Review and submission to Executive planned by December 2020	Not commenced	Dec-20
Placement of Recycled Clothing Collection Bins on Council Owned Land	Infrastructure	Dec-11	Dec-11	Major amendments (Council adopted)	Review not commenced.	Not commenced	Dec-21
Planning Agreements	Development & Environment	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Review scope extended to include matters raised in Voluntary Planning Agreement audit.	Deferred	Dec-20
Planning Proposal	Development & Environment	Dec-19	Dec-19	New Policy (Council adopted)		N/A - Current	Oct-21
Port Macquarie Entertainment Precinct Event Use	Development & Environment	Aug-18	Aug-18	Minor amendments (GM/Exec approved)		Deferred	Aug-20
Port Macquarie-Hastings Council Flood	Development & Environment	Dec-18	Dec-18	Major amendments (Council adopted)		N/A - Current	Nov-20
Privacy Management Plan	Corporate Performance	Aug-17	Aug-17	Major amendments (Council adopted)		Deferred	Dec-20
Procurement	Corporate Performance	Oct-19	Oct-19	Major amendments (Council adopted)	Review commenced. Incorporated with review of full suite of Procurement policies and procedures	N/A - Current	Sep-20
Project Management	Corporate Performance	Feb-17	Feb-17	New Policy (Council adopted)		N/A - Current	Feb-21

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Title	Responsible Division	Last Council Adoption Date	Last Review Date	Review Outcome	Comments	Review Stage	Revised Review Date
Property Investment	Strategy & Growth	Dec-17	Dec-17	New Policy (Council adopted)	The review of this policy will take place in the context of a broader discussions about Council as Developer and resolution of the positioning as a principles position.	Deferred	Jun-21
Providing Funding and Support to the Community	Strategy & Growth	Jul-13	Jul-13	New Policy (Council adopted)		Review initiated	Jun-21
Provision of Information and Interaction Between Councillors and Staff	Corporate Performance	Oct-17	Oct-17	Major amendments (Council adopted)	To be reviewed prior to Council Elections in Sept 2021	Deferred	Sep-21
Public Art	Strategy & Growth	Mar-20	Mar-20	Major amendments (Council adopted)		N/A - Current	Feb-24
Public Interest Disclosure – Internal Reporting	Corporate Performance	Dec-18	Dec-18	Major amendments (Council adopted)		N/A - Current	Nov-20
Rates and Charges Hardship Assistance	Corporate Performance	Apr-20	Apr-20	Major amendments (Council adopted)		N/A - Current	Apr-22
Regulatory Enforcement	Development & Environment	Aug-17	Aug-17	New Policy (Council adopted)		Review initiated	Oct-20
Risk Management	Corporate Performance	Feb-19	Feb-19	Major amendments (Council adopted)		N/A - Current	Feb-21
Smoke Free Outdoor Areas	Strategy & Growth	Nov-18	Nov-18	New Policy (Council adopted)	This is not suppose to be an annual review but a 4 yr review and will not be done again until 2022	N/A - Current	Nov-22
Social Impact Assessment	Strategy & Growth	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Currently reviewing the need for this policy as it is legislated through the DA process and we need to develop a mechanism through the PMF.	Review initiated	Jun-21
Sponsorship	Corporate Performance	Feb-13	Feb-13	New Policy (Council adopted)	Review yet to commence. Cross functional team to be established to review policy.	Not commenced	Dec-20
Staff and Consultant Access to Private Property	Development & Environment	Oct-10	May-17	Minor amendments (GM/Exec approved)		N/A - Current	Jun-21
Statement of Business Ethics	Corporate Performance	May-13	Jun-14	Minor amendments (GM/Exec approved)	Review and submission to Executive planned by December 2020	Not commenced	Dec-20
Streetlighting on Public Roads	Infrastructure	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Review not commenced.	Not commenced	Dec-20
Tendering Local Preference	Corporate Performance	Apr-20	Apr-20	Major amendments (Council adopted)		N/A - Current	Apr-21
Tourism Community and Service Signage	Infrastructure	Feb-12	Feb-12	Major amendments (Council adopted)	Review commenced, amendments considered minor in nature.	Review initiated	Dec-21
Unsealed Roads	Infrastructure	Nov-18	Nov-18	New Policy (Council adopted)	Being undertaken as part of boarder review of unsealed roads		Dec-21
Liquid Trade Waste Regulation	Infrastructure	Aug-18	Aug-18	Minor amendments (GM/Exec approved)		Deferred	Dec-20

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Title	Responsible Division	Last Council Adoption Date	Last Review Date	Review Outcome	Comments	Review Stage	Revised Review Date
Volunteer	Strategy & Growth	Oct-15	Oct-15	Major amendments (Council adopted)	Still underway and the current target hasn't changed at this stage.	Review initiated	Jun-21
Water Supply	Infrastructure	Dec-18	Dec-18	Minor amendments (GM/Exec approved)		N/A - Current	Nov-20
Works In Kind	Development & Environment	Oct-10	Oct-10	Minor amendments (GM/Exec approved)	Review scope expended to include matters raised in voluntary planning agreement audit. Now scheduled for completion by 30-6-2021.	Deferred	Jun-21

BUDGET VARIATIONS - July 2020												
Section	Project	Project Description	Capital/ Operating	Division	Full Year Original Budget	Full Year Current Budget	Actuals to July 2020	New Yearly Proposed Budget - July 2020	Movement	Funding Source	EFFECT ON FUNDING POSITION	
Grant Funding												
Deed of Variation approved by the NSW Govt to transfer unspent funding between Sporting Fields												
Parks & Recreation	41902	Lake Cathie Sports Field Surface & Irrigation Upgrade	Capital	Development & Environment	0	0	0	14,286	-14,286	Grant	0	
Parks & Recreation	41897	Oxley Oval Lighting Upgrades	Capital	Capital	0	14,286	0	0	14,286	Grant	0	
Council will receive a grant from Resilience NSW to aid the Community in it's Bushfire Recovery Activities												
Community Engagement	543	Community Recovery	Operational	Strategy & Growth	0	0	0	220,000	-220,000	Grant	0	
Community Engagement	10240	Operating Grants - Community Development	Operational		0	0	0	-220,000	220,000	Grant	0	
Increase in Library per capita Subsidy used to increase Library opening hours												
Libraries	218	Library - Casual Staff	Operating	Strategy & Growth	8,000	8,000	172	42,517	-34,517	Grant	0	
Libraries	10590	Library per capita Subsidy	Operating		-152,004	-152,004	0	-186,521	34,517	Grant	0	
Total Grant Funding									268,803			0
Movement between Projects												
Transfer funding for disabled accesses to Mrs York's Garden project												
Community Inclusion	40212	Disabled Accesses	Capital	Various	109,000	109,000	0	101,000	8,000	Revenue	8,000	
Parks & Recreation	41855	Mrs York's Garden	Capital		0	0	0	8,000	-8,000	Revenue	-8,000	
Transfer funding for disabled accesses to Blackbutt Park Upgrade												
Community Inclusion	40212	Disabled Accesses	Capital	Various	109,000	101,000	0	81,000	20,000	Revenue	20,000	
Parks & Recreation	41851	Blackbutt Park - Facilities Upgrade	Capital		0	35,213	18,959	55,213	-20,000	Revenue	-20,000	
Total Movements between Projects									28,000			0

BUDGET VARIATIONS - July 2020											
Section	Project	Project Description	Capital/ Operating	Division	Full Year Original Budget	Full Year Current Budget	Actuals to July 2020	New Yearly Proposed Budget - July 2020	Movement	Funding Source	EFFECT ON FUNDING POSITION
Budget Variation Requests - Approved by Executive											
Budget Variance for the Repairs and Maintenance of the Port Macquarie and Wauchope Depots											
Fleet Management	43000	Planned Maintenance - Depots	Operating	Infrastructure	0	0	0	215,000	-215,000 Reserve		0
Fleet Management	19139	Reserve Funding	Operating		-4,060,000	-4,060,000	0	-4,275,000	215,000 Reserve		0
Budget Variance for the Bonny Hills STP Recycled Water Augmentation											
Water Supply	43001	Bonny Hills STP Recycled Water Augmentation	Capital	Infrastructure	0	0	0	1,900,000	-1,900,000 Reserve		0
Sewerage	19219	Reserve Funding	Capital		-14,420,000	-14,420,000	0	-16,320,000	1,900,000 Reserve		0
Total Budget Variations approved by Executive									2,115,000		0
2019-2020 Works Program Finalisation											
Project movement between financial years											
Water Supply	20147	Trunkmain Augmentation Sanicrox Res to Wauchope	Capital	Various	4,000,000	4,000,000	4,859	3,528,793	471,207 s 64		0
Water Supply	20215	Thrumster Reclaimed Water Interim Supply	Capital		7,800,000	7,800,000	5,713	6,077,962	1,722,038 Reserve		0
Water Supply	29250	Annual Installation of New Services	Capital		400,000	400,000	15,535	303,541	96,459 Reserve		0
Water Supply	29251	Annual Renewals and Minor Works Allocation	Capital		900,000	900,000	3,915	845,486	54,514 Reserve		0
Water Supply	20155	Wauchope Water Treatment Plant Expansion	Capital		4,600,000	4,600,000	11,468	4,374,839	225,161 Reserve		0
Water Supply	19227	S64 Funding	Capital		-4,000,000	-4,000,000	0	-3,528,793	-471,207 s64		0
Water Supply	19229	Reserve Funding	Capital		-17,975,008	-17,975,008	0	-15,876,836	-2,098,172 Reserve		0
Sewerage	30146	Port Macquarie Rising Main	Capital		1,700,000	1,700,000	2,128	1,682,173	17,827 Reserve		0
Sewerage	39311	Small Towns Sewerage Scheme	Capital		5,000,000	5,000,000	12,193	4,134,195	865,805 Reserve		0
Sewerage	39606	Annual Switchboard Replacement Allocation	Capital		150,000	150,000	2,928	126,064	23,936 Reserve		0

BUDGET VARIATIONS - July 2020												
Section	Project	Project Description	Capital/ Operating	Division	Full Year Original Budget	Full Year Current Budget	Actuals to July 2020	New Yearly Proposed Budget - July 2020	Movement	Funding Source	EFFECT ON FUNDING POSITION	
Sewerage	19219	Reserve Funding	Capital	Various	-14,420,000	-14,420,000	0	-13,512,432	-907,568	Reserve	0	
	50095	Kingfisher WTS Upgrade Stage 1	Capital		300,000	300,000	44,887	188,673	111,327	Reserve	0	
Waste	19309	Reserve Funding	Capital		-6,320,000	-6,320,000	0	-6,208,673	-111,327	Reserve	0	
Parks & Recreation	41758	Sancroix/Thrumster Sports Fields	Capital		600,000	600,000	6,947	591,140	8,860	s7.11	0	
Parks & Recreation	19286	S 7.11 Funding	Capital		-2,366,321	-2,366,321	0	-2,357,461	-8,860	s7.11	0	
Transport & Traffic	41776	Kindee Bridge	Capital		861,176	861,176	19,498	740,811	120,365	Reserve	0	
Transport & Traffic	41838	Orbital Road Investigations	Operational		800,000	800,000	2,875	754,883	45,117	Reserve	0	
Transport & Traffic	41962	Bago Road Rehabilitation	Capital		1,400,000	1,400,000	3,085	605,096	794,904	Reserve/s7.11	0	
Transport & Traffic	19346	S 7.11 Funding	Capital		-4,249,607	-4,249,607	0	-3,719,671	-529,936	s7.11	0	
Transport & Traffic	19349	Reserve Funding	Operational/ Capital		-7,939,471	-7,939,471	0	-7,509,021	-430,450	Reserve	0	
										4,557,520		
ORGANISATIONAL TOTAL - THIS REVIEW												
FORECAST FOR FINANCIAL YEAR ENDED 30 JUNE 2021												
Original Budget as at 1 July 2020					Shortfall		-676,730					
Plus: Adjustments												
July Review							0					
FORECAST FOR 30 JUNE 2021					Shortfall		-676,730					
Notes:	1	The result shown above is the general fund result. All surpluses/deficits in the water, sewerage and waste funds are transferred to/from reserves.										
	2	Reserve are internal restrictions that hold funds for a specific purpose, e.g. The airport has its own reserve and all income and expenditure relating to the airport is credited/debited to that reserve.										
	3	Council projects are funded from a variety of funding sources. Below is a definition of the various types of funding that are used to fund projects.										
		Revenue - All funds that are generated through rates, annual charges, fees and charges, interest etc. These funds are untied and can be expended on any project that Council considers appropriate.										
		Grants - Government grants can either be monetary or otherwise and may be tied or untied. Tied grants are required to be used for a specific purpose such as the construction of a road. Untied grants may be applied for any purpose council considers appropriate.										

BUDGET VARIATIONS - July 2020										
Section	Project	Project Description	Capital/ Operating	Division	Full Year Original Budget	Full Year Current Budget	Actuals to July 2020	New Yearly Proposed Budget - July 2020	Funding Source Movement	EFFECT ON FUNDING POSITION
		Contributions - Contributions are non-reciprocal transfers to Council in the sense that Council is not required to give value in exchange for the contributions directly to the contributor. Examples are contributions given by ratepayers towards capital works in their vicinity.								
		Reserves - Reserves are internal restrictions held for a specific purpose, e.g. The airport has its own reserve and all income and expenditure relating to the airport is credited/debited to that reserve.								
		S7, 11 and S64 Contributions - Section 7, 11 of the NSW Environmental and Planning Act (1979) and section 64 of the Local Government Act (1993) provides NSW local government with a formal legal framework for levying developers for the provision of infrastructure, services and amenities - known as developer contributions.								
	4	Some projects are funded by multiple funding sources, e.g. a capital project may be funded by s7, 11 funds, grants and revenue. The effect on capital column will only show the revenue funding adjustment as the other types of funding will have an income line budget adjustment shown in the report.								

2019/20 Carry-over Report

Amount to Be Carried Over		G/L Numb	Project Description	Detailed Description	Detailed reason for Carry-over	Completion Date	Total
Defferal Category	Section	41246	Port Macquarie Aquatic Facility	Design Finalisation	Multiyear project, initial investigations underway and concept design engagement about to be let.	30/06/2022	13,060
Awaiting Design	Aquatic Facilities						
	Aquatic Facilities Total						13,060
	Drainage	41671	Westport Stormwater Management Plan	Design	Design and investigations ongoing.	30/06/2021	96,547
	Drainage Total						96,547
Awaiting Design	Total						109,607
Awaiting Tender	Natural Resources	41974	Biodiversity Offsets	Land Acquisitions	Re-advertised tender to meet procurement guidelines.	30/06/2021	25,000
	Natural Resources Total						25,000
	Infrastructure Planning	41934	Car Parking Strategy Review	Review of Car Parking strategy	Commencement deferred with the reprioritisation of projects.	15/12/2021	192,910
	Infrastructure Planning Total						192,910
Awaiting Tender	Total						217,910
Grant Not Received	Parks & Recreation	41959	Vince Inmon Sporting Fields	Sports facility Upgrade	Additional funds required to complete renewal of the main amenities building. Council has recently applied for funding through the Crown Reserve Improvement Fund .	30/06/2021	30,000
	Parks & Recreation Total						30,000
	Transport and Traffic	41990	The Hatch Rd - Reseal Sections	Investigation and design for sealing 3kms of Rd	Awaiting confirmation of grant funding to commence detailed design phase.	30/06/2022	15,086
		41262	Ocean Dr- Preconstruction Matthew Flinders to Greenmeadows Dr		Major multi-year project, awaiting construction funding announcement.	30/06/2022	22,742
	Transport and Traffic Total						37,827
Grant Not Received	Total						67,827
Multi-year Project	Bushfire Control	42011	Bushfire Disaster Recovery Funding	Bushfire Disaster Recovery Funding	Funding conditions require Council to deliver a program of works related to bushfire recovery by the end of June 21.	30/06/2021	713,043
	Bushfire Control Total						713,043
	Drainage	41713	Black Swan Terrace Drainage Upgrade	Design	Intended to be a multi-year project.	30/06/2022	15,300
		41764	Black Swan Terrace	Stormwater Detention Facility	Intended to be a multi-year project.	30/06/2022	50,730
	Drainage Total						66,030
	Natural Resources	41175	Compensatory Koala Food Trees		Project ongoing. Involves intermittent planting of Koala food trees.	30/06/2021	3,070
		41391	Implement Strategies of LC CZMP - S/water Repair		Identification of Aboriginal archaeological findings delaying project.	30/06/2022	17,038

Multi-year Project	Natural Resources	41426	Floodplain Management Plan Implementation	Hibbard Floodway Investigation	Project partially delivered.	28/02/2020	30,000
		41575	Wright's and Yarrabee Creeks Flood Study	Update to include Urban Drainage Systems and progress through Flood Mitigation Plan and Strategy	This was intended to be a multi-year project.	30/06/2022	148,015
		41722	North Brother Local Catchments Flood Study		This was intended to be a multi-year project.	30/06/2021	112,391
		41770	Diamond Head Road/The Boulevard	Flood Access Stage 1A	Project nearing completion.	31/10/2020	255,940
		41822	Lake Cathie Illaroo Road Revetment Wall Funding Model		Delays by State Government.	31/12/2020	9,924
		42007	Tidal Improvement - Lake Innes/Lake Cathie Estuarine	Tidal Improvement - Lake Innes/Lake Cathie Estuarine	Intended to be a multi-year project.	30/06/2022	147,500
	Natural Resources Total						723,878
	Parks & Recreation	41392	Googik Track	Undertake Construction/Delivery - Shared walkway/cycleway - Stage 2	This budget is a contribution to materials for extension of the Googik Track by National Parks and Wildlife Service. NPWS workloads were significantly impacted by bushfires during 2019, resulting in delays to completion of this project.	30/06/2021	72,394
		41702	Port Macquarie Coastal Walk	Upgrade of Walkway	Construction underway. Nearing completion of final stages of Kenny Walk and Doctors walk section.	30/06/2021	312,965
		41834	Town Green Central & West	Preconstruction	Multiyear project, construction commencing in Aug 2020.	30/06/2021	59,911
		41859	Stuart Park	Regional Sporting Precinct	Multiyear project, opened to public in July 2020, finalisation of project to continue into Aug 2020.	31/10/2020	40,418
		41891	Lake Cathie Master Plan	Implementation	Grant funded multi-year project.	30/09/2020	28,748
		41897	Oxley Oval Lighting Upgrades	Facility Upgrade	Grant funded multi-year project.	30/09/2020	14,286
		41900	Charlie Watt Lighting & Drainage		Grant funded multi-year project.	30/09/2020	67,265
		41902	Lake Cathie Sport Fields Surface & Irrigation Upgrade		Grant funded multi-year project.	30/09/2020	13,921
		41903	Vince Inmon Amenities & Lighting Upgrade		Grant funded multi-year project.	30/09/2020	34,115
		41922	Wood Street Road	Upgrade	Multiyear project, opened to public in July 2020, finalisation of project to continue into Aug 2020.	30/06/2021	108,676
		41944	Lake Cathie Foreshore Reserve	Master Plan Implementation - Construction of Skate Facility	Multi year project. Design and construction tender to be awarded in July 2020. Construction to commence Aug 2020.	30/06/2021	11,439
		41927	Plans of Management for Council Crown Reserve Sites	Undertake plans of management as required under the Crown Lands management act	Multi-year project being delivered in accordance with legislated timeframes.	30/06/2021	120,000
		41950	Rainbow Beach Sports Fields	Preconstruction Works	Multiyear project. Design has been outsourced and is underway.	1/07/2022	196,736
	Parks & Recreation Total						1,080,874

Multi-year Project	PM Town Centre Masterplan	41471	TCMP - Port Macquarie Foreshore Walk Project	Undertake delivery	Additional scope has been added to the detailed design. Environmental approvals to follow.	31/12/2020	233,995
	PM Town Centre Masterplan Total	30147	Continuation of Construction of Kew STP Upgrade	Upgrade existing Kew STP to serve Kew & Area 15 development incl redirection of existing SPS31 at West Haven	Intended to be a multi-year project.	30/06/2022	233,995
		30159	Reclaimed Water - Area 14 Trunk Main	Inlet	Intended to be a multi-year project.	30/06/2022	132,658
		39613	Preconstruction works for upgrade of Lake Innes Sewerage Pump Station #71 (PMSPS71)	Pre-construction work for upgrade of Lake Innes Sewerage Pump Station #71	Intended to be a multi-year project.	30/06/2022	50,000
	Sewerage Services Total						266,047
	Transport and Traffic	41464	Footpath, Cycleway and Pedestrian Management	Footpath, cycleway and pedestrian works across the LGA	Multi-year project. Works ongoing.	30/06/2021	100,000
		41486	John Oxley Drive	Detailed Design	Multi-year project. Design works nearing completion.	30/06/2022	147,119
		41595	Lake Road - Design of Dual Lanes	Oxley Highway to Ocean Drive	Intended to be a multi-year project.	30/06/2022	36,059
		41700	Beechwood Road Design - Riverbreeze to Waugh		Design and investigations ongoing.	30/06/2021	72,818
		41701	Beechwood Rd Reconstruction	Riverbreeze to Rosewood	Small acquisitions outstanding.	30/06/2021	3,923
		41773	Hastings River Drive & Boundary Streets	Upgrade	Multi-year project. Design works to continue into 2020/21 and beyond.	29/06/2022	174,535
		41835	RMS Grants - Beach to Beach Shared Path		Intended to be a multi-year project	30/06/2022	76,819
		41865	Bago Road Pavement Rehabilitation Program - Cameron Street to Pacific Highway (Multiyear project)	Undertake the continued rehabilitation of Bago Road from Cameron Street to the Pacific Highway	This project forms part of the broader Bago road upgrade allocations and will continue into 2020/21. Funding specifically required for AC overlay of new quarry intersection, which is waiting for a developer constructed access road.	30/06/2022	509
		41866	Gordon Street Pavement Reconstruction and Service Relocations	Between Ocean Drive and Horton Street - Design	Major multi-year project continuing into 2020/21 with construction forecast for 2021/22.	30/06/2022	5,897
		41968	Pembroke Road	Safety Improvements	Construction near completion, project finalisation will extend to 2020/21.	30/06/2021	92,548
		41969	Pembroke Road - Stoney Creek Bridge Upgrade	Detailed Design	Multi-year project. Design works initiated in 2019/20 and will continue into 2020/21.	1/07/2021	200,000
		41970	Rawdon Island	Safety Improvements	Construction near completion, project finalisation will extend to 2020/21.	2/07/2021	78,594
		41971	Scrubby Creek Bridge	Upgrade	Multi-year project. Design nearing completion, construction to commence in first quarter of 2020/21.	30/06/2021	9,279

Multi-year Project	Transport and Traffic	41972	The Ruins Way Reconstruction	Major Innes Road to Strella	Multi-year project. Design nearing completion, construction to commence in first quarter of 2020/21.	30/06/2021	108,072
		41996	Construct 17 Kerb Ramps in Port Macquarie & Wauchope	Construct 17 Kerb Ramps in Port Macquarie & Wauchope	Multi-year project. Construction near completion.	29/06/2021	6,365
		42000	Thompsons Creek Bridge Upgrade	Thompsons Creek Bridge Upgrade - Upper Rollands Plains	Multi-year project. Bridge design near completion, construction to commence in 2020/21.	30/06/2021	121,843
		42005	Bril Bril Road Upgrade	Bril Bril Road Upgrade	Multi-year project. Design process commenced.	30/06/2021	30,578
		42006	Schools to Schools Shared Pathway - Plan & Design	Schools to Schools Shared Pathway - Plan & Design	Intended to be a multi-year project.	30/06/2021	21,785
		41890	Gordon/Horton Street Intersection Upgrade		Intended to be a multi-year project	30/06/2021	33,340
	Transport and Traffic Total						1,320,084
	Waste Disposal	50069	Cairncross Waste Depot	Facility Upgrade & Expansion Approvals	Consultant is currently continuing to develop the LEMP (Landfill Environmental Management Plan) to support the new landfill license required to operate.	30/06/2021	142,033
		50080	Better Waste & Recycling Fund		The carry-over amount will be used to fund the Pre-Schools Education Program in 2020/21.	30/06/2021	21,000
		50095	Kingfisher Waste Depot - Upgrade & Expansion	Kingfisher Waste Depot - Weighbridge Upgrade & Expansion	Council's Project Delivery is expected to complete the weighbridge upgrades by 30/9/2020.	30/09/2020	14,863
		50098	Multi Dwelling Organics Recovery Project	Multi Dwelling Organics Recovery Project	This is a multi year project, with milestone dates impacted by COVID-19 restrictions.	30/06/2021	121,430
		50101	Dunbogan Landfill Site	Gas Investigation Risk Analysis (Subdivision)	Project is almost complete. Consultant to finalise risk assessment report on results.	30/06/2021	30,000
		50110	Cairncross Landfill Expansion 1A 1C	Cairncross Landfill Expansion 1A 1C	Major multi-year project continuing into 2020/21 to design phase and subsequent construction.	30/06/2021	13,603
		50112	Cairncross Landfill Expansion 1A 1C 1E	Cairncross Landfill Expansion 1A 1C 1E	Major multi-year project continuing into 2020/21 to design phase and subsequent construction.	1/07/2021	26,387
	Waste Disposal Total						369,316
	Water Supply	20057	Construction of the Southern Arm Trunk Main(DN750) - Pacific Hwy to Bonny Hills	Pre-construction of trunk main from Pacific Hwy to Bonny Hills	Intended to be a multi-year project.	30/06/2022	2,410
		20137	Sancroix Reservoir to Area 13	Trunk main	Intended to be a multi-year project.	30/06/2022	9,297
		20150	Reclaimed Water - Area 14 Trunk Main	Outlet	Intended to be a multi-year project.	30/06/2022	22,341

Multi-year Project	Water Supply	20152	VPA Council Funded Works - Beechwood Rosewood Reservoir - Beechwood connection	Undertake Construction/Delivery VPA Works - DN 200 from existing Rosewood Reservoir to Beechwood village including underbore, future inlet mains (DN 600 & 450)	Intended to be a multi-year project.	31/12/2020	69,479
		29544	Pre Construction of a Water treatment/Filtration Plant at Cowarra dam	Pre-construction of water treatment/filtration plant at Cowarra Dam	Intended to be a multi-year project.	30/06/2022	55,272
		29548	Water Supply Security - Emergency Actions Project	Water Supply Security - Emergency Actions Project	Intended to be a multi-year project.	30/06/2021	19,940
	Water Supply Total						178,737
	Strategic Planning	41820	Health & Education Precinct Planning	Engagement of specialist input to support a planning proposal to implement the Health and Education Precinct Master Plan	This planning proposal spans multiple years.	30/06/2021	111,000
		41887	Yippen Creek Planning Investigations		Multi-year project which is linked to the Beechwood Rd upgrade.	30/06/2021	34,710
		41888	Housing Choice Planning Review		Intended to be a multi-year project.	30/06/2021	60,775
		41973	Fernbank Creek/Sancro	Support Studies	This study spans multiple years.	30/06/2021	150,000
	Strategic Planning Total						356,485
	Destination & Cultural Development	41826	Bicentenary Activities		Multi-year project culminating in April 2021, planning well progressed.	30/04/2021	147,036
		41909	Wauchope Bicentenary Riverside Sculptural Trail		Multi-year project, funded through SCC, project well progressed and on track for completion March 2021.	31/03/2021	182,788
	Destination & Cultural Development Total						329,824
	Community Inclusion	41503	Hamilton Green Maintenance		Funds gathered for community space through lease to be used for ongoing improvements.	30/06/2021	4,723
		41919	Hamilton Green Enhancement Project		Funds gathered for community space through lease to be used for ongoing improvements.	30/06/2021	6,391
	Community Inclusion Total						11,114
	Infrastructure Planning	41925	Kew Main Street	Upgrade	Intended to be a multi-year project.	30/06/2022	90,345
		41988	Kew Main Street Project Management	Upgrade	Intended to be a multi-year project.	30/06/2022	28,662
	Infrastructure Planning Total						119,007
	Strategic Property Investments	41864	Partridge Creek Residential Area - Development Planning and Feasibilities	Lot 1, DP 1087368 Thrumster Street, Port Macquarie	Planning and feasibility studies span multiple years.	30/06/2021	167,962
		41845	Property Purchase Investigations	Investigations into Potential Property Purchases	Ongoing investigations.	30/06/2021	13,750
	Strategic Property Investments Total						181,712
Multi-year Project Total							5,950,143
Other	Community Engagement	41907	Customer Experience Project	Continuation of projects identified in the Support C&P activities, customer experience project		30/06/2021	40,000
	Community Engagement Total						40,000
	Drainage	41572	Settlement Shores Canals	Annual Canal Maintenance	Works nearing completion.	30/06/2021	10,000

Other	Drainage	41765	Settlement Shores Canals	Canal major maintenance and dredging	Works nearing completion.	1/07/2021	165,004
		41861	Stormwater Remediation - Bellbowrie/Bay St. Catchment	Major investigation required - Clifton Dr, Bellbowrie etc	Consultant delays.	30/06/2021	37,707
	Drainage Total						212,711
	Facilities	40270	PM Headquarters Alterations	Alterations to Council Headquarters	Works underway and progressing into 2020/21.	30/09/2020	31,136
		40415	Building Rectification Works	Works in line with Asset Management Plans	Beechwood RFS driveway crossover, delayed due to the requirement for a property easement, complexities of driveway position and utilities.	30/09/2020	32,967
		41848	Council Offices and Public Buildings	Install solar energy systems at selected existing Council facilities	Works due to be complete in August upon delivery of panels.	31/08/2020	68,018
		41941	Pilot Beach Reserve	Replacement of public amenities at end of useful life	Materials received, installation pending.	31/12/2020	58,580
	Facilities Total						190,701
	Library	40082	Library Furnishings, Fittings & Equipment	Update Computer Equipment, Technology, Photocopiers, Additional Shelving etc	Funds required for the completion of the Library re-carpeting.	30/06/2020	27,839
		41282	Library Van	Purchase and fit out new mobile library, engagement and event support across the LGA.	Library Van completion delayed due to the impacts of Covid 19 and available parts.	30/12/2020	104,652
		40935	Library Local Priority Grant		Due to the impacts of Covid 19 some of the elements of this project were unable to be delivered.	30/09/2020	32,673
		41810	Library - Webpage Upgrade		Remaining budget from Web development - being used for additional Library products.	30/12/2020	4,256
	Library Total						169,421
	Natural Resources	41886	Flying Fox Management	Stage 2 - Implement Camp Management Plan	Extension of the subsidy program.	31/12/2020	20,778
		41889	Jillaroo Rd - Stormwater Remediation	Construction	Awaiting environmental approvals.	30/06/2021	166,610
		41929	Environmental Assessment Requirements	OEI Undertakings	Soil & Erosion Training underway.	31/12/2020	5,000
	Natural Resources Total						192,388
	Parks & Recreation	41952	Riverview Reserve	Playground Upgrade	Staff are working through land tenure issues associated with this reserve. A report regarding this matter will soon be presented to Council for consideration.	30/06/2021	85,750
		40100	Sporting Grants Programme		Grant associated with sporting club yet to be finalised.	30/06/2021	67,769
	Parks & Recreation Total						153,519
	Sewerage Services	39614	Sewer DNP3 Port Macquarie	Roll Out	Project near completion.	31/08/2020	14,406
	Sewerage Services Total						14,406
	Transport and Traffic	40307	O'Neills Bridge Replacement		Land acquisitions outstanding.	30/06/2021	81,977
		41673	Bull Creek Bridge Replacement	Construction	Easement acquisitions outstanding.	30/06/2021	17,214

Other	Transport and Traffic	41769	Bold Street, Laurieton	Crossing between Seymour and Tunis Streets - Detailed Investigation and Design	Works complete in June with project finalisation continuing into 2020/21.	1/07/2021	61,850
		41771	Dunbogan Bridge	Reid Street - Structure Rehabilitation	Opportunity to complete hand railing replacement due to contingency funding remaining.	30/06/2021	563,342
		41904	Telegraph Point	Pedestrian Safety Upgrades	Additional works proposed to maximise extent of Grant funding.	1/07/2021	115,823
		41993	Shared Pathway Ocean Drive - Brotherglen Drive - Pacific Hwy	Shared Pathway Ocean Drive - Brotherglen Drive - Pacific Hwy	Works complete in June with project finalisation continuing into 2020/21.	30/06/2022	57,270
		41994	Construction of Pedestrian Refuges on Ocean Drive	Construction of Pedestrian Refuges on Ocean Drive	Works complete in June with project finalisation continuing into 2020/21.	1/07/2022	9,562
		41995	Construction of Pedestrian Refuges on Intersection of Lake & Seymour St	Construction of Pedestrian Refuges on Intersection of Lake & Seymour St	Works complete in June with project finalisation continuing into 2020/21.	2/07/2022	1,849
		41793	Ocean Dr Shared Path Pac Hwy to Glen Haven Dr		Property acquisition outstanding.	30/06/2021	15,000
	Transport and Traffic Total						923,887
	Waste Disposal	50105	Cairncross Recycling Industrial Zone Improvements	Electricity distribution, metering and DA amendments	Project is almost complete. Final payment due by end of September 2020.	30/09/2020	100,000
		50085	Cairncross Trial Gas Extraction System	Finalisation of Trial	COVID-19 border restrictions have delayed the start of this project as the contractor and equipment used is based in Queensland.	30/06/2021	30,000
	Waste Disposal Total						130,000
	Community Inclusion	41300	CDAT Drug Action Week		This is an auspice fund for a community group.	30/12/2020	2,346
		41528	Anzac Centenary Local Grants Programme		Supporting Bicentennial activities.	30/04/2021	5,301
		41939	Port Macquarie Town Signage	Installation of Signage in the Port Macquarie area	Installation pending - manufacturing completed.	30/08/2020	29,982
		41643	Town Village Signage	Installation of Village entry signage	Installation pending - manufacturing completed.	30/08/2020	50,000
	Community Inclusion Total						87,629
	Infrastructure Planning	40639	Condition Rating - Transport Assets	Undertake condition rating of all of Council's transport assets	Requirement to test and adjust falling weight deflectometer and the subsequent loading of results into the Pavement Management System.	15/12/2020	10,457
	Infrastructure Planning Total						10,457
	Strategic Property Investments	41862	High Risk Electrical Assets Data Capture	Capture high risk electrical assets in Council's asset management system	Project deferred, now to be undertaken in 2020/21.	31/12/2020	10,000
	Strategic Property Investments Total						10,000
Other Total							2,135,119
	Weather	41259	Continuation of High Traffic Road Resurfacing	Undertake pavement resurfacing works across the LGA utilising the 17/18 approved SRV of 3.89%.	Lake Road Resurfacing - Rain delays to line marking and completion of works.	30/08/2020	30,812
	Transport and Traffic Total						30,812

Weather Total Operational Considerations	Broadwater Special Rate	41916	Broadwater Canals	Lighthouse & Gangway Repairs	Delays to commencement due to tendering requirements. Works substantially complete with final payment in 20/21.	30/10/2020	30,812
	Broadwater Special Rate Total	41303					117,855
Broadwater Special Rate Total Bushfire Control		41303	Rural Fire Service - Hazard Reduction	Rural Fire Service - Hazard Reduction	Works rolled into 2020/21. Not required to be undertaken in 2019/20 due to bushfires.	30/06/2021	77,080
	Broadwater Special Rate Total						117,855
Bushfire Control Total Drainage		40619	Stormwater Remediation Designs	Design of drainage improvement works	Allocated to completing AusSpec standard drawings. Delayed due to resourcing.	30/06/2021	77,080
		41319	Stormwater Remediation - Panorama Drive Bonny Hills	Detailed design of remedial options	Project deferred to 2020/21 due to resources being reallocated to the Emergency Water Security Project.	30/06/2021	5,000
Drainage Total Natural Resources		41766	Stormwater Remediation - 10 Dilladerry Cr, Port Macquarie	Overflow swale plus system augmentation	Minor costs to incur early in 2020/21 financial year.	31/10/2021	19,012
	Drainage Total						56,478
Natural Resources		40959	Biodiversity Strategy	Develop Vertebrate Pest Species Management Strategy	Project delayed due to bushfires.	30/06/2021	33,661
		41735	Koala Recovery Strategy	Implementation of Management Actions	Project delayed due to bushfires.	28/02/2021	81,920
Bushfire Control Total Natural Resources		41807	Lakeside Woods Environmental Management - VPA Works	VPA Works	Bush regeneration project partially delivered.	31/12/2020	1,044
		41885	Lakeside Woods Fire Trail Maintenance	VPA Works	Bush regeneration project partially delivered.	28/02/2022	1,112
Natural Resources Total Noxious Plants		41928	Development of Coastal Management Plan for LGA	Scoping Study	Project reprioritised.	30/06/2021	77,103
		41986	PMQ Airport Biodiversity Certification Strategy	Implement the PMQ Airport Biodiversity Certification Strategy and related environmental approvals	Bushfire impacts delaying project	28/02/2021	53,074
Natural Resources Total Noxious Plants		41720	Glenview Estate Wauchope Maintenance Works (VPA)		Bush regeneration project partially delivered	31/12/2020	6,567
		41843	Red Ochre Environmental Management Lands-VPA		Project to be delivered in 2020/21	31/12/2020	3,500
Natural Resources Total Noxious Plants		40225	Weed Control on Council Owned Land and Environmental Weeds in accordance with Mid North Coast Invasive Plant Strategy	Undertake Delivery - Control of Noxious and Environmental Weeds in accordance with Mid North Coast Invasive Plant Strategy	Amount carried to cover outstanding purchase order.	30/09/2020	11,621
	Natural Resources Total						257,981
Noxious Plants Total Parks & Recreation		41750	Camden Haven River Recreational Boating Improvements	Upgrade of facilities as pre Boating Needs Investigation	Environmental approvals required for facility dredging are progressing.	30/06/2021	180,077
		41756	Rocks Ferry Reserve	Riverbank revegetment extension	Works complete in June with project finalisation continuing into 2020/21.	30/06/2021	11,612
Noxious Plants Total Parks & Recreation		41851	Blackbutt Park	Facility Upgrade	Project completion delayed as a result of contractor availability.	30/11/2020	35,213
	Noxious Plants Total						11,621

Operational Considerations	Parks & Recreation	41855	Mrs York's Garden	Concept Plan Development	Awaiting required Heritage approvals prior to completion of priority works.	31/03/2021	5,965
		41942	Beechwood Tennis Courts	Upgrade Tennis Facility	This budget is a contribution to Beechwood Tennis Club for court upgrades, with payments subject to completion of project milestones. The payment for completion of works will be made in coming months.	31/12/2020	30,000
		41940	Blair Reserve	Playground Upgrade	Playground opened in July 2020. Minor costs incurred in 2020/21.	31/07/2020	9,379
		41943	Kendall Sports Ground	Sports facility upgrade - Reserve Upgrade	Minor costs incurred for project completion in 2020/21.	31/07/2020	1,529
		41945	North Haven Beach Reserve	Pedestrian Facility (Upgrade of North Haven to Bonny Hills walkway)	Staff are working with Crown Lands to resolve land tenure issues associated with the existing walkway route.	30/06/2021	95,240
		41949	Red Ochre Park	Develop new park facilities - Local Facilities	Additional community engagement was required for this project to resolve interface issues with adjacent residences. These issues have been resolved and works have commenced on site.	31/12/2020	331,867
		41953	Rocks Ferry Reserve	Playground Upgrade	Project delayed as a result of COVID-19 impacts on playground equipment supply timeframes.	30/11/2020	86,972
		41954	Ruins Way Park	Develop new park facilities - Local Facilities	Reprioritised due to Covid 19 impacts.	31/12/2020	262,468
		41958	Town Beach Park, Stewart Street	Playground Replacement at end of useful life.	Council successfully applied for \$200,000 of grant funding for this project through the Everyone Can Play program.	28/02/2021	387,141
		41980	Walkways - Various	Replacement of walkways at end of useful life (Sandhurst Reserve; Blair Reserve; Harry's Lookout)	Works being undertaken by Work for the Dole. The Work for the Dole program is currently on hold as a result of COVID-19 restrictions.	31/10/2020	43,827
		Parks & Recreation Total					1,481,290
		39610	Inlet Works Replacement for Port Macquarie STP	Inlet works replacement for Port Macquarie STP	Project reprioritised.	30/06/2021	300,000
	Sewerage Services Transport and Traffic	Sewerage Services Total					300,000
		41779	Corridor Planning - MRS 38/MR600		Delayed due to competing operational priorities related to flooding and bushfires.	30/06/2021	195,928
		41880	Lighthouse Road Upgrade	Tourism Connectivity Project	Post project environmental works to be completed early in 2020/21.	30/06/2021	9,110
		41964	Koala Street Upgrade Concept Designs	Concept Designs for the upgrade of Koala Street only	Project deferred due to other operational priorities. Opportunity to manage this project for strategic alignment design with remaining funds.	30/06/2021	20,000

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Port Macquarie - Hastings Council

General purpose financial statements

for the year ended 30 June 2020

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW) (as amended)*

The attached general purpose financial statements have been prepared in accordance with:

- * The *Local Government Act 1993 (NSW)* (as amended) and the Regulations made thereunder.
- * The Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- * The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these statements:

- * present fairly Port Macquarie - Hastings Council's operating result and financial position for the year,
- * and
- * accord with Port Macquarie - Hastings Council's accounting and other records.

We are not aware of any matter that would render this report false or misleading in any way.

Signed on _____ in accordance with a resolution of Council made on 12 August 2020.

Peta Pinson
Mayor

____/____/____

Councillor

____/____/____

Jeffery Sharp
Acting General Manager

____/____/____

Nicole Spencer
Responsible Accounting Officer

____/____/____

Port Macquarie - Hastings Council

Special purpose financial statements

for the year ended 30 June 2020

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- * NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- * Division of Local Government Guidelines, *Pricing & Costing for Council Businesses: A Guide to Competitive Neutrality*
- * The Local Government Code of Accounting Practice and Financial Reporting
- * The NSW Office of Water *Best-Practice Management of Water Supply and Sewerage Guidelines*.

To the best of our knowledge and belief, these statements:

- * present fairly the operating result and financial position for each of Council's declared business activities for the year,
- * accord with Council's accounting and other records; and
- * present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed on _____ in accordance with a resolution of Council made on 12 August 2020.

Peta Pinson
Mayor

____/____/____

Councillor

____/____/____

Jeffery Sharp
Acting General Manager

____/____/____


Nicole Spencer
Responsible Accounting Officer

____/____/____



Monthly Investment Report

July 2020

 IMPERIUM MARKETS	<p>Imperium Markets Pty Ltd ABN: 87 616 579 527 Authorised Representative of Libertas Financial Planning Pty Ltd AFSL 429 718 Phone: +61 2 9053 2987 Email: michael.chandra@imperium.markets Level 13, 333 George Street, Sydney NSW 2000</p>
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Executive Summary

Compliance

Compliance Measure	Within Policy Limits (Y/N)	Reason if Not Compliant
Term to Maturity	Yes – Compliant	n/a
Counterparty	Yes – Compliant	n/a
Credit Quality	Yes – Compliant	n/a

Performance

As at 31/07/2020	1m (actual)	1m (% p.a.)	FYTD (actual)	FYTD (% p.a.)
AusBond Bank Bill Index	0.01%	0.11%	0.01%	0.11%
Council's Portfolio[^]	0.20%	2.36%	2.20%	2.36%
Outperformance	0.19%	2.25%	0.19%	2.25%

[^]Total portfolio performance excludes Council's cash account holdings. Overall returns would be lower if cash was included.

Impact of COVID-19 to Council's Portfolio

COVID-19 has adversely impacted financial markets, which in turn, has also affected Council's investment portfolio. We provide a quick summary in this section.

With regards to financial markets, of importance was the RBA cutting interest rates twice in March 2020, taking the official cash rate down to a record low of 0.25%. Shares (equities) experienced a significant correction, down over -20% in Australian and around -13% globally for the month of March alone. Equities have largely rebounded strongly over the past few months (they are still below their February peak), due to the unprecedented fiscal and monetary policy support from global central banks and governments.

With regards to the medium-longer term outlook for financial markets, of importance is the RBA's outlook and stance on the current situation:

1. The RBA's official cash rate will remain unchanged at its emergency level of 0.25% until its objectives of full employment and inflation are reached (note, we are unlikely to see the unemployment rate down to 4½-5% and inflation within their 2-3% target band any time soon);
2. RBA Governor Lowe has commented that he has not seen any signs of stress in the financial system from this crisis because unlike the GFC, the banks have cash and are well capitalised. He also suggested that Australia had "*fantastic fundamentals*" and had so far been effective at containing the virus and providing policy stimulus;
3. The RBA Board expects rates would be low "*for a very long period of time*" and has recently suggested they **could cut official rates down to 0.10% (from 0.25%), if required.**

The biggest impact to Council's investment portfolio is with regards to its largest exposure being assets held in bank term deposits, which accounts for around ~95% of Council's total investment, and cash



(~4% of the total investment portfolio). **The biggest risk that PMHC faces over the medium-longer term in this environment is not the potential loss of capital (given all the banks are well capitalised and regulated by APRA), but the rapid loss of interest income as interest rates have plummeted.**

Council's term deposit portfolio was yielding 2.37% p.a. at month-end, with a weighted average duration of around 535 days or 1½ years. **This average duration will provide some income protection against the low interest rate environment over the next 18 months.** As existing deposits mature however, they will inevitably be reinvested at much lower prevailing rates.

We note the current interest rates in the term deposit market:

- The highest deposit rate from any rated ADI in the market is now 1.60% p.a. for 5 years;
- The highest deposit rates amongst the "AA-" rated ADIs (major banks) is now yielding between 0.85%-1.15% p.a. (depending on term);
- The highest deposit rates amongst the "A" rated ADIs was yielding between 1.10%-1.60% p.a. (depending on term);
- The highest deposit rates amongst the "BBB" and unrated ADIs was yielding between 1.00%-1.50% p.a. (depending on term).

Given official rates have fallen to record lows, Council is likely to see a rapid decline in interest income over future financial years. Its budgeted income over the medium-longer term needs to be revised to reflect the low interest rate environment. Returns between 0.75%-1.00% p.a. may potentially be the "norm" over the next few financial years.



Council's Portfolio

Asset Allocation

The portfolio is predominately directed to fixed term deposits (94.69%). The remainder of the portfolio is directed to the overnight cash account with Westpac (4.31%) and the single FRN with Bendigo-Adelaide (1.00%).

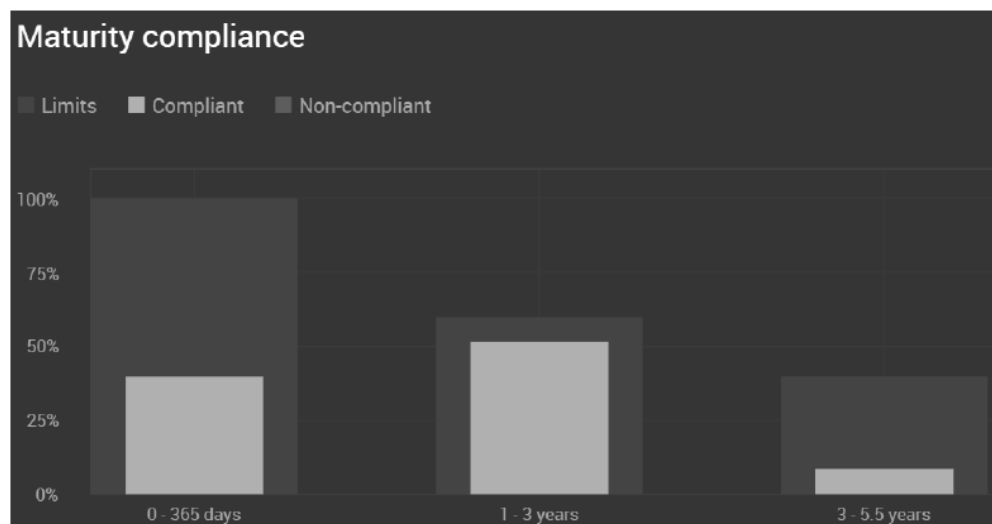
We would consider increasing the allocation to liquid senior floating rate notes (FRNs), if there are any remaining attractive securities in the primary or secondary market. This will not only offer additional upside with regards to the portfolio's investment returns, but also provide additional liquidity (FRNs are saleable – generally accessible within 2 business days). FRNs are also dominated by the higher rated ADIs which allows Council to maintain a bias towards the higher rated banks.

With official interest rates now at the RBA's effective lower bound, the priority should be to lock in any attractive medium-longer dated fixed deposits that may still be available to address reinvestment risk.



Term to Maturity

All maturity limits (minimum and maximum) comply with the Investment Policy. Medium-Term (3-5½ years) assets account for around 8.62% of the total investment portfolio, with capacity of around \$94.79m at month-end.





Where there is (counterparty) capacity to invest in attractive 3-5½ year investments, we recommend this be allocated to new any remaining attractive fixed term deposits (refer to respective sections below).

Compliant	Horizon	Invested (\$)	Invested (%)	Min. Limit (%)	Max. Limit (%)	Available (\$)
✓	0 - 365 days	\$120,522,026	39.90%	0%	100%	\$181,527,555
✓	1 - 3 years	\$155,500,000	51.48%	0%	60%	\$25,729,748
✓	3 - 5.5 years	\$26,027,555	8.62%	0%	40%	\$94,792,277
✓	5.5 - 10 years	\$0	0.00%	0%	20%	\$60,409,916
		\$302,049,581	100.00%			

Counterparty

As at the end of July, Council did not have an overweight position to any single ADI. Overall, the portfolio is diversified across the investment grade credit spectrum (rated BBB- or higher), with no exposure to unrated ADIs.

Compliant	Issuer	Rating	Invested (\$)	Invested (%)	Max. Limit (%)	Available (\$)
✓	NAB	AA-	\$42,000,000	13.91%	30.00%	\$48,614,874
✓	WBC (St George)	AA-	\$67,522,026	22.35%	30.00%	\$23,092,849
✓	Rabobank	A+	\$13,000,000	4.30%	20.00%	\$47,409,916
✓	ICBC Sydney	A	\$59,500,000	19.70%	20.00%	\$909,916
✓	ING Bank Aus.	A	\$29,500,000	9.77%	20.00%	\$30,909,916
✓	AMP Bank	BBB+	\$9,000,000	2.98%	10.00%	\$21,204,958
✓	Aus Military Bank	BBB+	\$7,500,000	2.48%	10.00%	\$22,704,958
✓	BOQ	BBB+	\$30,000,000	9.93%	10.00%	\$204,958
✓	Bendigo	BBB+	\$3,027,555	1.00%	10.00%	\$27,177,403
✓	Auswide	BBB	\$24,000,000	7.95%	10.00%	\$6,204,958
✓	Newcastle PBS	BBB	\$17,000,000	5.63%	10.00%	\$13,204,958
			\$302,049,581	100.00%		

We remain supportive of the regional and unrated ADI sector (and have been even throughout the GFC period). They continue to remain solid, incorporate strong balance sheets, while exhibiting high levels of capital – typically, much higher compared to the higher rated ADIs. Some unrated ADIs have up to 25-40% more capital than the domestic major banks, and well above the Basel III requirements.

APRA's Chairman affirmed that the banks had satisfactorily moved towards an '*unquestionably strong*' capital position and that bank's stress testing contingency plans were now far better positioned that was previously the case years ago. ***RBA Governor Lowe has recently commented that they have not seen any signs of stress in the financial system and that unlike during the GFC, the banks now have cash, are well capitalised and are acting as "shock absorbers" in the current crisis.***



Overall, the lower rated ADIs (BBB and unrated) are generally now in a better financial position than they have been historically (see the Capital Ratio figure below). We believe that deposit investments with the lower rated ADIs should be continued going forward, particularly when they offer 'above market' specials. Not only would it diversify the investment portfolio and reduce credit risk, it would also improve the portfolio's overall returns.

In the current environment of high regulation and scrutiny, all domestic (and international) ADIs continue to carry high levels of capital. There is minimal (if any) probability of any ADI defaulting on their deposits going forward – this was stress tested during the GFC. **APRA's mandate is to "protect depositors" and provide "financial stability".**

The biggest single risk that depositors face in the current low interest rate environment is not capital or credit risk, but reinvestment risk. Interest rates are now at their effective lower bound of 0.25% and could potentially drop to 0.10% if economic conditions deteriorate further.





Credit Quality

The portfolio remains lightly diversified from a credit ratings perspective. The portfolio is entirely directed to the investment grade ADIs (BBB- or higher), with zero allocation to unrated ADIs. There is high capacity to invest in the higher rated ADIs (A or higher), particularly after the downgrades of BoQ and Bendigo-Adelaide Bank in May 2017, as well as AMP Bank in August 2019, which now all fall into the "BBB" rated category.

Conversely, the "BBB" rated ADIs is now very close to capacity limits, almost now having reached full capacity (~87k remaining at month-end).

Given the large number of "BBB" rated ADIs issuing deposits currently in the market (and conversely, the low number of "A" or higher rated ADIs), we suggest Council direct new funds into this sector, where attractive and where there is capacity. We note that it is within this category where the most value is currently experienced. The difference in pricing can amount up to 20bp on any day.

Should Council continue to exclude investments amongst the unrated ADI sector, we recommend the 10% allocation be directed to the "BBB" rated sector. Council is currently examining the Investment Policy as part of its annual review.

All ratings categories are within the current Policy limits:

Compliant	Credit Rating	Invested (\$)	Invested (%)	Max. Limit (%)	Available (\$)
✓	AA Category	\$109,522,026	36.26%	100%	\$192,527,555
✓	A Category	\$102,000,000	33.77%	60%	\$79,229,748
✓	BBB Category	\$90,527,555	29.97%	30%	\$87,319
✓	Unrated ADIs	\$0	0.00%	10%	\$30,204,958
		\$302,049,581	100.00%		



Performance

Council's performance for the month ending 31 July 2020 is summarised as follows:

Performance	1 month	3 months	6 months	FYTD	1 year
Official Cash Rate	0.02%	0.06%	0.16%	0.02%	0.58%
AusBond Bank Bill Index	0.01%	0.03%	0.25%	0.01%	0.73%
Council's T/D Portfolio	0.20%	0.62%	1.25%	0.20%	2.65%
Council's FRN Portfolio	0.09%	0.32%	0.72%	0.09%	-
Council's Portfolio[^]	0.20%	0.61%	1.24%	0.20%	2.64%
Outperformance	0.19%	0.59%	0.99%	0.19%	1.91%

[^]Total portfolio performance excludes Council's cash account holdings. Overall returns would be lower if cash was included.

For the month of July, the portfolio (excluding cash) provided a solid return of +0.20% (actual), outperforming the benchmark AusBond Bank Bill Index return by +0.19% (actual). The strong performance continues to be driven by the handful of deposits still yielding above 3% p.a. However, some of these individual deposits are approaching maturity and will be reinvested at much lower prevailing rates.

Over the past 12 months, the portfolio returned +2.64% p.a., outperforming bank bills by 1.91% p.a. and more than four 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.

We are pleased that PMHC remains amongst the best performing Councils in the state of NSW where deposits are concerned, earning on average, more than \$1,470,000 in additional interest income compared to its peers (refer to our May 2020 rankings). We have been pro-active in our advice about protecting interest income and addressing reinvestment risk for many years and encouraged to maintain a long duration position. This is now reflected by the high performance of the investment portfolio. Of the 74 individual deposits PMHC held, 24 are still yielding higher than 3.00% p.a. That is, around 32% of outstanding deposits held is earning an interest rate that is twelve times the prevailing cash rate of 0.25%.

Investors using the Imperium Markets platform have reduced the invisible costs associated with brokerage, and thereby lift client portfolio returns as investors are able to deal in deposits directly with the ADIs and execute at the best price possible. Council has experienced this over the past few years, receiving on average, 2-4bp higher for every deposit dealt on the platform.



Council's Term Deposit Portfolio & Recommendation

As at the end of July 2020, Council's deposit portfolio was yielding 2.37% p.a. (down 2bp from the previous month), with an average duration of ~1½ years. Where possible, we recommend Council extends or at least maintains this average duration. In the low interest rate environment, the biggest collective risk that the local government sector has faced over the post-GFC era has been the dramatic fall in interest rates - from 7¼% to the historical low levels of 0.25%.

As the past decade has highlighted (post-GFC era), we have seen too many portfolios' roll a high proportion of their deposits between 3-6 months, resulting in their deposits being reinvested at lower prevailing rates. That is, depositors have overpaid for liquidity and generally not insured themselves against the low interest rate environment by diversify their funding across various tenors (out to 5 years) but rather placed all their 'eggs in one basket' and kept all their deposits short. **Reinvestment risk has collectively been and continues to be the biggest detriment to depositors' interest income over the post-GFC period.**

At the time of writing, we see value in:

ADI	LT Credit Rating	Term	T/D Rate
ICBC, Sydney	A	5 years	1.60% p.a.
ICBC, Sydney	A	4 years	1.40% p.a.
ICBC, Sydney	A	3 years	1.25% p.a.
ICBC, Sydney	A	2 years	1.10% p.a.
BoQ	BBB+	3 years	1.10% p.a.
BoQ	BBB+	2 years	1.00% p.a.
AMP Bank	BBB+	2-3 years	^1.00% p.a.
ING Bank Australia	A	2 years	0.95% p.a.

[^] AMP T/Ds – these are grossed up rates which includes a 0.20% p.a. rebated commission from Imperium Markets

The above deposits are suitable for investors looking to provide some income protection and mitigate reinvestment/rollover risk in the low interest rate environment.

For terms under 12 months, we believe the strongest value is currently being offered by the regional ADIs (dependent on daily funding requirements):



ADI	LT Credit Rating	Term	T/D Rate
Judo Bank	Unrated ADI	9, 12 months	1.25% p.a.
Judo Bank	Unrated ADI	3, 6 months	1.15% p.a.
AMP	BBB+	8-12 months	^1.00% p.a.
BoQ	BBB+	12 months	0.90% p.a.
Bank of Sydney	Unrated ADI	12 months	0.90% p.a.
BoQ	BBB+	9 months	0.85% p.a.
Bank of Sydney	Unrated ADI	3, 6, 9 months	0.85% p.a.
BoQ	BBB+	6 months	0.80% p.a.
Bendigo-Adelaide	BBB+	12 months	0.75% p.a.

[^] AMP T/Ds – these are grossed up rates which includes a 0.20% p.a. rebated commission from Imperium Markets

Amongst the higher rated ADIs ("A" rated or higher), the following deposits remain attractive for terms under 12 months:

ADI	LT Credit Rating	Term	T/D Rate
ICBC, Sydney	A	12 months	1.05% p.a.
NAB	AA-	12 months	0.85% p.a.
Westpac	AA-	12 months	0.84% p.a.
NAB	AA-	9 months	0.79% p.a.
NAB	AA-	3-6 months	0.75% p.a.



Senior FRNs & Recommendations

Margins continued to tighten over July given the lack of volume and supply from primary issuances. Global credit assets have also tightened on the back of the US Fed's intervention in the secondary market, which included buying investment grade corporate securities.

Over July, amongst the senior major bank FRNs, physical credit securities tightened significantly up to 16bp across the 3-5 year part of the curve. Bid-ask spreads have normalised to pre-COVID levels on the back of excess liquidity and short supply. Those investors that require liquidity with a domestic major bank (highly rated) and can roll down the curve should invest in 5 year terms over 3 year terms (or shorter), given the ability to lock in capital gains in subsequent years.

A new 5 year senior major bank FRN would now be issued around +55bp, appearing relatively expensive. We expect minimal primary issuance from the domestic banks in the immediate future given the RBA's \$150bn term funding facility (TFF) to the ADIs, offering a rate of 0.25% for 3 years. The lack of supply from new (primary) issuances has played a major role with the rally in credit markets over recent months.

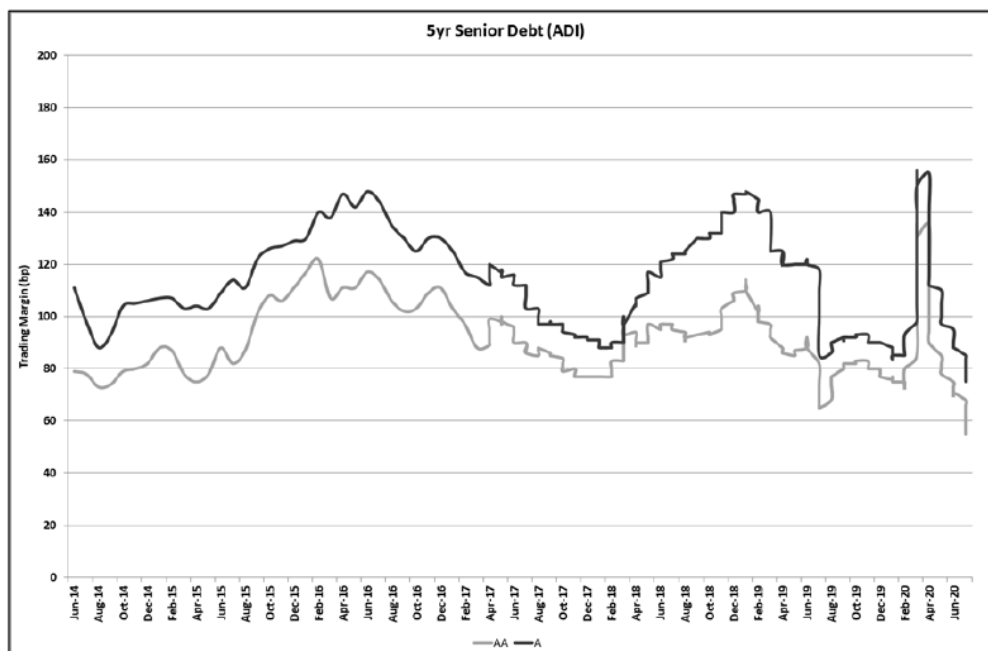
Amongst the "A" and "BBB" rated sector, the senior securities were marked up to 15-25bp tighter over July. During the month, Société Générale (A) issued a 3 year deal at +93bp, printing \$650m. Meanwhile, UBS AG (A+) launched a dual 3 and 5 year deal at +67bp and +87bp respectively, printing a record \$2.75bn across fixed and floating tranches.

While turnover in the secondary market is still predominately dominated by the major banks, given the lack of supply, we observed that even a handful of regional bank senior paper was sometimes being traded inside "mid" levels during the month.

Credit margins are now trading very tight on a historical level and look fairly expensive. FRNs will continue to play a role in investor's portfolios mainly on the basis of their liquidity and the ability to roll down the curve and gross up returns over ensuing years (in a relatively stable credit environment).

Senior FRNs (ADIs)	31/07/2020	30/06/2020
"AA" rated – 5yrs	+55bp	+71bp
"AA" rated – 3yrs	+35bp	+49bp
"A" rated – 5yrs	+75bp	+88bp
"A" rated – 3yrs	+50bp	+67bp
"BBB" rated – 3yrs	+75bp	+100bp

Source: IBS Capital



Source: IBS Capital

We now generally **recommend switches** ('benchmark' issues only) into new attractive primary issues (or longer-dated alternatives), out of the following senior FRNs that are maturing:

- On or before 2023 for the "AA" rated ADIs (domestic major banks);
- On or before mid-2021 for the "A" rated ADIs; and
- Within 12 months for the "BBB" rated ADIs (consider case by case).

Investors holding onto the above senior FRNs ('benchmark' issues only) in their last 1-2 years are now generally holding sub-optimal investments and are not maximising returns by foregoing realised capital gains. In the current low interest rate environment, any boost in overall returns should be locked in when it is advantageous to do so.

In late August 2019, Council placed a bid of \$3m into the new Bendigo (BBB+) 5 year FRN at +97bp maturing 06/09/2024. This FRN should be viewed as a 4 year holding period, with the ability to 'roll down the curve', realise capital gains which would boost the overall return of the investment portfolio. The security was marked around +74bp (from +103bp the previous month) or a capital price ~\$100.92 at month-end. We recommend Council holds this FRN.



Economic Commentary

International Market

The emergence of a 'second wave' of COVID-19 cases globally and the likelihood of further lockdown measures is largely being disregarded in risk markets, as equities maintained their positive momentum, while credit assets continued to tighten over July.

In the US, equity markets had another solid month. The S&P 500 Index gained +5.51%, while the NASDAQ surged +6.82%. Across the main European markets, Germany's DAX remained flat returning +0.02%, while France's CAC fell -3.09% and UK's FTSE finished the month down -4.41%.

US GDP contracted by an annual rate of -32.9% in Q2, its worst drop on record. This followed the -5.0% annual rate drop in Q1, taking the US officially into recession.

US payrolls rose by a more-than-expected 4.8 million in June after an upwardly revised 2.7 million gain in May. **The unemployment rate declined to 11.1% in June from 13.3% in May.** US Core CPI rose +0.2% m/m in June against +0.1% expected, taking the annual rate to +1.2%.

Eurozone Q2 GDP fell more than -12%, in-line with expectations, led by an -18.5% fall in Spanish GDP. The European Commission's latest forecast for the bloc was downgraded to a -8.3% contraction for 2020, against a prior fall of -7.4%. The rebound in 2021 was also pared back to +5.8% from +6.1%.

EU leaders agreed on a historic €750bn coronavirus pandemic recovery fund, with 27 heads of state and government finally giving their seal of approval to borrow debt to be distributed through grants on an unprecedented scale. The ECB kept their policy settings unchanged, including the deposit rate at -0.5%.

Singapore's Q2 GDP fell by -41.2%, missing expectations of a -37.4% fall. On an annual basis, GDP fell -12.6% versus expectations for a -10.5% contraction.

China avoided a recession, with Q2 GDP rising +3.2% over the year, following a contraction of -6.8% over Q1.

Geo-political issues intensified, with China seemingly at the forefront. China's national security law for Hong Kong was passed, which included life in prison for the most serious cases of terrorism, secession, subversion of state power and collusion with foreign forces.

The MSCI World ex-Aus Index gained +4.69% for the month of July:

Index	1m	3m	1yr	3yr	5yr	10yr
S&P 500 Index	+5.51%	+12.32%	+9.76%	+9.81%	+9.23%	+11.50%
MSCI World ex-AUS	+4.69%	+12.19%	+5.78%	+5.76%	+5.62%	+7.66%
S&P ASX 200 Accum. Index	+0.50%	+7.62%	-9.87%	+5.37%	+5.15%	+7.39%

Source: S&P, MSCI



Domestic Market

The RBA kept the cash rate and 3 year yield target unchanged at 0.25% in its meeting in July. Their forward guidance remains the same, vowing to maintain rates at emergency levels and will not lift them *"until progress is being made towards full employment and it is confident that inflation will be sustainably within the 2–3% target band"*.

The official cash rate has been trading at 12-13bp, lower than the RBA's cash rate target of 25bp. This reflects the increase in banks' exchange settlement (ES) balances, where the additional liquidity has seen the cash rate trade closer to the 10bp "floor" rate paid on ES balances by the RBA.

During July, Victorian Premier Dan Andrews announced stage 3 lockdowns to Melbournians would occur for 6 weeks, following the upward trend of daily new cases of COVID-19. **Stage 4 lockdowns (for another 6 weeks) were then subsequently announced** on the first weekend of August.

Headline CPI fell by a record -1.9% in Q2, taking the annual rate to -0.3%, driven by free childcare and a sharp fall in petrol prices. The trimmed mean fell -0.1% in Q2, taking the annual rate to +1.2%.

New housing loan approvals fell by record levels in May, down -11.6% m/m against the -5.5% consensus. There were sharp falls for both investors (-15.6% m/m) and owner-occupiers (-10.2% m/m).

The unemployment rate rose to 7.4% in June (from 7.1% in May), despite more than 210,000 jobs added. Part-time employment increased by 249,000 while full-time employment decreased by 38,100. The rise in the unemployment rate was partly attributed to rising participation (from 62.7% to 64.0%).

JobKeeper was extended by six-months until 28 March, but with a phased tapering and tiering of payments as well as rolling eligibility requirements for firms. The extension is expected to cost \$16.6bn on top of the \$70bn currently budgeted for the program.

The significant fiscal stimulus announced to date and fall in tax receipts due to the pandemic means that **Treasury now expects a budget deficit of \$185bn (10% of GDP) in FY21.**

The AUD surged another +5.10% in July, finishing at US72.13 cents, from US68.63 cents the previous month.

Credit Market

The main global credit indices tightened again over July as the flood of liquidity provided by global central banks and the lack of new issuances resulted in further tightening amongst credit assets. The indices now trade at levels last experienced in mid-2019:

Index	July 2020	June 2020
CDX North American 5yr CDS	69bp	76bp
iTraxx Europe 5yr CDS	60bp	66bp
iTraxx Australia 5yr CDS	76bp	88bp

Source: Markit



Fixed Interest Review

Benchmark Index Returns

Index	July 2020	June 2020
Bloomberg AusBond Bank Bill Index (0+YR)	+0.01%	+0.01%
Bloomberg AusBond Composite Bond Index (0+YR)	+0.37%	+0.31%
Bloomberg AusBond Credit FRN Index (0+YR)	+0.42%	+0.23%
Bloomberg AusBond Credit Index (0+YR)	+0.91%	+0.72%
Bloomberg AusBond Treasury Index (0+YR)	+0.32%	+0.11%
Bloomberg AusBond Inflation Gov't Index (0+YR)	+3.24%	+1.49%

Source: Bloomberg

Other Key Rates

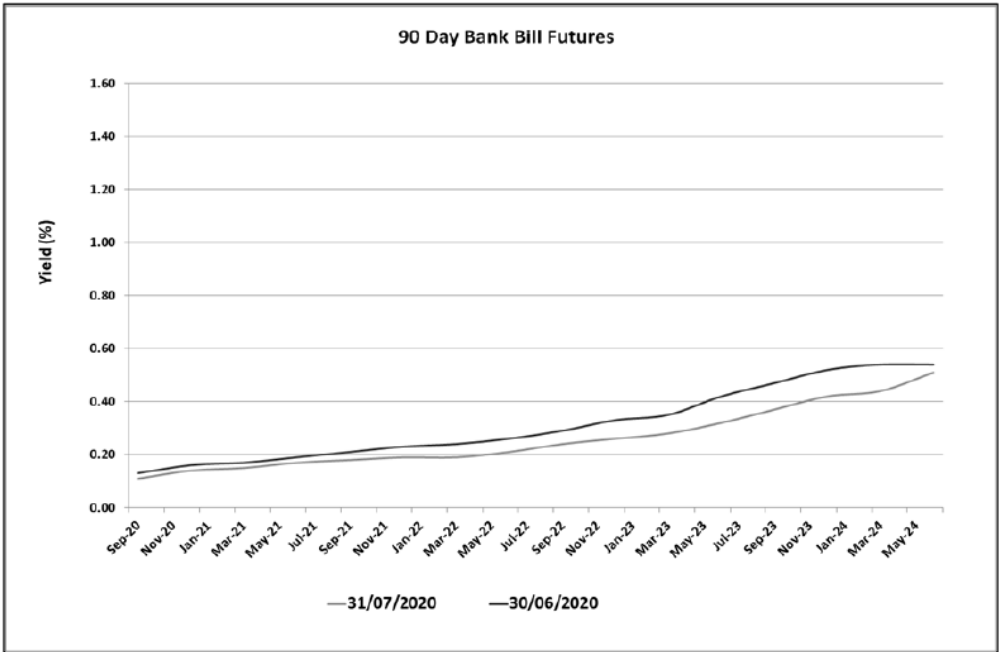
Index	July 2020	June 2020
RBA Official Cash Rate	0.25%	0.25%
90 Day (3 month) BBSW Rate	0.10%	0.11%
3yr Australian Government Bonds	0.27%	0.26%
10yr Australian Government Bonds	0.82%	0.87%
US Fed Funds Rate	0.00%-0.25%	0.00%-0.25%
10yr US Treasury Bonds	0.55%	0.66%

Source: RBA, AFMA, US Department of Treasury



90 Day Bill Futures

Over July, bill futures fell at the long-end of the curve, with the RBA flagging they could potentially drop the official cash rate down to 10bp (from 25bp), if required. With the RBA suggesting they will keep rates unchanged for the foreseeable future, bill futures are likely to trade in a relatively narrow range, particularly for terms out to 3 years given the RBA’s target to keep the 3 year bond rate at 0.25%.



Source: ASX



Fixed Interest Outlook

There are ongoing discussions for policymakers to provide additional support to revive the global economic recovery, especially as further lockdowns are being implemented or being considered.

The US Fed's budget deficit was around \$US1 trillion last financial year. The \$US1.9 trillion expenditure towards the initial response of the pandemic and the extra \$US1 trillion currently being contemplated will swell the deficit to around \$US4 trillion, or close to 20% of America's GDP. The US Fed reiterated it is committed to *"using its full range of tools to support the US economy"* and has signalled it is not considering raising interest rates at least until 2022.

The futures market continues to consider the possibility that the US Fed may need to take rates into negative territory by the end of the calendar year (around 16%, although the Fed remains adamant this is not required for now).

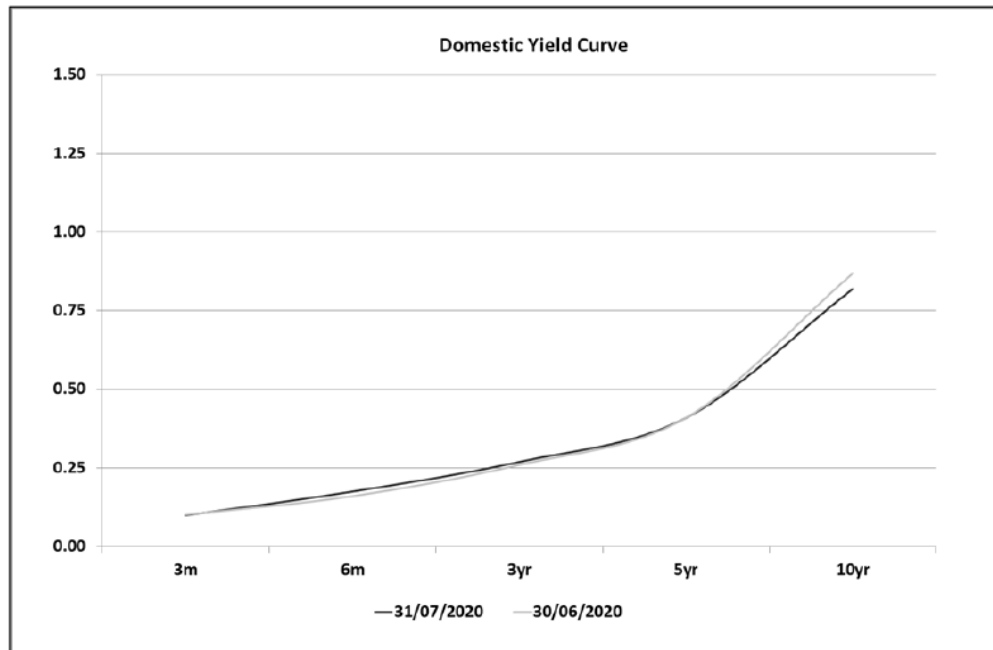
With official interest rates at the RBA's "effective lower bound" of 0.25%, their forward guidance is to keep committing the official cash rate unchanged until there is a sustainable recovery and its economic objectives of full employment (unemployment rate of 4.5%-5.0%) and target inflation (2-3%) are on track.

RBA Governor Lowe has commented that unlike during GFC, **the banks have cash and are well capitalised**, and that he was encouraged as the banks are acting as *"shock absorbers"* during this crisis. Importantly, he also suggested that they are **not seeing any signs of stress in the financial system**. Although the pandemic was still a shock to the economy, Lowe has also commented that Australia had *"fantastic fundamentals"* and had so far been effective at containing the virus and providing policy stimulus.

Governor Lowe has repeatedly indicated that rates would be low "for a very long period of time" as the RBA needed to be confident inflation would be back in the 2 – 3% target range before considering lifting official rates. He has also indicated that if needed, the bank could lower the cash rate to a still-positive 10bp, buy more bonds and tweak the term funding facility (TFF).

For now, the RBA is not contemplating adopting negative rates, citing the minimal benefits for those central banks that have undertaken such policies in recent years (e.g. Japan and Europe).

The domestic bond market continues to suggest a 'lower-for-longer' period of interest rates. Over the month, yields remained flat across the curve, with 10-year government bond yields remaining below the 1% barrier:



Source: AFMA, ASX, RBA

Disclaimer

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Monthly Investment Report

01/07/2020 to 31/07/2020



Portfolio Valuation

as at 31/07/2020

Issuer	Rating	Type	Alloc	Interest	Purchase	Maturity	Rate	Value	Accrued	Accrued MTD
ING Direct	A	TD	GENERAL	Annual	21/08/2018	25/08/2020	2.8500	4,000,000.00	108,065.75	9,682.19
ING Direct	A	TD	GENERAL	Annual	13/09/2018	08/09/2020	2.8700	4,000,000.00	101,590.14	9,750.14
Westpac	AA-	TD	LOCAL BRANCH	Annual	13/09/2017	14/09/2020	3.1700	3,000,000.00	84,156.99	8,076.99
ING Direct	A	TD	GENERAL	Annual	13/09/2018	22/09/2020	2.8700	4,000,000.00	101,590.14	9,750.14
NAB	AA-	TD	GENERAL	Annual	17/10/2018	13/10/2020	2.7800	4,000,000.00	88,046.03	9,444.38
ICBC Sydney Branch	A	TD	GENERAL	Annual	31/10/2018	27/10/2020	2.9300	6,000,000.00	132,452.05	14,930.96
ICBC Sydney Branch	A	TD	GENERAL	Annual	13/11/2018	10/11/2020	2.9300	5,000,000.00	105,158.90	12,442.47
ICBC Sydney Branch	A	TD	GENERAL	Annual	05/12/2018	08/12/2020	2.8600	2,000,000.00	37,610.96	4,858.08
ICBC Sydney Branch	A	TD	GENERAL	Annual	14/12/2018	15/12/2020	2.8900	6,000,000.00	108,790.68	14,727.12
Westpac	AA-	TD	GENERAL	Quarterly	17/12/2019	17/12/2020	1.4600	6,000,000.00	10,800.00	7,440.00
BOQ	BBB+	TD	GENERAL	Annual	24/01/2017	25/01/2021	3.6500	2,000,000.00	38,000.00	6,200.00
Westpac	AA-	TD	LOCAL BRANCH	Annual	21/02/2017	22/02/2021	3.3900	2,000,000.00	30,092.05	5,758.36
ICBC Sydney Branch	A	TD	GENERAL	Annual	27/02/2020	26/02/2021	1.3900	2,500,000.00	14,852.05	2,951.37
BOQ	BBB+	TD	GENERAL	Annual	10/03/2016	10/03/2021	3.8000	3,000,000.00	44,975.34	9,682.19
ING Direct	A	TD	GENERAL	Annual	20/02/2019	16/03/2021	2.8200	2,000,000.00	25,186.85	4,790.14
Westpac	AA-	TD	GENERAL	Quarterly	22/03/2018	23/03/2021	3.0200	4,000,000.00	13,238.36	10,259.73
AMP Bank	BBB+	TD	GENERAL	Annual	25/11/2019	25/05/2021	1.6000	5,000,000.00	54,794.52	6,794.52
Westpac	AA-	TD	GENERAL	Quarterly	22/05/2018	25/05/2021	3.1000	4,000,000.00	24,120.55	10,531.51



Issuer	Rating	Type	Alloc	Interest	Purchase	Maturity	Rate	Value	Accrued	Accrued MTD
AMP Bank	BBB+	TD	GENERAL	Annual	29/11/2019	27/05/2021	1.6000	4,000,000.00	43,134.25	5,435.62
BOQ	BBB+	TD	GENERAL	Annual	29/05/2019	31/05/2021	2.3000	3,000,000.00	12,098.63	5,860.27
Rabobank Australia Branch	A+	TD	GENERAL	Annual	08/06/2017	07/06/2021	3.0200	5,000,000.00	21,926.03	12,824.66
Westpac	AA-	TD	GENERAL	Quarterly	06/06/2018	15/06/2021	3.1000	3,000,000.00	13,504.11	7,898.63
NAB	AA-	TD	GENERAL	At Maturity	19/06/2020	21/06/2021	1.0000	4,000,000.00	4,712.33	3,397.26
NAB	AA-	TD	GENERAL	Annual	03/07/2018	22/06/2021	3.0000	4,000,000.00	9,534.25	9,534.25
NAB	AA-	TD	GENERAL	Annual	03/07/2018	06/07/2021	3.0000	3,000,000.00	7,150.68	7,150.68
Westpac	AA-	TD	GENERAL	Quarterly	17/07/2018	13/07/2021	3.0400	5,000,000.00	6,246.58	6,246.58
NAB	AA-	TD	GENERAL	Annual	26/07/2018	20/07/2021	3.0400	4,000,000.00	1,665.75	1,665.75
Westpac	AA-	TD	LOCAL BRANCH	Annual	24/07/2019	23/07/2021	1.7500	4,000,000.00	1,534.25	1,534.25
NAB	AA-	TD	GENERAL	Annual	02/08/2018	03/08/2021	3.0700	5,000,000.00	153,500.00	13,036.99
ICBC Sydney Branch	A	TD	GENERAL	Annual	30/08/2019	30/08/2021	1.6200	5,000,000.00	74,786.30	6,879.45
Westpac	AA-	TD	GENERAL	Quarterly	13/09/2018	14/09/2021	2.8800	5,000,000.00	18,542.47	12,230.14
NAB	AA-	TD	GENERAL	Annual	27/09/2018	28/09/2021	3.0500	5,000,000.00	129,102.74	12,952.05
Auswide Bank	BBB	TD	GENERAL	Annual	30/09/2019	30/09/2021	1.7500	4,000,000.00	58,684.93	5,945.21
Westpac	AA-	TD	GENERAL	Quarterly	13/09/2018	12/10/2021	2.8900	5,000,000.00	18,606.85	12,272.60
Auswide Bank	BBB	TD	GENERAL	Annual	23/10/2019	25/10/2021	1.6500	5,000,000.00	63,965.75	7,006.85
Auswide Bank	BBB	TD	GENERAL	At Maturity	25/11/2019	25/11/2021	1.7000	5,000,000.00	58,219.18	7,219.18
ICBC Sydney Branch	A	TD	GENERAL	Annual	05/12/2018	07/12/2021	3.0100	4,000,000.00	79,167.12	10,225.75
ICBC Sydney Branch	A	TD	GENERAL	Annual	16/12/2019	16/12/2021	1.5700	4,000,000.00	39,400.55	5,333.70



Issuer	Rating	Type	Alloc	Interest	Purchase	Maturity	Rate	Value	Accrued	Accrued MTD
ING Direct	A	TD	GENERAL	Annual	30/01/2020	31/01/2022	1.6500	5,000,000.00	41,589.04	7,006.85
Newcastle Permanent	BBB	TD	GENERAL	Quarterly	07/02/2019	08/02/2022	3.0500	4,000,000.00	28,745.21	10,361.64
Westpac	AA-	TD	GENERAL	Annual	21/02/2017	21/02/2022	3.6100	2,000,000.00	32,044.93	6,132.05
NAB	AA-	TD	GENERAL	Annual	21/02/2017	21/02/2022	3.4600	5,000,000.00	76,783.56	14,693.15
ING Direct	A	TD	GENERAL	Annual	02/03/2020	02/03/2022	1.5000	5,000,000.00	31,232.88	6,369.86
BOQ	BBB+	TD	GENERAL	Annual	15/03/2017	15/03/2022	3.8000	2,000,000.00	28,734.25	6,454.79
Newcastle Permanent	BBB	TD	GENERAL	Quarterly	12/03/2019	22/03/2022	2.9000	4,000,000.00	15,890.41	9,852.05
Newcastle Permanent	BBB	TD	GENERAL	Annual	27/03/2019	29/03/2022	2.8000	5,000,000.00	48,712.33	11,890.41
Newcastle Permanent	BBB	TD	GENERAL	Quarterly	18/04/2019	19/04/2022	2.7000	4,000,000.00	3,550.68	3,550.68
BOQ	BBB+	TD	GENERAL	Annual	28/05/2019	30/05/2022	2.4000	4,000,000.00	17,095.89	8,153.42
Rabobank Australia Branch	A+	TD	GENERAL	Annual	08/06/2017	07/06/2022	3.2200	5,000,000.00	23,378.08	13,673.97
Australian Military Bank	BBB+	TD	GENERAL	Annual	19/06/2020	20/06/2022	1.1500	2,000,000.00	2,709.59	1,953.42
Australian Military Bank	BBB+	TD	GENERAL	Annual	19/06/2020	20/06/2022	1.1500	2,000,000.00	2,709.59	1,953.42
Westpac	AA-	TD	GENERAL	Quarterly	23/06/2020	23/06/2022	1.0100	3,500,000.00	3,777.12	3,002.33
Australian Military Bank	BBB+	TD	GENERAL	Annual	23/06/2020	23/06/2022	1.0500	3,500,000.00	3,926.71	3,121.23
Westpac	AA-	TD	GENERAL	Quarterly	24/06/2020	24/06/2022	1.0200	5,000,000.00	5,309.59	4,331.51
NAB	AA-	TD	GENERAL	Annual	02/08/2018	02/08/2022	3.2200	4,000,000.00	128,800.00	10,939.18
NAB	AA-	TD	GENERAL	Annual	16/08/2018	16/08/2022	3.0500	4,000,000.00	117,320.55	10,361.64
ICBC Sydney Branch	A	TD	GENERAL	Annual	28/08/2019	29/08/2022	1.6400	5,000,000.00	76,158.90	6,964.38
Auswide Bank	BBB	TD	GENERAL	At Maturity	06/09/2019	06/09/2022	1.8000	3,000,000.00	48,821.92	4,586.30



Issuer	Rating	Type	Alloc	Interest	Purchase	Maturity	Rate	Value	Accrued	Accrued MTD
Rabobank Australia Branch	A+	TD	GENERAL	Annual	13/09/2017	13/09/2022	3.3800	3,000,000.00	89,732.05	8,612.05
Westpac	AA-	TD	LOCAL BRANCH	Annual	13/09/2017	13/09/2022	3.4100	3,000,000.00	90,528.49	8,688.49
Auswide Bank	BBB	TD	GENERAL	Annual	30/09/2019	30/09/2022	1.7500	4,000,000.00	58,684.93	5,945.21
ICBC Sydney Branch	A	TD	GENERAL	Annual	23/10/2019	24/10/2022	1.7000	3,000,000.00	39,542.47	4,331.51
ICBC Sydney Branch	A	TD	GENERAL	Annual	31/10/2019	31/10/2022	1.7300	5,000,000.00	65,171.23	7,346.58
ING Direct	A	TD	GENERAL	Annual	27/02/2020	27/02/2023	1.6000	2,500,000.00	17,095.89	3,397.26
BOQ	BBB+	TD	GENERAL	Annual	28/05/2019	29/05/2023	2.5500	4,000,000.00	18,164.38	8,663.01
BOQ	BBB+	TD	GENERAL	Annual	19/06/2020	19/06/2023	1.3500	2,000,000.00	3,180.82	2,293.15
BOQ	BBB+	TD	GENERAL	Annual	27/06/2019	27/06/2023	2.2000	5,000,000.00	9,945.21	9,342.47
ICBC Sydney Branch	A	TD	GENERAL	Annual	27/11/2019	27/11/2023	1.7600	6,000,000.00	71,750.14	8,968.77
ICBC Sydney Branch	A	TD	GENERAL	Annual	16/12/2019	18/12/2023	1.8100	4,000,000.00	45,423.56	6,149.04
Auswide Bank	BBB	TD	GENERAL	Annual	02/03/2020	04/03/2024	1.7500	3,000,000.00	21,863.01	4,458.90
BOQ	BBB+	TD	GENERAL	Annual	18/06/2020	18/06/2024	1.4500	3,000,000.00	5,243.84	3,694.52
ING Direct	A	TD	GENERAL	Annual	23/06/2020	24/06/2024	1.2500	3,000,000.00	4,006.85	3,184.93
Bendigo and Adelaide	BBB+	FRN	GENERAL	Quarterly	06/09/2019	06/09/2024	1.0706	3,027,555.00	4,663.71	2,727.83
BOQ	BBB+	TD	GENERAL	Annual	27/09/2019	27/09/2024	2.0000	2,000,000.00	33,863.01	3,397.26
ICBC Sydney Branch	A	TD	GENERAL	Annual	18/06/2020	18/06/2025	1.7500	2,000,000.00	4,219.18	2,972.60
Westpac	AA-	CASH	GENERAL	Monthly	31/07/2020	31/07/2020	0.5000	13,022,025.70	4,733.73	4,733.73
TOTALS								302,049,580.70	3,264,107.85	556,979.78



Authorised by: Council
Authorised date: 20/02/2019
Effective date: 21/02/2019
Next review date: 19/02/2020
File Number: D2018/085398

Council Policy INVESTMENT POLICY

1. INTRODUCTION

The Investment Policy establishes the framework within which Council's cash and investment portfolio will be managed, monitored and reported on. This policy has been established in compliance with section 625 of the Local Government Act 1993 and provides guidance for the investment of Council's funds, with consideration given to the following primary objectives:

- Preservation of capital. Preservation of capital is the principal objective of the investment portfolio. Investments are to be placed in a manner that seeks to safeguard Council's cash and investments portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters;
- Maximise investment returns within Council's risk appetite as outlined within this policy. Investments are expected to achieve a market average rate of return in line with Council's risk tolerance;
- Manage Council's cash resources to ensure sufficient liquidity to meet Council's business objectives over the short, medium and long term.

The policy reinforces Council's ongoing commitment to maintain a conservative risk and return portfolio, an important component of its ongoing prudent financial management practices.

2. POLICY STATEMENT AND SCOPE

2.1 Funds for Investment

Investment are maintained to meet specified business needs, including:

- strategic purposes consistent with Council's long term strategic plan;
- holding short-term investments for working capital requirements;
- holding investments that are necessary to carry out Council operations consistent with annual long-term plans.

2.2 Legislative Authority for Investments

All investments are to be made in accordance with:

- Australian Accounting Standards;
- NSW Office of Local Government Investment Circulars;
- NSW Office of Local Government Investment Policy Guidelines;
- Local Government (General) Regulation 2005 - Clause 212;
- Local Government Act 1993 (particularly section 625);
- NSW Local Government Code of Accounting Practice & Financial Reporting;
- Minister's Investment Order (gazetted);
- The Trustee Amended (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2).

2.3 Investment Governance

The following internal control practices are in place to ensure adequate governance and allow transparent and clear performance measurement for the management of Council's cash and investment portfolio:

- financial planning and cash flow management;
- delegated authorities and investment approval;
- measurement of investment performance;
- performance benchmarks;
- reporting and review;
- audit oversight.

2.4 Delegation of Authority

Authority for the implementation of the Investment Policy is delegated by Council to the General Manager in accordance with the *Local Government Act 1993*.

The General Manager (GM) has delegated the day-to-day management of Council's investment portfolio, including authority to invest surplus funds as follows:

- Director Corporate Performance (DCP);
- Group Manager Financial Services (GMFS);
- Other senior financial officers who have the requisite skills to undertake investment functions (as per the Delegations Register).

Officers with delegated authority are required to acknowledge they have received a copy of this policy and understand their obligations in this role.

2.5 Prudent Person Standard

The investment portfolio will be managed with the care, diligence and skill that a prudent person would exercise. As trustees of public monies, officers are to manage Council's investment portfolio to safeguard the portfolio in accordance with the spirit of this Investment Policy, and not for speculative purposes.

2.6 Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. Any potential conflicts of interest should be appropriately disclosed in accordance with Council's Code of Conduct.

Independent advisors are also to declare that they have no actual or perceived conflicts of interest and receive no inducements in relation to Council's investments.

2.7 Approved Investments

Current investment regulations require Councils to invest with either the NSW Treasury Corporation (NSW TCorp) or Approved Deposit-taking Institutions (ADI) such as Australian banks or branches of foreign owned banks, credit unions and/or building societies as it acknowledges the additional assurance that arises from their regulation by the Australian Prudential Regulation Authority (APRA).

Investments are limited to those allowed by any current Ministerial Investment Order that has been issued by the NSW Minister for Local Government.

2.8 Prohibited Investments

In accordance with any current Ministerial Investment Order, this investment policy prohibits but is not limited to any investment carried out for speculative purposes, including:

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative cash flow; and
- Standalone securities issued that have underlying futures, options, forward contracts and swaps of any kind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

2.9 Investment Advisor

In managing its investments Council may engage the services of an independent investment advisor, licensed by the Australian Securities and Investment Commission for the purpose of achieving the aims of this policy. Independence includes receiving no commissions or other benefits in relation to the investments being recommended or reviewed, except as fully rebated to Council, promptly.

The independent advisor will review and assess the market value of the investment portfolio on a monthly basis.

Council's investment advisor is required to provide written confirmation that they do not have any actual or potential conflicts of interest in relation to the investments they are recommending or reviewing, including that they are not receiving any commissions or other benefits from the product providers in relation to the investments being recommended or reviewed.

2.10 Mandatory Investment Criteria

2.10.1 Scope

Investments must comply with the legislative authorities as described in the **Legislative Authority for Investments** paragraph of this policy.

2.10.2 Currency

Investments must be denominated in Australian Dollars.

2.10.3 Ownership

Investments must be held in Port Macquarie Hastings Council name.

2.10.4 Term / Maturity

The term to maturity of investments may not exceed the periods shown below:

Investment	Maximum term
Fixed Rate Term Deposits	5 years
Floating Rate Notes (FRNs)	5.5 years
Other Investments	10 years

2.10.5 Risk Management Framework

Council's risk profile in relation to investing surplus funds is to be relatively prudent, conservative and risk averse. The profile will be achieved by effectively managing within the investment portfolio:

- the diversity of the investments;
- the creditworthiness of the investments.

Diversity is achieved by placing limits on the maximum exposure Council may have to individual funds or financial institutions and individual credit rating bands.

Creditworthiness of investments is primarily determined using industry standard credit ratings.

Investments are to comply with three key risk management criteria:

- **Overall Portfolio Credit Framework:** limit overall credit exposure of the portfolio;
- **Institutional Credit Framework:** limit exposure to individual institutions based on their rating;
- **Term to Maturity Framework:** limits based on maturity of securities.

Overall Portfolio Credit Framework

To control the credit quality of the entire portfolio, the following credit framework limits the percentage of the total portfolio exposed to particular credit rating categories.

Credit rating agencies apply short-term ratings to investments with 12 months or less to maturity and long-term ratings to those with greater than 12 months to maturity.

Short-term credit rating	Long-term credit rating	Overall portfolio exposure (as a % of Total Portfolio)
A-1+	AAA	100%

A-1	AA	100%
A-2	A	60%
A-3	BBB	30%
Unrated	Unrated	10%
NSW Treasury Corp Deposits and TCorpIM Funds (allowable under the Ministerial Order)		20%

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.
- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure of the total portfolio to credit ratings lower than AAA may be exceeded, provided that the excess amount comprises only guaranteed investments. As a result, investments directly guaranteed by the Australian Federal Government may comprise the total investment portfolio. Management should ensure that any excess of investments over the parameters specified in the table above that is comprised of Australian Federal Government guaranteed investments can be managed back to within the specified parameter levels prior to the expiration of any such guarantee.

Institutional Credit Framework

Council's exposure to an individual institution will be restricted by their credit rating so that single entity exposure is limited.

Where Council has short-term and long-term holdings with the same institution, the limit associated to the institution's short-term rating will be used.

Short-term credit rating	Long-term credit rating	Individual institution exposure (as a % of Total Portfolio)
A-1+	AAA	40%
A-1	AA	30%
A-2	A	20%
A-3	BBB	10%
Unrated	Unrated	5%
NSW Treasury Corp Deposits and TCorpIM Funds (allowable under the Ministerial Order)		20%

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.
- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure to individual institutions may exceed the stated limits provided that the excess amount comprises only guaranteed investments.

Term to Maturity Framework

The term to maturity framework specifies the maximum amounts or percentages of Council's total investment portfolio that can be held within the various investment maturity bands.

Maximum thresholds are set to control the proportion of the total portfolio that can be invested into longer term investments to ensure that Council has adequate access to short and medium term liquidity to satisfy its business objectives. The maximum thresholds reduce as the maturity horizon extends further into the future.

	< 1 Year	1 to 3 Years	3 to 5.5 Years	> 5.5 Years
Maximum % of Total Portfolio	100%	60%	40%	20%

Minimum thresholds are set to ensure that there will always be an adequate amount of liquidity available for ongoing working capital purposes. Remaining funds are invested across the various investment horizons, seeking the best relative value at the time of investment.

	< 1 Year
Minimum % of Total Portfolio	40%

2.10.6 Breaches of Criteria

This policy imposes limits and thresholds in relation to the acquisition and holding of investments. However, situations may occur where inadvertent breaches of these limitations or thresholds arise, other than from the acquisition of investments. For example:

- amendments to regulatory directives or legislation;
- changes in the total value or amount of Council's investment portfolio which consequently changes any of the threshold limits so that they no longer meet the portfolio liquidity parameters.

If the credit ratings of any of Council's investments are downgraded to an extent that they no longer fall within the investment policy limits, they will be divested as soon as practicable having regard to potential losses resulting from early redemption and subject to minimising any loss of capital that may arise from compliance with this provision.

Then limitations or thresholds are breached due to amendments to regulatory directives or legislation, the investment portfolio must be managed in accordance with the respective amendments. Where the amendments enable retention and grandfathering of existing investments, Council may continue to actively manage those investments within the portfolio in accordance with all other regulations and policies applicable to such investments. This includes a strategy of holding or divesting such investments in accordance with regular investment considerations.

Where limitations or thresholds are breached due to a change in the overall size of the total investment portfolio, the following process will apply:

- an immediate freeze is imposed on the acquisition of new investments in the relevant category until the portfolio can be effectively managed back to accord with the requirements of this policy;
- the relevant category of investments must be managed back in accord with the policy limits within a period that takes into account any adversity created by market liquidity, current valuations of these investments and the risks of default.

The immediate forced sale of the investments in breach of the limits or thresholds will not be required.

2.11 Measurement of Investment Performance

Investment performance includes both interest returns and any change in the underlying capital value of the investments.

Interim fluctuations of capital value are excluded from the monthly measurement of investment performance on the basis that:

- investments are mainly acquired with the intention of holding them through to maturity, although some liquid assets may be sold prior to maturity should it be to the benefit of Council;
- cash liquidity requirements are structured and managed to ensure that Council is not in a financial position that will require a forced sale of these assets.

Notwithstanding the above, changes in capital value are important and the monthly investment report will therefore provide Council with indicative market valuations of each investment. In the event that the capital value of any investment becomes impaired, or a capital gain or loss is actually realised (through disposal), the gain or loss of value will be recognised within that month's financial accounts.

Investment performance will be measured monthly against the chosen benchmarks in relation to both current month and 12-month rolling returns.

The GMFS will approve the use of independently determined benchmarks. Where Council changes independently determined benchmarks, monthly reports for the month of change and the next five months thereafter shall contain reporting of investment returns against benchmark for both the following:

- the benchmark that is being replaced; and
- the new benchmark, backdated on a twelve month basis.

Council currently uses two performance benchmarks:

- Bloomberg AusBond Bank Bill Index (formerly known as UBSA Bank Bill Index) – the Bank Bill Index represents the performance of a notional rolling parcel of bills averaging 45 days and is the widely used benchmark for local councils and other institutional cash investments;
- 30 day Bank Bill Rate – provides a fair indicator of the risk free rate of return so that Council can understand the return that has been earned from diversifying its investment portfolio and accepting conservative levels of risk.

2.12 Reporting and Review

Council will maintain a separate record of money it has invested under section 625 of the *Local Government Act 1993*, in accordance with the criteria defined by the *Local Government Code of Accounting Practice and Financial Reporting*.

All investments are to be appropriately recorded in Council's financial records and reconciled at least on a monthly basis.

Pursuant to the *Local Government (General) Regulation 2005* (clause 212), the GMFS will provide a monthly report to Council on investments. The monthly report to Council will detail the investment portfolio in terms of performance and rate of return on the overall portfolio for the period and will detail the purchase price, face value, current (market) value, credit rating and coupon / yield for each individual investment.

For audit purposes, the GMFS will obtain certificates from the banks or fund managers confirming the amounts of investment held on Council's behalf at 30 June each year.

The Investment Policy will be reviewed at least once a year or as required in the event of legislative changes.

3. REFERENCES

Laws and standards	<ul style="list-style-type: none"> • Australian Accounting Standards • NSW Office of Local Government – Local Government Code of Accounting Practice & Financial Reporting • NSW Office of Local Government Investment Circulars • Office of Local Government Investment Policy Guidelines • Local Government (General) Regulation 2005 • Local Government Act 1993 • Minister's Investment Order (gazetted) • The Trustee Amended (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2)
Policies and procedures	<ul style="list-style-type: none"> • Code of Conduct • Disciplinary Policy & Procedures • Fraud & Corruption Internal Reporting Policy • Investment Strategy

4. DEFINITIONS

Term	Meaning
Total investments	<p>Total investments comprise:</p> <ul style="list-style-type: none"> • call accounts • term deposits • floating rate notes • bonds with an active secondary market with government (including NSW T-Corp) and Authorised Deposit-taking Institutions (ADIs). <p>Investments also include grandfathered structured investments with other institutions as defined.</p>
Active investments	<p>Active investments are a part of total investments and comprise:</p> <ul style="list-style-type: none"> • call accounts • term deposits • floating rate notes • bonds with an active secondary market
Grandfathered investments	<p>Grandfathered investments are a part of total investments and comprise:</p> <ul style="list-style-type: none"> • investments where new investment activity is prohibited by regulation • other investments over which new investment activity is temporarily prohibited due to unintentional breaches of investment thresholds and limitations that arise due to changes in the level of unrelated investments within the portfolio. (the prohibition only remains as long as the breaches remain in place).
Impairment	<p>The impairment of an investment represents the amount of the original cost of the investment that is not expected to be recovered at the investment's maturity date due to current adverse economic or investment conditions that impact on the investment's financial performance.</p>
Approved Deposit-taking Institution (ADI)	<p>An institution that is authorised under the <i>Banking Act 1959</i> to accept term deposits and conduct banking activities in accordance</p>

Term	Meaning
	with that Act and under the prudential supervision of the Australian Prudential Regulation Authority (APRA).
Active secondary market	A market where investors purchase securities or assets from other investors, rather than from issuing companies themselves on an arms length (independent) basis.
Benchmark rates	<p>Benchmark rates comprise:</p> <ul style="list-style-type: none"> Bloomberg AusBond Bank Bill Index - The Australian Bloomberg (formally UBSA) Bank Bill index is constructed as a benchmark to represent the performance of a passively managed short-term money market portfolio. It comprises thirteen Bank Bills of equal face value, each with a maturity seven days apart. The average term to maturity is approximately 45 days. A Bank Bill is a non-interest bearing security issued by a bank whereby the bank takes on an obligation to pay an investor a fixed amount (face value) at a fixed future date. It is sold to an investor at a discount to the face value. Bank Bills are short-term money market investments with maturities usually between 30 days and 180 days. 30 Day Bank Bill Index - The Bank Bill Index is designed to measure the performance of the Australian short-term money market and consists of 13 weekly maturities out to varying dates. Interest rates applied to these maturities are interpolated from cash and Bank Bill Swap (BBSW) rates. BBSW rates are administered by the Australian Stock Exchange (ASX).
Call funds	Call funds are closely linked with investments but do not constitute investments. Call funds are used to meet immediate operational cash needs and may be retained in Council cheque accounts and call accounts at an ADI. Call funds must be accessible immediately or up to a maximum of 24 hours notice within normal ADI operating hours.

5. PROCESS OWNER

Group Manager Financial Services

6. AMENDMENTS

Changes that have been made in reference since the last version (ORD 15/11/2017) include:

- Updated order and formatting
- Added following sections: 'Funds for Investment', 'Legislative Authority for Investments', 'Investment Governance', 'Breaches of Criteria'
- Expanded performance management section
- Combined 'Responsibilities and Authorities' and 'Delegation of Authority' sections. Removed investment authorisation requirements and detail of responsibilities attached to individual staff
- Consolidated 'Approved Investments' section
- Removed S&P ratings descriptions
- Added scope, currency, ownership, term / maturity sections to mandatory investment criteria
- Added short-term credit rating approval category
- Removed minimum portfolio exposure requirement
- Portfolio exposure: changed A rating to 60% (from 55%) and BBB rating to 30% (from 15%)
- Institutional exposure: changed AAA rating to 40% (from 45%), AA rating to 30% (from 40%) and A rating to 20% (from 15%)
- Maturity: changed 3 to 5 years from 30% to 40% (and to 5.5 years)
- Maturity: changed 5 years and greater from 15% to 20% (and to 5.5. years)

- Inclusion of Floating rate Notes as an investment option



Authorised by: <authority>
Authorised date: DD/MM/YYYY
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Next review date: DD/MM/YYYY
File Number:

Council Policy INVESTMENT POLICY

1. INTRODUCTION

The Investment Policy establishes the framework within which Council's cash and investment portfolio will be managed, monitored and reported on. This policy has been established in compliance with section 625 of the Local Government Act 1993 and provides guidance for the investment of Council's funds, with consideration given to the following primary objectives:

- Preservation of capital. Preservation of capital is the principal objective of the investment portfolio. Investments are to be placed in a manner that seeks to safeguard Council's cash and investments portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters;
- Maximise investment returns within Council's risk appetite as outlined within this policy. Investments are expected to achieve a market average rate of return in line with Council's risk tolerance;
- Manage Council's cash resources to ensure sufficient liquidity to meet Council's business objectives over the short, medium and long term.

The policy reinforces Council's ongoing commitment to maintain a conservative risk and return portfolio, an important component of its ongoing prudent financial management practices.

2. POLICY STATEMENT AND SCOPE

2.1 Funds for Investment

Investment are maintained to meet specified business needs, including:

- strategic purposes consistent with Council's long term strategic plan;
- holding short-term investments for working capital requirements;
- holding investments that are necessary to carry out Council operations consistent with annual long-term plans.

2.2 Legislative Authority for Investments

All investments are to be made in accordance with:

- Australian Accounting Standards;
- NSW Office of Local Government Investment Circulars;
- NSW Office of Local Government Investment Policy Guidelines;
- Local Government (General) Regulation 2005 - Clause 212;
- Local Government Act 1993 (particularly section 625);
- NSW Local Government Code of Accounting Practice & Financial Reporting;
- Minister's Investment Order (gazetted);
- The Trustee Amended (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2).

2.3 Investment Governance

The following internal control practices are in place to ensure adequate governance and allow transparent

and clear performance measurement for the management of Council's cash and investment portfolio:

- financial planning and cash flow management;
- delegated authorities and investment approval;
- measurement of investment performance;
- performance benchmarks;
- reporting and review;
- audit oversight.

2.4 Delegation of Authority

Authority for the implementation of the Investment Policy is delegated by Council to the General Manager in accordance with the *Local Government Act 1993*.

The General Manager (GM) has delegated the day-to-day management of Council's investment portfolio, including authority to invest surplus funds as follows:

- Director Corporate Performance (DCP);
- Group Manager Financial Services (GMFS);
- Other senior financial officers who have the requisite skills to undertake investment functions (as per the Delegations Register).

Officers with delegated authority are required to acknowledge they have received a copy of this policy and understand their obligations in this role.

2.5 Prudent Person Standard

The investment portfolio will be managed with the care, diligence and skill that a prudent person would exercise. As trustees of public monies, officers are to manage Council's investment portfolio to safeguard the portfolio in accordance with the spirit of this Investment Policy, and not for speculative purposes.

2.6 Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. Any potential conflicts of interest should be appropriately disclosed in accordance with Council's Code of Conduct.

Independent advisors are also to declare that they have no actual or perceived conflicts of interest and receive no inducements in relation to Council's investments.

2.7 Approved Investments

Current investment regulations require Councils to invest with either the NSW Treasury Corporation (NSW TCorp) or Approved Deposit-taking Institutions (ADI) such as Australian banks or branches of foreign owned banks, credit unions and/or building societies as it acknowledges the additional assurance that arises from their regulation by the Australian Prudential Regulation Authority (APRA).

Investments are limited to those allowed by any current Ministerial Investment Order that has been issued by the NSW Minister for Local Government.

2.8 Prohibited Investments

In accordance with any current Ministerial Investment Order, this investment policy prohibits but is not limited to any investment carried out for speculative purposes, including:

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative cash flow; and
- Standalone securities issued that have underlying futures, options, forward contracts and swaps of any kind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

2.9 Investment Advisor

In managing its investments Council may engage the services of an independent investment advisor, licensed by the Australian Securities and Investment Commission for the purpose of achieving the aims of this policy. Independence includes receiving no commissions or other benefits in relation to the investments being recommended or reviewed, except as fully rebated to Council, promptly.

The independent advisor will review and assess the market value of the investment portfolio on a monthly basis.

Council's investment advisor is required to provide written confirmation that they do not have any actual or potential conflicts of interest in relation to the investments they are recommending or reviewing, including that they are not receiving any commissions or other benefits from the product providers in relation to the investments being recommended or reviewed.

2.10 Mandatory Investment Criteria

2.10.1 Scope

Investments must comply with the legislative authorities as described in the **Legislative Authority for Investments** paragraph of this policy.

2.10.2 Currency

Investments must be denominated in Australian Dollars.

2.10.3 Ownership

Investments must be held in Port Macquarie Hastings Council name.

2.10.4 Term / Maturity

The term to maturity of investments may not exceed the periods shown below:

Investment	Maximum term
Fixed Rate Term Deposits	5 years
Floating Rate Notes (FRNs)	5.5 years
Other Investments	10 years

2.10.5 Risk Management Framework

Council's risk profile in relation to investing surplus funds is to be relatively prudent, conservative and risk averse. The profile will be achieved by effectively managing within the investment portfolio:

- the diversity of the investments;
- the creditworthiness of the investments.

Diversity is achieved by placing limits on the maximum exposure Council may have to individual funds or financial institutions and individual credit rating bands.

Creditworthiness of investments is primarily determined using industry standard credit ratings.

Investments are to comply with three key risk management criteria:

- **Overall Portfolio Credit Framework:** limit overall credit exposure of the portfolio;
- **Institutional Credit Framework:** limit exposure to individual institutions based on their rating;
- **Term to Maturity Framework:** limits based on maturity of securities.

Overall Portfolio Credit Framework

To control the credit quality of the entire portfolio, the following credit framework limits the percentage of the total portfolio exposed to particular credit rating categories.

Credit rating agencies apply short-term ratings to investments with 12 months or less to maturity and long-term ratings to those with greater than 12 months to maturity.

Short-term credit rating	Long-term credit rating	Overall portfolio exposure (as a % of Total Portfolio)
A-1+	AAA	100%
A-1	AA	100%
A-2	A	60%
A-3	BBB	35%
Unrated	Unrated	5%
NSW Treasury Corp Deposits and TCorpIM Funds (allowable under the Ministerial Order)		20%

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.
- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure of the total portfolio to credit ratings lower than AAA may be exceeded, provided that the excess amount comprises only guaranteed investments. As a result, investments directly guaranteed by the Australian Federal Government may comprise the total investment portfolio. Management should ensure that any excess of investments over the parameters specified in the table above that is comprised of Australian Federal Government guaranteed investments can be managed back to within the specified parameter levels prior to the expiration of any such guarantee.

Institutional Credit Framework

Council's exposure to an individual institution will be restricted by their credit rating so that single entity exposure is limited.

Where Council has short-term and long-term holdings with the same institution, the limit associated to the institution's short-term rating will be used.

Short-term credit rating	Long-term credit rating	Individual institution exposure (as a % of Total Portfolio)
A-1+	AAA	40%
A-1	AA	30%
A-2	A	20%
A-3	BBB	10%
Unrated	Unrated	5%
NSW Treasury Corp Deposits and TCorpIM Funds (allowable under the Ministerial Order)		20%

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.

- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure to individual institutions may exceed the stated limits provided that the excess amount comprises only guaranteed investments.

Term to Maturity Framework

The term to maturity framework specifies the maximum amounts or percentages of Council's total investment portfolio that can be held within the various investment maturity bands.

Maximum thresholds are set to control the proportion of the total portfolio that can be invested into longer term investments to ensure that Council has adequate access to short and medium term liquidity to satisfy its business objectives. The maximum thresholds reduce as the maturity horizon extends further into the future.

	< 1 Year	1 to 3 Years	3 to 5.5 Years	> 5.5 Years
Maximum % of Total Portfolio	100%	70%	40%	10%

Minimum thresholds are set to ensure that there will always be an adequate amount of liquidity available for ongoing working capital purposes. Remaining funds are invested across the various investment horizons, seeking the best relative value at the time of investment.

	< 1 Year
Minimum % of Total Portfolio	40%

2.10.6 Breaches of Criteria

This policy imposes limits and thresholds in relation to the acquisition and holding of investments. However, situations may occur where inadvertent breaches of these limitations or thresholds arise, other than from the acquisition of investments. For example:

- amendments to regulatory directives or legislation;
- changes in the total value or amount of Council's investment portfolio which consequently changes any of the threshold limits so that they no longer meet the portfolio liquidity parameters.

If the credit ratings of any of Council's investments are downgraded to an extent that they no longer fall within the investment policy limits, they will be divested as soon as practicable having regard to potential losses resulting from early redemption and subject to minimising any loss of capital that may arise from compliance with this provision.

Then limitations or thresholds are breached due to amendments to regulatory directives or legislation, the investment portfolio must be managed in accordance with the respective amendments. Where the amendments enable retention and grandfathering of existing investments, Council may continue to actively manage those investments within the portfolio in accordance with all other regulations and policies applicable to such investments. This includes a strategy of holding or divesting such investments in accordance with regular investment considerations.

Where limitations or thresholds are breached due to a change in the overall size of the total investment portfolio, the following process will apply:

- an immediate freeze is imposed on the acquisition of new investments in the relevant category until the portfolio can be effectively managed back to accord with the requirements of this policy;

- the relevant category of investments must be managed back in accord with the policy limits within a period that takes into account any adversity created by market liquidity, current valuations of these investments and the risks of default.

The immediate forced sale of the investments in breach of the limits or thresholds will not be required.

2.11 Environmentally and Socially Responsible Investments

Subject to compliance with legislation and investment policy objectives and parameters, the Council supports investment securities that are environmentally and socially responsible investments (SRI). Council's preference is to enter into such investments where:

- the investment is compliant with legislation and Investment Policy objectives and parameters;
- the risk profile is at least equal to comparable investments on offer to Council at the time of investment; and
- the rate of return is at least equal to comparable investments on offer to Council at the time of investment.

Environmentally and Socially Responsible Investments will be assessed on the same basis as other investment opportunities and Council will select the investment that best meets its overall investment selection criteria.

2.12 Measurement of Investment Performance

Investment performance includes both interest returns and any change in the underlying capital value of the investments.

Interim fluctuations of capital value are excluded from the monthly measurement of investment performance on the basis that:

- investments are mainly acquired with the intention of holding them through to maturity, although some liquid assets may be sold prior to maturity should it be to the benefit of Council;
- cash liquidity requirements are structured and managed to ensure that Council is not in a financial position that will require a forced sale of these assets.

Notwithstanding the above, changes in capital value are important and the monthly investment report will therefore provide Council with indicative market valuations of each investment. In the event that the capital value of any investment becomes impaired, or a capital gain or loss is actually realised (through disposal), the gain or loss of value will be recognised within that month's financial accounts.

Investment performance will be measured monthly against the chosen benchmarks in relation to both current month and 12-month rolling returns.

The GMFS will approve the use of independently determined benchmarks. Where Council changes independently determined benchmarks, monthly reports for the month of change and the next five months thereafter shall contain reporting of investment returns against benchmark for both the following:

- the benchmark that is being replaced; and
- the new benchmark, backdated on a twelve-month basis.

Council currently uses two performance benchmarks:

- Bloomberg AusBond Bank Bill Index (formerly known as UBSA Bank Bill Index) – the Bank Bill Index represents the performance of a notional rolling parcel of bills averaging 45 days and is the widely used benchmark for local councils and other institutional cash investments;
- 30-day Bank Bill Rate – provides a fair indicator of the risk free rate of return so that Council can understand the return that has been earned from diversifying its investment portfolio and accepting conservative levels of risk.

2.13 Reporting and Review

Council will maintain a separate record of money it has invested under section 625 of the *Local Government Act 1993*, in accordance with the criteria defined by the *Local Government Code of Accounting Practice and Financial Reporting*.

All investments are to be appropriately recorded in Council's financial records and reconciled at least on a monthly basis.

Pursuant to the *Local Government (General) Regulation 2005* (clause 212), the GMFS will provide a monthly report to Council on investments. The monthly report to Council will detail the investment portfolio in terms of performance and rate of return on the overall portfolio for the period and will detail the purchase price, face value, current (market) value, credit rating and coupon / yield for each individual investment.

For audit purposes, the GMFS will obtain certificates from the banks or fund managers confirming the amounts of investment held on Council's behalf at 30 June each year.

The Investment Policy will be reviewed at least once a year or as required in the event of legislative changes.

3. REFERENCES

Laws and standards	<ul style="list-style-type: none"> • Australian Accounting Standards • NSW Office of Local Government – Local Government Code of Accounting Practice & Financial Reporting • NSW Office of Local Government Investment Circulars • Office of Local Government Investment Policy Guidelines • Local Government (General) Regulation 2005 • Local Government Act 1993 • Minister's Investment Order (gazetted) • The Trustee Amended (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2)
Policies and procedures	<ul style="list-style-type: none"> • Code of Conduct • Disciplinary Policy & Procedures • Fraud & Corruption Internal Reporting Policy • Investment Strategy

4. DEFINITIONS

Term	Meaning
Total investments	<p>Total investments comprise:</p> <ul style="list-style-type: none"> • call accounts • term deposits • floating rate notes • bonds with an active secondary market with government (including NSW T-Corp) and Authorised Deposit-taking Institutions (ADIs). <p>Investments also include grandfathered structured investments with other institutions as defined.</p>
Active investments	<p>Active investments are a part of total investments and comprise:</p> <ul style="list-style-type: none"> • call accounts

Term	Meaning
	<ul style="list-style-type: none"> term deposits floating rate notes bonds with an active secondary market
Grandfathered investments	<p>Grandfathered investments are a part of total investments and comprise:</p> <ul style="list-style-type: none"> investments where new investment activity is prohibited by regulation other investments over which new investment activity is temporarily prohibited due to unintentional breaches of investment thresholds and limitations that arise due to changes in the level of unrelated investments within the portfolio, (the prohibition only remains as long as the breaches remain in place).
Impairment	The impairment of an investment represents the amount of the original cost of the investment that is not expected to be recovered at the investment's maturity date due to current adverse economic or investment conditions that impact on the investment's financial performance.
Approved Deposit-taking Institution (ADI)	An institution that is authorised under the <i>Banking Act 1959</i> to accept term deposits and conduct banking activities in accordance with that Act and under the prudential supervision of the Australian Prudential Regulation Authority (APRA).
Active secondary market	A market where investors purchase securities or assets from other investors, rather than from issuing companies themselves on an arms length (independent) basis.
Benchmark rates	<p>Benchmark rates comprise:</p> <ul style="list-style-type: none"> Bloomberg AusBond Bank Bill Index - The Australian Bloomberg (formally UBSA) Bank Bill index is constructed as a benchmark to represent the performance of a passively managed short-term money market portfolio. It comprises thirteen Bank Bills of equal face value, each with a maturity seven days apart. The average term to maturity is approximately 45 days. A Bank Bill is a non-interest bearing security issued by a bank whereby the bank takes on an obligation to pay an investor a fixed amount (face value) at a fixed future date. It is sold to an investor at a discount to the face value. Bank Bills are short-term money market investments with maturities usually between 30 days and 180 days. 30 Day Bank Bill Index - The Bank Bill Index is designed to measure the performance of the Australian short-term money market and consists of 13 weekly maturities out to varying dates. Interest rates applied to these maturities are interpolated from cash and Bank Bill Swap (BBSW) rates. BBSW rates are administered by the Australian Stock Exchange (ASX).
Call funds	Call funds are closely linked with investments but do not constitute investments. Call funds are used to meet immediate operational cash needs and may be retained in Council cheque accounts and call accounts at an ADI. Call funds must be accessible immediately or up to a maximum of 24 hours notice within normal ADI operating hours.

5. PROCESS OWNER

Group Manager Financial Services

6. AMENDMENTS

Changes that have been made since the last version (ORD 20/02/2019) include:

- Portfolio exposure: changed BBB rating to 35% (from 30%) and Unrated rating to 5% (from 10%)
- Maturity: changed 1 to 3 years from 60% to 70%
- Maturity: changed >5.5 years from 20% to 10%
- Addition of section on 'Environmentally and Socially Responsible investments'



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Next review date: DD/MM/YYYY
File Number:

Council Policy INVESTMENT POLICY

1. INTRODUCTION

The Investment Policy establishes the framework within which Council's cash and investment portfolio will be managed, monitored and reported on. This policy has been established in compliance with section 625 of the Local Government Act 1993 and provides guidance for the investment of Council's funds, with consideration given to the following primary objectives:

- Preservation of capital. Preservation of capital is the principal objective of the investment portfolio. Investments are to be placed in a manner that seeks to safeguard Council's cash and investments portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters;
- Maximise investment returns within Council's risk appetite as outlined within this policy. Investments are expected to achieve a market average rate of return in line with Council's risk tolerance;
- Manage Council's cash resources to ensure sufficient liquidity to meet Council's business objectives over the short, medium and long term.

The policy reinforces Council's ongoing commitment to maintain a conservative risk and return portfolio, an important component of its ongoing prudent financial management practices.

2. POLICY STATEMENT AND SCOPE

2.1 Funds for Investment

Investment are maintained to meet specified business needs, including:

- strategic purposes consistent with Council's long term strategic plan;
- holding short-term investments for working capital requirements;
- holding investments that are necessary to carry out Council operations consistent with annual long-term plans.

2.2 Legislative Authority for Investments

All investments are to be made in accordance with:

- Australian Accounting Standards;
- NSW Office of Local Government Investment Circulars;
- NSW Office of Local Government Investment Policy Guidelines;
- Local Government (General) Regulation 2005 - Clause 212;
- Local Government Act 1993 (particularly section 625);
- NSW Local Government Code of Accounting Practice & Financial Reporting;
- Minister's Investment Order (gazetted);
- The Trustee Amended (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2).

2.3 Investment Governance

The following internal control practices are in place to ensure adequate governance and allow transparent

and clear performance measurement for the management of Council's cash and investment portfolio:

- financial planning and cash flow management;
- delegated authorities and investment approval;
- measurement of investment performance;
- performance benchmarks;
- reporting and review;
- audit oversight.

2.4 Delegation of Authority

Authority for the implementation of the Investment Policy is delegated by Council to the General Manager in accordance with the *Local Government Act 1993*.

The General Manager (GM) has delegated the day-to-day management of Council's investment portfolio, including authority to invest surplus funds as follows:

- Director Corporate Performance (DCP);
- Group Manager Financial Services (GMFS);
- Other senior financial officers who have the requisite skills to undertake investment functions (as per the Delegations Register).

Officers with delegated authority are required to acknowledge they have received a copy of this policy and understand their obligations in this role.

2.5 Prudent Person Standard

The investment portfolio will be managed with the care, diligence and skill that a prudent person would exercise. As trustees of public monies, officers are to manage Council's investment portfolio to safeguard the portfolio in accordance with the spirit of this Investment Policy, and not for speculative purposes.

2.6 Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. Any potential conflicts of interest should be appropriately disclosed in accordance with Council's Code of Conduct.

Independent advisors are also to declare that they have no actual or perceived conflicts of interest and receive no inducements in relation to Council's investments.

2.7 Approved Investments

Current investment regulations require Councils to invest with either the NSW Treasury Corporation (NSW TCorp) or Approved Deposit-taking Institutions (ADI) such as Australian banks or branches of foreign owned banks, credit unions and/or building societies as it acknowledges the additional assurance that arises from their regulation by the Australian Prudential Regulation Authority (APRA).

Investments are limited to those allowed by any current Ministerial Investment Order that has been issued by the NSW Minister for Local Government.

2.8 Prohibited Investments

In accordance with any current Ministerial Investment Order, this investment policy prohibits but is not limited to any investment carried out for speculative purposes, including:

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative cash flow; and
- Standalone securities issued that have underlying futures, options, forward contracts and swaps of any kind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

2.9 Investment Advisor

In managing its investments Council may engage the services of an independent investment advisor, licensed by the Australian Securities and Investment Commission for the purpose of achieving the aims of this policy. Independence includes receiving no commissions or other benefits in relation to the investments being recommended or reviewed, except as fully rebated to Council, promptly.

The independent advisor will review and assess the market value of the investment portfolio on a monthly basis.

Council's investment advisor is required to provide written confirmation that they do not have any actual or potential conflicts of interest in relation to the investments they are recommending or reviewing, including that they are not receiving any commissions or other benefits from the product providers in relation to the investments being recommended or reviewed.

2.10 Mandatory Investment Criteria

2.10.1 Scope

Investments must comply with the legislative authorities as described in the **Legislative Authority for Investments** paragraph of this policy.

2.10.2 Currency

Investments must be denominated in Australian Dollars.

2.10.3 Ownership

Investments must be held in Port Macquarie Hastings Council name.

2.10.4 Term / Maturity

The term to maturity of investments may not exceed the periods shown below:

Investment	Maximum term
Fixed Rate Term Deposits	5 years
Floating Rate Notes (FRNs)	5.5 years
Other Investments	10 years

2.10.5 Risk Management Framework

Council's risk profile in relation to investing surplus funds is to be relatively prudent, conservative and risk averse. The profile will be achieved by effectively managing within the investment portfolio:

- the diversity of the investments;
- the creditworthiness of the investments.

Diversity is achieved by placing limits on the maximum exposure Council may have to individual funds or financial institutions and individual credit rating bands.

Creditworthiness of investments is primarily determined using industry standard credit ratings.

Investments are to comply with three key risk management criteria:

- **Overall Portfolio Credit Framework:** limit overall credit exposure of the portfolio;
- **Institutional Credit Framework:** limit exposure to individual institutions based on their rating;
- **Term to Maturity Framework:** limits based on maturity of securities.

Overall Portfolio Credit Framework

To control the credit quality of the entire portfolio, the following credit framework limits the percentage of the total portfolio exposed to particular credit rating categories.

Credit rating agencies apply short-term ratings to investments with 12 months or less to maturity and long-term ratings to those with greater than 12 months to maturity.

Short-term credit rating	Long-term credit rating	Overall portfolio exposure (as a % of Total Portfolio)
A-1+	AAA	100%
A-1	AA	100%
A-2	A	60%
A-3	BBB	35%
Unrated	Unrated	5%
NSW Treasury Corp Deposits and TCorpIM Funds (allowable under the Ministerial Order)		20%

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.
- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure of the total portfolio to credit ratings lower than AAA may be exceeded, provided that the excess amount comprises only guaranteed investments. As a result, investments directly guaranteed by the Australian Federal Government may comprise the total investment portfolio. Management should ensure that any excess of investments over the parameters specified in the table above that is comprised of Australian Federal Government guaranteed investments can be managed back to within the specified parameter levels prior to the expiration of any such guarantee.

Institutional Credit Framework

Council's exposure to an individual institution will be restricted by their credit rating so that single entity exposure is limited.

Where Council has short-term and long-term holdings with the same institution, the limit associated to the institution's short-term rating will be used.

Short-term credit rating	Long-term credit rating	Individual institution exposure (as a % of Total Portfolio)
A-1+	AAA	40%
A-1	AA	30%
A-2	A	20%
A-3	BBB	10%
Unrated	Unrated	5%
NSW Treasury Corp Deposits and TCorpIM Funds (allowable under the Ministerial Order)		20%

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
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- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure to individual institutions may exceed the stated limits provided that the excess amount comprises only guaranteed investments.

Term to Maturity Framework

The term to maturity framework specifies the maximum amounts or percentages of Council's total investment portfolio that can be held within the various investment maturity bands.

Maximum thresholds are set to control the proportion of the total portfolio that can be invested into longer term investments to ensure that Council has adequate access to short and medium term liquidity to satisfy its business objectives. The maximum thresholds reduce as the maturity horizon extends further into the future.

	< 1 Year	1 to 3 Years	3 to 5.5 Years	> 5.5 Years
Maximum % of Total Portfolio	100%	70%	40%	10%

Minimum thresholds are set to ensure that there will always be an adequate amount of liquidity available for ongoing working capital purposes. Remaining funds are invested across the various investment horizons, seeking the best relative value at the time of investment.

	< 1 Year
Minimum % of Total Portfolio	40%

2.10.6 Breaches of Criteria

This policy imposes limits and thresholds in relation to the acquisition and holding of investments. However, situations may occur where inadvertent breaches of these limitations or thresholds arise, other than from the acquisition of investments. For example:

- amendments to regulatory directives or legislation;
- changes in the total value or amount of Council's investment portfolio which consequently changes any of the threshold limits so that they no longer meet the portfolio liquidity parameters.

If the credit ratings of any of Council's investments are downgraded to an extent that they no longer fall within the investment policy limits, they will be divested as soon as practicable having regard to potential losses resulting from early redemption and subject to minimising any loss of capital that may arise from compliance with this provision.

Then limitations or thresholds are breached due to amendments to regulatory directives or legislation, the investment portfolio must be managed in accordance with the respective amendments. Where the amendments enable retention and grandfathering of existing investments, Council may continue to actively manage those investments within the portfolio in accordance with all other regulations and policies applicable to such investments. This includes a strategy of holding or divesting such investments in accordance with regular investment considerations.

Where limitations or thresholds are breached due to a change in the overall size of the total investment portfolio, the following process will apply:

- an immediate freeze is imposed on the acquisition of new investments in the relevant category until the portfolio can be effectively managed back to accord with the requirements of this policy;

- the relevant category of investments must be managed back in accord with the policy limits within a period that takes into account any adversity created by market liquidity, current valuations of these investments and the risks of default.

The immediate forced sale of the investments in breach of the limits or thresholds will not be required.

2.11 Environmentally and Socially Responsible Investments

Subject to compliance with legislation and investment policy objectives and parameters, the Council supports investment securities that are environmentally and socially responsible investments (SRI). These include investments with financial institutions that publicly state that they do not invest in or finance the fossil fuel industry. Council's preference is to enter into such investments where:

- the investment is compliant with legislation and Investment Policy objectives and parameters;
- the risk profile is at least equal to comparable investments on offer to Council at the time of investment; and
- the rate of return is at least equal to comparable investments on offer to Council at the time of investment.

Environmentally and Socially Responsible Investments will be assessed on the same basis as other investment opportunities and Council will select the investment that best meets its overall investment selection criteria.

2.12 Measurement of Investment Performance

Investment performance includes both interest returns and any change in the underlying capital value of the investments.

Interim fluctuations of capital value are excluded from the monthly measurement of investment performance on the basis that:

- investments are mainly acquired with the intention of holding them through to maturity, although some liquid assets may be sold prior to maturity should it be to the benefit of Council;
- cash liquidity requirements are structured and managed to ensure that Council is not in a financial position that will require a forced sale of these assets.

Notwithstanding the above, changes in capital value are important and the monthly investment report will therefore provide Council with indicative market valuations of each investment. In the event that the capital value of any investment becomes impaired, or a capital gain or loss is actually realised (through disposal), the gain or loss of value will be recognised within that month's financial accounts.

Investment performance will be measured monthly against the chosen benchmarks in relation to both current month and 12-month rolling returns.

The GMFS will approve the use of independently determined benchmarks. Where Council changes independently determined benchmarks, monthly reports for the month of change and the next five months thereafter shall contain reporting of investment returns against benchmark for both the following:

- the benchmark that is being replaced; and
- the new benchmark, backdated on a twelve-month basis.

Council currently uses two performance benchmarks:

- Bloomberg AusBond Bank Bill Index (formerly known as UBSA Bank Bill Index) – the Bank Bill Index represents the performance of a notional rolling parcel of bills averaging 45 days and is the widely used benchmark for local councils and other institutional cash investments;
- 30-day Bank Bill Rate – provides a fair indicator of the risk free rate of return so that Council can understand the return that has been earned from diversifying its investment portfolio and accepting conservative levels of risk.

2.13 Reporting and Review

Council will maintain a separate record of money it has invested under section 625 of the *Local Government Act 1993*, in accordance with the criteria defined by the *Local Government Code of Accounting Practice and Financial Reporting*.

All investments are to be appropriately recorded in Council's financial records and reconciled at least on a monthly basis.

Pursuant to the *Local Government (General) Regulation 2005* (clause 212), the GMFS will provide a monthly report to Council on investments. The monthly report to Council will detail the investment portfolio in terms of performance and rate of return on the overall portfolio for the period and will detail the purchase price, face value, current (market) value, credit rating and coupon / yield for each individual investment.

For audit purposes, the GMFS will obtain certificates from the banks or fund managers confirming the amounts of investment held on Council's behalf at 30 June each year.

The Investment Policy will be reviewed at least once a year or as required in the event of legislative changes.

3. REFERENCES

Laws and standards	<ul style="list-style-type: none"> • Australian Accounting Standards • NSW Office of Local Government – Local Government Code of Accounting Practice & Financial Reporting • NSW Office of Local Government Investment Circulars • Office of Local Government Investment Policy Guidelines • Local Government (General) Regulation 2005 • Local Government Act 1993 • Minister's Investment Order (gazetted) • The Trustee Amended (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2)
Policies and procedures	<ul style="list-style-type: none"> • Code of Conduct • Disciplinary Policy & Procedures • Fraud & Corruption Internal Reporting Policy • Investment Strategy

4. DEFINITIONS

Term	Meaning
Total investments	<p>Total investments comprise:</p> <ul style="list-style-type: none"> • call accounts • term deposits • floating rate notes • bonds with an active secondary market with government (including NSW T-Corp) and Authorised Deposit-taking Institutions (ADIs). <p>Investments also include grandfathered structured investments with other institutions as defined.</p>
Active investments	Active investments are a part of total investments and comprise:

Term	Meaning
	<ul style="list-style-type: none"> • call accounts • term deposits • floating rate notes • bonds with an active secondary market
Grandfathered investments	<p>Grandfathered investments are a part of total investments and comprise:</p> <ul style="list-style-type: none"> • investments where new investment activity is prohibited by regulation • other investments over which new investment activity is temporarily prohibited due to unintentional breaches of investment thresholds and limitations that arise due to changes in the level of unrelated investments within the portfolio, (the prohibition only remains as long as the breaches remain in place).
Impairment	The impairment of an investment represents the amount of the original cost of the investment that is not expected to be recovered at the investment's maturity date due to current adverse economic or investment conditions that impact on the investment's financial performance.
Approved Deposit-taking Institution (ADI)	An institution that is authorised under the <i>Banking Act 1959</i> to accept term deposits and conduct banking activities in accordance with that Act and under the prudential supervision of the Australian Prudential Regulation Authority (APRA).
Active secondary market	A market where investors purchase securities or assets from other investors, rather than from issuing companies themselves on an arms length (independent) basis.
Benchmark rates	<p>Benchmark rates comprise:</p> <ul style="list-style-type: none"> • Bloomberg AusBond Bank Bill Index - The Australian Bloomberg (formally UBSA) Bank Bill index is constructed as a benchmark to represent the performance of a passively managed short-term money market portfolio. It comprises thirteen Bank Bills of equal face value, each with a maturity seven days apart. The average term to maturity is approximately 45 days. A Bank Bill is a non-interest bearing security issued by a bank whereby the bank takes on an obligation to pay an investor a fixed amount (face value) at a fixed future date. It is sold to an investor at a discount to the face value. Bank Bills are short-term money market investments with maturities usually between 30 days and 180 days. • 30 Day Bank Bill Index - The Bank Bill Index is designed to measure the performance of the Australian short-term money market and consists of 13 weekly maturities out to varying dates. Interest rates applied to these maturities are interpolated from cash and Bank Bill Swap (BBSW) rates. BBSW rates are administered by the Australian Stock Exchange (ASX).
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Group Manager Financial Services

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Changes that have been made since the last version (ORD 20/02/2019) include:

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Council Policy INVESTMENT POLICY

1. INTRODUCTION

The Investment Policy establishes the framework within which Council's cash and investment portfolio will be managed, monitored and reported on. This policy has been established in compliance with section 625 of the Local Government Act 1993 and provides guidance for the investment of Council's funds, with consideration given to the following primary objectives:

- Preservation of capital. Preservation of capital is the principal objective of the investment portfolio. Investments are to be placed in a manner that seeks to safeguard Council's cash and investments portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters;
- Maximise investment returns within Council's risk appetite as outlined within this policy. Investments are expected to achieve a market average rate of return in line with Council's risk tolerance;
- Manage Council's cash resources to ensure sufficient liquidity to meet Council's business objectives over the short, medium and long term.

The policy reinforces Council's ongoing commitment to maintain a conservative risk and return portfolio, an important component of its ongoing prudent financial management practices.

2. POLICY STATEMENT AND SCOPE

2.1 Funds for Investment

Investment are maintained to meet specified business needs, including:

- strategic purposes consistent with Council's long term strategic plan;
- holding short-term investments for working capital requirements;
- holding investments that are necessary to carry out Council operations consistent with annual long-term plans.

2.2 Legislative Authority for Investments

All investments are to be made in accordance with:

- Australian Accounting Standards;
- NSW Office of Local Government Investment Circulars;
- NSW Office of Local Government Investment Policy Guidelines;
- Local Government (General) Regulation 2005 - Clause 212;
- Local Government Act 1993 (particularly section 625);
- NSW Local Government Code of Accounting Practice & Financial Reporting;
- Minister's Investment Order (gazetted);
- The Trustee Amended (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2).

2.3 Investment Governance

The following internal control practices are in place to ensure adequate governance and allow transparent

and clear performance measurement for the management of Council's cash and investment portfolio:

- financial planning and cash flow management;
- delegated authorities and investment approval;
- measurement of investment performance;
- performance benchmarks;
- reporting and review;
- audit oversight.

2.4 Delegation of Authority

Authority for the implementation of the Investment Policy is delegated by Council to the General Manager in accordance with the *Local Government Act 1993*.

The General Manager (GM) has delegated the day-to-day management of Council's investment portfolio, including authority to invest surplus funds as follows:

- Director Corporate Performance (DCP);
- Group Manager Financial Services (GMFS);
- Other senior financial officers who have the requisite skills to undertake investment functions (as per the Delegations Register).

Officers with delegated authority are required to acknowledge they have received a copy of this policy and understand their obligations in this role.

2.5 Prudent Person Standard

The investment portfolio will be managed with the care, diligence and skill that a prudent person would exercise. As trustees of public monies, officers are to manage Council's investment portfolio to safeguard the portfolio in accordance with the spirit of this Investment Policy, and not for speculative purposes.

2.6 Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. Any potential conflicts of interest should be appropriately disclosed in accordance with Council's Code of Conduct.

Independent advisors are also to declare that they have no actual or perceived conflicts of interest and receive no inducements in relation to Council's investments.

2.7 Approved Investments

Current investment regulations require Councils to invest with either the NSW Treasury Corporation (NSW TCorp) or Approved Deposit-taking Institutions (ADI) such as Australian banks or branches of foreign owned banks, credit unions and/or building societies as it acknowledges the additional assurance that arises from their regulation by the Australian Prudential Regulation Authority (APRA).

Investments are limited to those allowed by any current Ministerial Investment Order that has been issued by the NSW Minister for Local Government.

2.8 Prohibited Investments

In accordance with any current Ministerial Investment Order, this investment policy prohibits but is not limited to any investment carried out for speculative purposes, including:

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative cash flow; and
- Standalone securities issued that have underlying futures, options, forward contracts and swaps of any kind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

2.9 Investment Advisor

In managing its investments Council may engage the services of an independent investment advisor, licensed by the Australian Securities and Investment Commission for the purpose of achieving the aims of this policy. Independence includes receiving no commissions or other benefits in relation to the investments being recommended or reviewed, except as fully rebated to Council, promptly.

The independent advisor will review and assess the market value of the investment portfolio on a monthly basis.

Council's investment advisor is required to provide written confirmation that they do not have any actual or potential conflicts of interest in relation to the investments they are recommending or reviewing, including that they are not receiving any commissions or other benefits from the product providers in relation to the investments being recommended or reviewed.

2.10 Mandatory Investment Criteria

2.10.1 Scope

Investments must comply with the legislative authorities as described in the **Legislative Authority for Investments** paragraph of this policy.

2.10.2 Currency

Investments must be denominated in Australian Dollars.

2.10.3 Ownership

Investments must be held in Port Macquarie Hastings Council name.

2.10.4 Term / Maturity

The term to maturity of investments may not exceed the periods shown below:

Investment	Maximum term
Fixed Rate Term Deposits	5 years
Floating Rate Notes (FRNs)	5.5 years
Other Investments	10 years

2.10.5 Risk Management Framework

Council's risk profile in relation to investing surplus funds is to be relatively prudent, conservative and risk averse. The profile will be achieved by effectively managing within the investment portfolio:

- the diversity of the investments;
- the creditworthiness of the investments.

Diversity is achieved by placing limits on the maximum exposure Council may have to individual funds or financial institutions and individual credit rating bands.

Creditworthiness of investments is primarily determined using industry standard credit ratings.

Investments are to comply with three key risk management criteria:

- **Overall Portfolio Credit Framework:** limit overall credit exposure of the portfolio;
- **Institutional Credit Framework:** limit exposure to individual institutions based on their rating;
- **Term to Maturity Framework:** limits based on maturity of securities.

Overall Portfolio Credit Framework

To control the credit quality of the entire portfolio, the following credit framework limits the percentage of the total portfolio exposed to particular credit rating categories.

Credit rating agencies apply short-term ratings to investments with 12 months or less to maturity and long-term ratings to those with greater than 12 months to maturity.

Short-term credit rating	Long-term credit rating	Overall portfolio exposure (as a % of Total Portfolio)
A-1+	AAA	100%
A-1	AA	100%
A-2	A	60%
A-3	BBB	35%
Unrated	Unrated	5%
NSW Treasury Corp Deposits and TCorpIM Funds (allowable under the Ministerial Order)		20%

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.
- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure of the total portfolio to credit ratings lower than AAA may be exceeded, provided that the excess amount comprises only guaranteed investments. As a result, investments directly guaranteed by the Australian Federal Government may comprise the total investment portfolio. Management should ensure that any excess of investments over the parameters specified in the table above that is comprised of Australian Federal Government guaranteed investments can be managed back to within the specified parameter levels prior to the expiration of any such guarantee.

Institutional Credit Framework

Council's exposure to an individual institution will be restricted by their credit rating so that single entity exposure is limited.

Where Council has short-term and long-term holdings with the same institution, the limit associated to the institution's short-term rating will be used.

Short-term credit rating	Long-term credit rating	Individual institution exposure (as a % of Total Portfolio)
A-1+	AAA	40%
A-1	AA	30%
A-2	A	20%
A-3	BBB	10%
Unrated	Unrated	5%
NSW Treasury Corp Deposits and TCorpIM Funds (allowable under the Ministerial Order)		20%

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.

- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure to individual institutions may exceed the stated limits provided that the excess amount comprises only guaranteed investments.

Term to Maturity Framework

The term to maturity framework specifies the maximum amounts or percentages of Council's total investment portfolio that can be held within the various investment maturity bands.

Maximum thresholds are set to control the proportion of the total portfolio that can be invested into longer term investments to ensure that Council has adequate access to short and medium term liquidity to satisfy its business objectives. The maximum thresholds reduce as the maturity horizon extends further into the future.

	< 1 Year	1 to 3 Years	3 to 5.5 Years	> 5.5 Years
Maximum % of Total Portfolio	100%	70%	40%	10%

Minimum thresholds are set to ensure that there will always be an adequate amount of liquidity available for ongoing working capital purposes. Remaining funds are invested across the various investment horizons, seeking the best relative value at the time of investment.

	< 1 Year
Minimum % of Total Portfolio	40%

2.10.6 Breaches of Criteria

This policy imposes limits and thresholds in relation to the acquisition and holding of investments. However, situations may occur where inadvertent breaches of these limitations or thresholds arise, other than from the acquisition of investments. For example:

- amendments to regulatory directives or legislation;
- changes in the total value or amount of Council's investment portfolio which consequently changes any of the threshold limits so that they no longer meet the portfolio liquidity parameters.

If the credit ratings of any of Council's investments are downgraded to an extent that they no longer fall within the investment policy limits, they will be divested as soon as practicable having regard to potential losses resulting from early redemption and subject to minimising any loss of capital that may arise from compliance with this provision.

Then limitations or thresholds are breached due to amendments to regulatory directives or legislation, the investment portfolio must be managed in accordance with the respective amendments. Where the amendments enable retention and grandfathering of existing investments, Council may continue to actively manage those investments within the portfolio in accordance with all other regulations and policies applicable to such investments. This includes a strategy of holding or divesting such investments in accordance with regular investment considerations.

Where limitations or thresholds are breached due to a change in the overall size of the total investment portfolio, the following process will apply:

- an immediate freeze is imposed on the acquisition of new investments in the relevant category until the portfolio can be effectively managed back to accord with the requirements of this policy;

- the relevant category of investments must be managed back in accord with the policy limits within a period that takes into account any adversity created by market liquidity, current valuations of these investments and the risks of default.

The immediate forced sale of the investments in breach of the limits or thresholds will not be required.

2.11 Investments in Financial Institutions which Support the Fossil Fuel Industry

Subject to consideration of the Risk Management Guidelines in this policy, preference is to be given to financial institutions that publicly state that they do not invest in or finance the fossil fuel industry if:

- the investment is compliant with Council's Investment Policy; and
- the investment rate of interest is equivalent to or more favourable to Council relative to other similar investments that may be on offer to Council at the time of the investment.

2.12 Measurement of Investment Performance

Investment performance includes both interest returns and any change in the underlying capital value of the investments.

Interim fluctuations of capital value are excluded from the monthly measurement of investment performance on the basis that:

- investments are mainly acquired with the intention of holding them through to maturity, although some liquid assets may be sold prior to maturity should it be to the benefit of Council;
- cash liquidity requirements are structured and managed to ensure that Council is not in a financial position that will require a forced sale of these assets.

Notwithstanding the above, changes in capital value are important and the monthly investment report will therefore provide Council with indicative market valuations of each investment. In the event that the capital value of any investment becomes impaired, or a capital gain or loss is actually realised (through disposal), the gain or loss of value will be recognised within that month's financial accounts.

Investment performance will be measured monthly against the chosen benchmarks in relation to both current month and 12-month rolling returns.

The GMFS will approve the use of independently determined benchmarks. Where Council changes independently determined benchmarks, monthly reports for the month of change and the next five months thereafter shall contain reporting of investment returns against benchmark for both the following:

- the benchmark that is being replaced; and
- the new benchmark, backdated on a twelve-month basis.

Council currently uses two performance benchmarks:

- Bloomberg AusBond Bank Bill Index (formerly known as UBSA Bank Bill Index) – the Bank Bill Index represents the performance of a notional rolling parcel of bills averaging 45 days and is the widely used benchmark for local councils and other institutional cash investments;
- 30-day Bank Bill Rate – provides a fair indicator of the risk free rate of return so that Council can understand the return that has been earned from diversifying its investment portfolio and accepting conservative levels of risk.

2.13 Reporting and Review

Council will maintain a separate record of money it has invested under section 625 of the *Local Government Act 1993*, in accordance with the criteria defined by the *Local Government Code of Accounting Practice and Financial Reporting*.

All investments are to be appropriately recorded in Council's financial records and reconciled at least on a monthly basis.

Pursuant to the *Local Government (General) Regulation 2005* (clause 212), the GMFS will provide a monthly report to Council on investments. The monthly report to Council will detail the investment portfolio in terms of performance and rate of return on the overall portfolio for the period and will detail the purchase price, face value, current (market) value, credit rating and coupon / yield for each individual investment.

For audit purposes, the GMFS will obtain certificates from the banks or fund managers confirming the amounts of investment held on Council's behalf at 30 June each year.

The Investment Policy will be reviewed at least once a year or as required in the event of legislative changes.

3. REFERENCES

Laws and standards	<ul style="list-style-type: none"> • Australian Accounting Standards • NSW Office of Local Government – Local Government Code of Accounting Practice & Financial Reporting • NSW Office of Local Government Investment Circulars • Office of Local Government Investment Policy Guidelines • Local Government (General) Regulation 2005 • Local Government Act 1993 • Minister's Investment Order (gazetted) • The Trustee Amended (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2)
Policies and procedures	<ul style="list-style-type: none"> • Code of Conduct • Disciplinary Policy & Procedures • Fraud & Corruption Internal Reporting Policy • Investment Strategy

4. DEFINITIONS

Term	Meaning
Total investments	<p>Total investments comprise:</p> <ul style="list-style-type: none"> • call accounts • term deposits • floating rate notes • bonds with an active secondary market with government (including NSW T-Corp) and Authorised Deposit-taking Institutions (ADIs). <p>Investments also include grandfathered structured investments with other institutions as defined.</p>
Active investments	<p>Active investments are a part of total investments and comprise:</p> <ul style="list-style-type: none"> • call accounts • term deposits • floating rate notes • bonds with an active secondary market

Term	Meaning
Grandfathered investments	Grandfathered investments are a part of total investments and comprise: <ul style="list-style-type: none"> investments where new investment activity is prohibited by regulation other investments over which new investment activity is temporarily prohibited due to unintentional breaches of investment thresholds and limitations that arise due to changes in the level of unrelated investments within the portfolio, (the prohibition only remains as long as the breaches remain in place).
Impairment	The impairment of an investment represents the amount of the original cost of the investment that is not expected to be recovered at the investment's maturity date due to current adverse economic or investment conditions that impact on the investment's financial performance.
Approved Deposit-taking Institution (ADI)	An institution that is authorised under the <i>Banking Act 1959</i> to accept term deposits and conduct banking activities in accordance with that Act and under the prudential supervision of the Australian Prudential Regulation Authority (APRA).
Active secondary market	A market where investors purchase securities or assets from other investors, rather than from issuing companies themselves on an arms length (independent) basis.
Benchmark rates	Benchmark rates comprise: <ul style="list-style-type: none"> Bloomberg AusBond Bank Bill Index - The Australian Bloomberg (formally UBSA) Bank Bill index is constructed as a benchmark to represent the performance of a passively managed short-term money market portfolio. It comprises thirteen Bank Bills of equal face value, each with a maturity seven days apart. The average term to maturity is approximately 45 days. A Bank Bill is a non-interest bearing security issued by a bank whereby the bank takes on an obligation to pay an investor a fixed amount (face value) at a fixed future date. It is sold to an investor at a discount to the face value. Bank Bills are short-term money market investments with maturities usually between 30 days and 180 days. 30 Day Bank Bill Index - The Bank Bill Index is designed to measure the performance of the Australian short-term money market and consists of 13 weekly maturities out to varying dates. Interest rates applied to these maturities are interpolated from cash and Bank Bill Swap (BBSW) rates. BBSW rates are administered by the Australian Stock Exchange (ASX).
Call funds	Call funds are closely linked with investments but do not constitute investments. Call funds are used to meet immediate operational cash needs and may be retained in Council cheque accounts and call accounts at an ADI. Call funds must be accessible immediately or up to a maximum of 24 hours notice within normal ADI operating hours.

5. PROCESS OWNER

Group Manager Financial Services

6. AMENDMENTS

Investment Policy

UNCONTROLLED IF PRINTED

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Changes that have been made since the last version (ORD 20/02/2019) include:

- Portfolio exposure: changed BBB rating to 35% (from 30%) and Unrated rating to 5% (from 10%)
- Maturity: changed 1 to 3 years from 60% to 70%
- Maturity: changed >5.5 years from 20% to 10%
- Addition of section on 'Environmentally and Socially Responsible investments'

[REDACTED]

From: Harry Creamer [REDACTED]
Sent: Friday, 3 July 2020 6:31 PM
To: Council
Subject: [REDACTED] Draft Investment Policy
Categories: [REDACTED]

Reference is made to Council's public exhibition of two versions of a new section to be added to the Investment Policy. I support Version 1. There are several reasons for this choice, including:

1. Version 1 is clearly focused on institutions that invest in the fossil fuel industry, whereas Version 2 refers to an (undefined) subset of Environmentally and Socially Responsible Investments (ESRI) without an explanation why this subset of investments deserves particular attention.
2. Version 2 does not indicate how to identify an investment as environmentally and socially irresponsible.
3. Version 2 suggests that an institution that, for example, finances a coal mine may still be acceptable to Council provided it offers a higher rate of return than another institution.
4. Version 1 seems best suited to the reality of having to reduce greenhouse emissions which come from fossil fuels and are causing the acceleration of climate change with harm to the community.

[REDACTED]

From: Tom Whelan
Sent: Monday, 6 July 2020 5:54 PM
To: Council
Cc: Councillors
Subject: . Draft Investment Policy
Categories:

SUBMISSION ON AMENDMENT TO INVESTMENT POLICY
Submission 1 of 2

I am writing in support of the Council proposal to amend its Investment Policy to give preference to financial institutions that publicly state that they do not invest in or finance the fossil fuel industry - subject to compliance with the general policy and a favourable rate of interest. I congratulate Council on this initiative within the broader existing Investment Policy.

There are two issues at stake here:

1. The Fossil Fuel Issue
2. Which of two policy statements should be supported

I have made this submission in two parts and entered them separately in "Have Your Say"

THIS IS SUBMISSION 1: THE FOSSIL FUEL ISSUE

Rationale: The rationale for investing in financial institutions that DO NOT invest in, or finance, the fossil fuel industry is overwhelming on economic, risk management, and environmental grounds. There are already 117 global banks (both Domestic and International) with assets in excess of USD10 Billion which have declared that they will not invest in or finance the coal industry alone. If Council is to follow its own risk management guidelines, then it must consider the increasing potential for "stranded assets" within the coal industry in particular. But similar issues arise with oil and gas.

<https://ieefa.org/finance-exiting-coal/>

<https://www.marketforces.org.au/info/trackingthemoney/lnq/>

<https://www.globalwitness.org/en/campaigns/oil-gas-and-mining/overexposed/>

Risk Analysis: Council investments are limited to "Approved Investments" (clause 2.7) which only allow NSW Treasury Corporation or Approved Deposit-taking Institutions such as Australian Banks or branches of foreign owned banks, credit unions etc. Council cannot and does not invest in individual equities.

Council is required to follow Risk Management Guidelines which are specified under the Risk Management Framework at Clause 2.10ff. A detailed reading of this clause makes clear Council's reliance on credit rating agencies such as Moody's, S&P, Fitch.

These agencies are taking a cautious approach to the subject of investment / divestment in the fossil fuel industry. However, indicative of their growing concern, is the following:

Allianz, AXA, Swiss Re, Munich Re and Zurich are going further than most of their global peers in reducing their underwriting and investment exposure to fossil fuels, and thermal coal in particular, says Moody's Investors Service.

"We view the insurers' retreat from thermal coal as positive," said Brandan Holmes, a Moody's Vice President. "It reduces their exposure to potential climate change liability risk, and reduces the risk of their investment assets becoming stranded."

https://www.moody's.com/research/Moodys-Insurers-retreat-from-coal-is-positive-reducing-stranded-asset--PBC_1214543

I encourage Council, and its advisors, to watch carefully the comments emerging from these agencies.

Divestment by Public Bodies: The list of public bodies that are divesting from fossil fuels grows every day. The research that drove the decision of those bodies is readily available but on the sheer strength of numbers, it is difficult to understand why it is not self evident that the case has been made, and anyone holding on to fossil fuel investments does so knowingly and at their own risk. The most famous is, of course, Blackrock, but it follows the footsteps of many others.

<http://energywatchgroup.org/divestmentblog>

<https://www.smh.com.au/environment/climate-change/everyone-was-watching-blackrock-is-showing-its-hand-on-coal-20200605-p54zrx.html>

<https://ieefa.org/ieefa-update-how-gas-and-oil-companies-are-starting-to-look-like-the-yellow-pages-remember-those/>

<https://ieefa.org/ieefa-update-capital-flight-from-thermal-coal-is-accelerating/>

Consistency of Policy: If Council is to be consistent be within its own broader policy positions, then it must also take into account the potential impacts of climate change brought about by (among others) the fossil fuel industry. Why invest in the very industry that is causing the need for separate, extremely expensive, mitigation and adaptation policies and programs?

Possibility of Litigation: There are already legal firms lining up to sue organisations that “risked” the funds they were managing. The potential for legal action being taken by residents, investors, industry, should not be underestimated.

<https://ieefa.org/ieefa-update-fiduciary-duty-and-fossil-fuel-divestment/>

Are Fossil Fuel Investments lucrative: Some would argue that investments in the fossil fuel industry have been, and will continue to be, quite lucrative. Not so, it seems according to a report from The Australia Institute. The SMH reports “Australia’s fossil fuel companies have ranked as some of the worst performing sharemarket investments over the last decade, significantly underperforming the rest of the market, according to a new analysis of share market returns. The findings have been detailed in a new analysis report published by the Australia Institute (Dirty Big Secret, Financial Performance of fossil fuel companies)”, which found that an investment portfolio that included the top 300 companies on the ASX, but excluding companies involved in the fossil fuel industry, would have improved annual returns by 8.6% over the last decade.

<https://www.tai.org.au/content/dirty-big-secret-financial-performance-fossil-fuel-companies>

<https://ieefa.org/ieefa-update-the-investment-rationale-for-fossil-fuels-falls-apart/>

<https://reneweconomy.com.au/burning-money-fossil-fuel-stocks-worst-performers-on-asx-over-last-decade-86264/>

<https://www.smh.com.au/business/banking-and-finance/how-the-global-fossil-fuel-divestment-push-is-testing-australia-s-resolve-20200305-p5475t.html>

Benefit of Financial Advice to Council: One would have to wonder, based on all the above, what value Council is getting from the payments it is making to its financial advisors if they are not, at the very least, drawing all of the above to Councillors and staff for their consideration.

The other side of the argument: There are those who argue the opposite, and rather than make this submission too long, I draw your attention to the main arguments against divestment and the rebuttals here: <https://ieefa.org/ieefa-update-six-real-world-rebuttals-to-divestment-naysayers/>

A SUPPLEMENTARY NOTE ON ICBC

ICBC is among the top Council investments. ICBC is among the largest financiers of the fossil fuel industry around the world. The good news is that ICBC was “the first Chinese Bank to join the Task force on Climate related Financial Disclosures and a founding signatory to the Principles for Responsible Banking”. The bad news is that “ICBC has not used these platforms as inspiration to draw red lines about what it won’t finance”. Further, “BOC, ICBC, ABC and CCB (all major Chinese Banks) have together financed fossil fuels with nearly US\$240 billion in the four years since the Paris Agreement was adopted, and together make up 50% of financing to 30 top coal power companies globally from 2016-2019 and 67% of financing to top coal mining companies.

Full details can be found at: <https://indiaclimatedialogue.net/2020/06/12/chinese-banks-continue-financing-overseas-coal-projects/>

Further, Councillors and staff may wish to be aware of ICBC’s recent involvement, over many years, in a major international “money laundering” exercise, also involving Goldman Sachs of the USA. This is the sort of illegal activity that was under close examination by the recent Royal Commission into the banking sector.

The article below gives all the details but, for the sake of brevity, I only quote one paragraph:
It means that ICBC bank curated the entire set of transfers in the matter of a few days in August of an eye-watering \$1 billion plus from the Beijing account of the Chinese state owned company CCCC to the Kuwait account of a company secretly owned by the son of the Kuwait prime minister; then into his own account at the same bank; then into the account of a Cayman Island company held at the same bank secretly owned by the same Sheikh; then over to an ICBC account in KL of a Ministry of Finance owned company (on the excuse of the purchase of a 1MDB property); then straight on to an ICBC account in Abu Dhabi in the name of payments due on 1MDB – all in a matter of days.*

<https://www.sarawakreport.org/2020/06/worlds-biggest-bank-chinas-icbc-now-has-huge-questions-to-answer-over-1mdb/>



[REDACTED]

From: Tom Whelan [REDACTED]
Sent: Monday, 6 July 2020 5:57 PM
To: Council
Cc: Councillors
Subject: [REDACTED] Draft Investment Policy
Categories: [REDACTED]

SUBMISSION ON AMENDMENT TO INVESTMENT POLICY
Submission 2 of 2

I am writing in support of the Council proposal to amend its Investment Policy to give preference to financial institutions that publicly state that they do not invest in or finance the fossil fuel industry - subject to compliance with the general policy and a favourable rate of interest. I congratulate Council on this initiative within the broader existing Investment Policy.

As there are two issues at stake here, I have made this submission in two parts

1. The Fossil Fuel Issue
2. Which of two policy statements should be supported

THIS IS SUBMISSION 2: WHICH POLICY STATEMENT TO SUPPORT

I support Version 1 because it is simple, clear, unambiguous and does not require any further policy or procedural documentation other than obtaining the required assurance from the financial institutions under consideration.

In most, if not all cases, the major financial institutions that have made declarations about fossil fuels are on the public record and easily obtained. Where there is any doubt, the investment decision should favour those institutions that have made unambiguous public statements on fossil fuel policy.

Version 2 on the other hand introduces a much wider concept of Environmentally and Socially Responsible Investments which would absolutely require a much more detailed policy / procedure guideline on how these investments are to be identified. Given that the PMHC does not invest in equities as such, there is no need for such work.

Further, I am assuming a basic amount of good will and probity in Council's decision making and am willing to take it for granted that Council would not deliberately invest in ANY medium which was clearly environmentally and or socially IRRESPONSIBLE. I am hoping this is justified and that Council is not directly supporting the production of land mines, nuclear bombs, cigarettes, bee-killing pesticides, wholesale destruction of forests, etc. I underline "directly supporting" in acknowledgement of the difficulty in establishing these relationships.

[REDACTED]

[REDACTED]

From: David Smith [REDACTED]
Sent: Monday, 6 July 2020 3:53 PM
To: Council
Subject: [REDACTED] - Draft Investment Policy
Categories: [REDACTED]

I would like to make a submission on the two draft investment policies. I note that the only difference between the two is in point 2.11.

I support draft one.

Some comments:

- Draft one gives a clear preference for consideration of investments that do not support fossil fuels.
- Draft two states: "Environmentally and Socially Responsible Investments will be assessed on the same basis as other investment opportunities". This makes the idea, that the council will be acting environmentally and socially responsible, a meaningfully statement, even a farce.
- I would have hoped that both drafts would have included a statement recognising that fossil fuel investments are now risky, and no longer fit with the objectives of a conservative investment. At least a considerably higher return is needed to offset the increased risk.

Thank you and regards,
David Smith

[REDACTED]

[REDACTED]

From: Rachel Sheppard [REDACTED]
Sent: Tuesday, 7 July 2020 3:42 PM
To: Council
Cc: [REDACTED]
Subject: [REDACTED] Draft Investment Policy
Categories: [REDACTED]

[REDACTED]

Dear Nicole,

Thank you for the opportunity to indicate a preference in Council's investment policy. Please find a submission on behalf of Hastings Parents for the Environment below. I or other parents would be happy to discuss our concerns with you or your team further if the opportunity arose.

Kind Regards,

Rachel Sheppard

Version 1

Version 2

Hastings Parents for the Environment (HP4E) is a non-partisan group of parents and supportive community members who meet regularly to support parents in taking action on a range of environmental issues. We engage with over 350 community members through our Facebook page and have around 50 active members in our group. Several members are currently involved in a range of local activities to promote community resilience.

We are making this submission in support of Version 1 over Version 2.

Climate change is an issue that presents specific, serious risks that are not captured by the broader issue of 'Environmentally and Socially Responsible Investments'. We are primarily concerned with leaving our children a safe world to live in, and climate change poses a scientifically documented threat to this goal. We note that council has incorporated climate change in its business and operational planning since the early 1990s. This includes water security planning, flood mapping, development approvals, and climate change risk management plans for council's insurer. So far, these actions have focused on protecting council's assets and mitigating risk of liability from climate change impacts.

Fossil fuels are a key driver of climate change, as noted by many of the key reference sources in council's March Climate Information report. Notably, conservative institutions across the world are recognising that the fossil fuel industry presents an increasingly risky financial investment. As a result they are taking actions to support divestment from the fossil fuel industry specifically (e.g. Blackrock, McKinsey Group, London Stock Exchange group).

With these points in mind, HP4E support Version 1 over Version 2, because Version 1 is specifically focused on investing in businesses that do not support the fossil fuel industry. In contrast, Version 2 refers to an undefined subset of Environmentally and Socially Responsible Investments (ESRI). As such, Version 2 fails to capture the specific financial risks of investing in the fossil fuel industry, or the specific risks the fossil fuel industry poses to our children's future via the impact of climate change.

In theory, council's investments should already be environmentally and socially responsible, so it is unclear how Version 2 would meaningfully alter council's investment policy. We also understand that council's own Audit Risk and Improvement Committee have advised that investing in fossil fuels does not meet council's fiduciary responsibility. It would seem prudent to consider their financial subject matter expertise in this matter.

Rachel Sheppard
Hastings Parents for the Environment

[REDACTED]

From: Sarah Mollard [REDACTED]
Sent: Tuesday, 7 July 2020 4:00 PM
To: Council
Cc: [REDACTED]
Subject: [REDACTED] - Draft Investment Policy
Categories: [REDACTED]

Dear Ms Spencer.

This is a submission related to the Draft Investment Policy 2020.

This submission specifically addresses the issue of council investment in financial institutions which support the fossil fuel industry.

I oppose investment of council funds in financial institutions which support the fossil fuel industry. The reasons follow:

- Further investment in fossil fuel extraction and their use for electricity production or transport are not in the best interests of our community. There is considerable scientific consensus that the burning of fossil fuels is a primary driver of global heating, and that this is causing significant impacts on the health and economic stability of our region and our country. I oppose investment in the fossil fuel industry even when such investment represents the most favourable short term financial returns for council, as the long term damage to our community from climate change represents an unreasonable risk that I do not believe would be consistent with the prudent person standard.
- Refraining from investment in fossil fuels frees resources for investment in renewable energy production, which are more likely to be suitable for deployment and therefore job creation in our region.
- Global divestment from fossil fuels and reduced worldwide demand for fossil fuels both currently and predicted for the future mean that such investments are not financially responsible.

I support version 1 of the Draft Investment Policy because it specifically and directly addresses the problem of council investment in the fossil fuel industry. The wording of Version 2 lacks clarity, as the concept of Environmentally and Socially Responsible Investments is broad and not specifically defined and would require increased administrative burden on council to identify suitable investments.

Kind regards,

Dr Sarah Mollard

[REDACTED]

[REDACTED]

From: Mick Lyons [REDACTED]
Sent: Monday, 29 June 2020 9:43 PM
To: Council
Subject: Submission on draft versions of Section 2.11 of PMHC Draft Investment Policy
Categories: [REDACTED]

Dear Councillors,

I support Version 1 of the Draft Investment Policy and oppose Version 2 for the following reasons:

Version 1 clearly calls for Council to give preference to investments in banking institutions that publicly state they do not finance companies or organisations in the fossil fuel industry. This statement is consistent with Council's commitment to the safety and health of the community. It is also consistent with Council's commitment to action on Climate Change.

Version 2 refers to Environmentally and Socially Responsible Investments (ESRI) without defining this type of investment.

Version 2 appears to differentiate between ESRIs and other (presumably mainstream) investments. Surely all Council's investments are intended to be environmentally and socially responsible. But Version 2 requires equal or better performance by ESRIs on 'rate of return' and 'risk' compared to 'other' or 'similar' investments.

Mick Lyons
[REDACTED]
[REDACTED]

Glasshouse Financial Statements
for the period ending 30 June 2020

|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

GLASSHOUSE PLAN 2020 - 2022 - UPDATE ON PROGRESS ACHIEVED AGAINST ACTIONS – JULY 2020

Key Outcomes:		Progress achieved as at 30 June 2020	
Enhancing utilisation, visitation and participation <i>Ensuring the delivery of high quality cultural, community and commercial activities</i>	Actions:		
	Cultural Plan Action 1.3 Venues and spaces		
	1.3.1 Market and promote the Glasshouse performance, exhibition and event spaces as the premier venue in the region	<ul style="list-style-type: none"> Hosted 38 "non-ticketed" events such as conferences, meetings and expos with over 3,500 attendees, including The University of Newcastle Graduation, People Builders Church Services, NSW Department of Emergency Management, Clifton Venues Examinations, NSW Aboriginal Education and Training Group. 	
	1.3.2 Investigate opportunities and implement strategies to promote greater utilisation and activation of the Glasshouse performance, exhibition and event spaces, including consideration of reduced fees and charges options for the Studio and Podium spaces	<ul style="list-style-type: none"> Council's 2020-2021 Schedule of Fees and Charges includes: <ul style="list-style-type: none"> additional Studio and Podium venue hire options with reduced fees offering more flexibility for venue hires; new 30% venue hire discount for Studio hire to assist local performing arts organisations and local performance artists to access this performance space. Planned preventative maintenance on the building and equipment completed, including: <ul style="list-style-type: none"> Theatre seats removed, floor repaired and painted; Archaeology display touch screens replaced and software reloaded; LED lighting installed to the archaeology display; Studio doors and fire doors painted; Stage painted; Workstation installed in stage area; Air conditioning system maintenance; Front of House and Back of House lifts serviced. 	
	Cultural Plan Action 1.4 Showcase programs		
	1.4.1 Manage the delivery of a range of high quality performing and visual arts events at the Glasshouse in consideration of Council's Cultural Plan (OP 2.5.1.3)	<ul style="list-style-type: none"> Delivered the 2020 Glasshouse Theatre Program Launch event, attended by 515 Glasshouse members and guests; Presented two (2) productions as part of the 2020 Theatre Program, which included performances by Bangarra and The Hayes Theatre Company, with over 940 tickets sold; Presented eight (8) exhibitions in the Regional Gallery, including touring exhibitions from the Australian Design Centre and the Australian War Memorial; Provided box office tickeling services for 4 performances and events external to the Glasshouse including Red Hot Summer and Players' Theatre. The Regional Gallery showcased 63 local artists from across the Mid North Coast as part of the 2020 Northern Exposure exhibition. Hosted 19 commercial hire (theatre / studio) events, presented by commercial promoters, across various genres with over 5,400 tickets sold. 	
	1.4.2 Facilitate opportunities to showcase locally-developed, high-quality performing and visual arts events at the Glasshouse		
	1.4.3 Attract international standard commercial touring productions to the Glasshouse		
	Cultural Plan Action 1.8 Professional development opportunities		
	1.8.1 Deliver professional development opportunities for artists and our community in conjunction with the Glasshouse performing and visual arts programs	<ul style="list-style-type: none"> Meet the Artist Videos: participating Northern Exposure Six (NE6) artists were virtually mentored and learned how to create their own video from home. It was offered to all 63 artists and 23 artists participated by producing 1 minute videos published on the Glasshouse website, social media and youtube channels. Online engagement - over 8,720 views; Make a movie on your iPhone - an online resource available to all artists and shared specifically with NE6 artists - 85 views; The Glasshouse Artist In Residence Program welcomed Emma Walker, who worked on a future exhibition; Short in house produced videos showcasing exhibiting artists from our Artist in Residence program, Laura Jones: Arcadia & Asher Migate. duality. An externally produced Video: Emma Walker, supported by our residency program and Create NSW funding. This video was also aired on the ABC the Mix. All three videos have so far had over 600 views on Glasshouse social media channels. 	
	Cultural Plan Action 2.1 Inclusive programs and events		
	2.1.1 Develop and deliver a range of education and public programs associated with the Glasshouse performing and visual arts programs, to encourage participation in arts and cultural experiences by all sectors of our community, including young people, seniors, people with a disability, and Aboriginal people	<ul style="list-style-type: none"> Presented one (1) performance as part of the 2020 Education Program - Bennelong by Bangarra Dance Theatre. Delivered a range of supporting workshops in conjunction with the 2020 Education Program including, community dance workshops for Aboriginal and Torres Strait 	

GLASSHOUSE PLAN 2020 - 2022 - UPDATE ON PROGRESS ACHIEVED AGAINST ACTIONS – JULY 2020

Key Outcomes:	Actions:	Progress achieved as at 30 June 2020
		<ul style="list-style-type: none"> Islander youth, Bangarra masterclass for intermediate dance students, education kits, activity sheets, art making workshops, interactive tours, 3D making workshops and a film making workshop. Delivered a range of Gallery Public Programmes including: exhibition openings, a film screening, artist talks, drawing classes, school holiday workshops for kids, craft workshops for adults and children, and accessible art tours with attendance of over 770 people. The Regional Gallery showcased artists online with a virtual interactive tour, courtesy of Percival Property (Exhibitions that closed early due to COVID). Exhibitions included Our Artists in Residence Laura Jones, Arcadia & Asher Milgate: Duality and Northern Exposure Six. The online reach was 4,443.
	2.1.2 Investigate digital programming opportunities to increase the accessibility of Glasshouse programs and events	
	Cultural Plan Action 2.4 Community-based and community-led programs	
	2.4.1 Implement strategies within a framework of fair and equitable access, to enhance utilisation and encourage community participation	<ul style="list-style-type: none"> Community venue hire discount, available to incorporated not-for-profit groups, incorporated community groups, registered charities and schools, increased from 40% to 50% as part of Council's 2020-2021 Schedule of Fees and Charges. Hosted eight (8) community events, presented by tertiary educational institutions and non for profit groups including performances, graduations, training days and free concerts. Delivered free online craftlanon Zoom sessions featuring local artisan and crafter Rhiamon Simmonds, 4 x sessions, 28 participants in total. The participants included vision impaired with ages ranging from 8 - 75. This also created employment and professional development opportunities for the local facilitator. Produced online learning resources: Kids Create at Home - 12 kids' activities to do at home (including 4 how to videos). Support provided to Bravissimo, the showcase concert of the best HSC music students from the Mid North and Tablelands regions.
	2.4.2 Provide a high level of professional, technical and marketing support to community hirers to assist in the coordination and delivery of community events and to build future capability	
	Cultural Plan Action 3.1 Collaborative partnerships	
Developing successful partnerships <i>Working with key stakeholders in the community, government and industry to support the delivery of cultural, community and commercial activities</i>	3.1.1 Partner with key stakeholders in the community, government and industry to support the delivery of cultural and community programs	<ul style="list-style-type: none"> Continued to develop a number of corporate partnerships / sponsorships consistent with the Glasshouse Marketing and Sales Plan to support the delivery of cultural programs, including the Glasshouse Founding Sponsors, Create NSW and a number of regional / local organisations and businesses. As at 30 June 2020 there were over 1,170 Glasshouse Members registered for the 2020 Season. In light of COVID-19 and the cancellation of the 2020 Theatre Program, current 2020 memberships have been extended until December 2021. Ongoing - the VIC reopened to the public on 2 June 2020.
	3.1.2 Develop the Glasshouse Membership Program and associated marketing initiatives to build customer loyalty and repeat visitation	
	3.1.3 Deliver a range of Visitor Information services within the Glasshouse to market our region's rich and diverse experiences	
	Cultural Plan Action 3.2 Cultural marketing and communications plan	
	3.2.1 Review and update the Glasshouse Marketing and Sales Plan	<ul style="list-style-type: none"> Glasshouse Marketing and Sales Plan review planned for 2021; Undertook venue wide photography campaign to support development of new venue marketing collateral, update old collateral and online initiatives; Developed dedicated Glasshouse Studio Marketing campaign to promote new seating infrastructure and new discount rates for local performance companies and artists; New product development - Glasshouse video recording services; Glasshouse website overhaul; Dedicated communications (tiered campaign) to hire database to communicate increase of community discount from 40% to 50% for eligible organisations. Launched a digital marketing campaign during venue closure "From Our House to Yours" to inform audiences and maintain engagement during the venue closure. Glasshouse partnership with Destination North Coast (Destination NSW) to attract business events to the region, including: <ul style="list-style-type: none"> produced Virtual Site Inspection tour for online campaign to DNSW database delivered Cheers to Recover initiative with DNSW and other local businesses. Submitted conference proposals for Landcare Australia Conference, Conference Works, the Local Government Conference NSW 2021 and National Climate Summit
	3.2.2 Implement targeted marketing and sales strategies to increase awareness, enhance utilisation, increase event visitation and maximise cultural, community and commercial outcomes	

GLASSHOUSE PLAN 2020 - 2022 - UPDATE ON PROGRESS ACHIEVED AGAINST ACTIONS – JULY 2020

Key Outcomes:	Actions:	Progress achieved as at 30 June 2020
Promoting viability and ensuring good governance <i>Applying a prudent financial management focus and open and transparent decision-making, to manage the net cost of the operation of the Glasshouse to the community</i>	Cultural Plan Action 4.1 Funding 4.1.1 Apply a prudent financial management focus to all cultural, community and commercial activities to support long-term efficiency, effectiveness and viability of the Glasshouse 4.1.2 Increase operating revenue at the Glasshouse (OP 1.5.3.1) 4.1.3 Review current revenue sources and investigate the commercial viability of identified new revenue sources (OP 1.5.4.1) 4.1.4 Identify Australian and NSW State Government grant funding opportunities to support the delivery of cultural programs and maintenance of venue technical infrastructure 4.1.5 Review Glasshouse sponsorship / partnership and membership programs and identify new opportunities to support the delivery of cultural and community programs 4.1.6 Investigate and develop a Fundraising Strategy to support the delivery of cultural and community programs and the long-term viability of the Glasshouse	<ul style="list-style-type: none"> • See attached 2019-2020 Financial Statement. • See attached 2019-2020 Financial Statement - impacted by COVID-19 and closure of the venue on 23 March 2020. • Glasshouse venue hire fees benchmarked against other similar regional venues using data published by the national peak body Performing Arts Connections Australia. • New venue hire options included in Council's 2020-2021 Schedule of Fees and Charges. • Grant funding application submitted to the NSW State Government for the 2021-2023 (3-year) Regional Gallery Program, from the Create NSW Arts and Cultural Funding Program. • Planned for 2021.
	Cultural Plan Action 4.7 Cultural performance measure	
	4.7.1 Present biannual reports to Council detailing Glasshouse performance against the Glasshouse Plan, key operational and financial performance measures, and Council's Cultural Plan Objectives 4.7.2 Undertake an economic impact assessment to measure and report on the benefits of the Glasshouse to the local and regional economy	<ul style="list-style-type: none"> • Reports presented in August 2019 and February 2020. • Planned for 2021 subject to COVID-19 restrictions.

Port Macquarie-Hastings Council
Community Research
April 2020

Good morning/afternoon/evening, my name is and I'm calling on behalf of Port Macquarie-Hastings Council from a company called Micromex. We are conducting a survey on a range of local issues – the survey will take about 15 minutes, would you be able to assist us please?

Council acknowledges that this is a difficult and anxious time for many and that we are experiencing unprecedented circumstances with COVID-19.

QA. Please stop me when I read out your age group. *Prompt*

- ☐ 18 – 34
- ☐ 35 – 49
- ☐ 50 – 64
- ☐ 65 years and over

Part A. THE COMMUNITY

Q1. What do you believe Council could do in order to better assist our community over the coming months of COVID-19 or in other times of local emergency or disaster?

.....

Q2. What do you value most about living in the Port Macquarie-Hastings area?

.....

Q3. What concerns you most with regards to living in the Port Macquarie-Hastings area?

.....

Part B. COUNCIL SERVICES

Q4. In the next question I am going to read out a list of council services and facilities. In the first part could you please indicate which best describes your opinion of the importance of the following services/facilities to you, and in the second part, your level of satisfaction with the performance of that service. The scale is from 1 to 5 where 1 is low importance and 5 is high importance and where 1 is low satisfaction and 5 is high satisfaction. *Prompt*

Leadership and Governance

	Importance					Satisfaction				
	Low 1	2	3	4	High 5	Low 1	2	3	4	High 5
Community involvement in Council's planning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Informing our community about council activities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing strong leadership	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing transparent corporate and financial management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Long-term delivery planning and vision	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing value for the ratepayers' dollars	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Community ability to inform service level delivery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Online accessibility to services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Opportunity to engage with Council	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Council's customer service standards	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Your Business and Industry

	Importance					Satisfaction				
	Low 1	2	3	4	High 5	Low 1	2	3	4	High 5
Partnering with business and industry to contribute to growth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Promotion of the area through major events	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Encouraging industry and business growth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Promoting investment, education and lifestyle opportunities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Encouraging tourism growth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Port Macquarie Airport	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Property investment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Your Community Life

	Importance					Satisfaction				
	Low 1	2	3	4	High 5	Low 1	2	3	4	High 5
Providing grant money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Creating a sense of place and community involvement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing services for specific groups such as older people, younger people, the Aboriginal community, and people with disabilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Enabling the community to feel safe and connected	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Library services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Arts and cultural activities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The Glasshouse	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parks, playgrounds, and recreation facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sporting facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pools	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Community halls	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Boat ramps, wharves and jetties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Crematorium and cemeteries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



Your Natural and Built Environment

	Importance					Satisfaction				
	Low 1	2	3	4	High 5	Low 1	2	3	4	High 5
Maintenance of sealed roads	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintenance of unsealed roads	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintaining Council's assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Planning for integrated transport networks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Creating and monitoring parking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Creating and maintaining footpaths and cycleways	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Water supply services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sewerage services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
An adequate stormwater drainage system	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Strategic planning of the LGA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Managing residential development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Managing commercial development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Environmental and climate impact management that protects and conserves for future generations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ensuring compliance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Promotion of renewable energy options	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Creating vibrant town centres and public places	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Waste collection and disposal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recycling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q5. How satisfied are you with the level of communication Council currently has with the community?
Prompt

- ☐ Very satisfied (Go to Q6a)
☐ Satisfied (Go to Q6a)
☐ Somewhat satisfied (Go to Q6a)
☐ Not very satisfied
☐ Not at all satisfied

Q6. How do you think Council could improve its communication?

.....

Q7a. Over the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues, but across all responsibility areas? Prompt

- ☐ Very satisfied (Go to Q7)
☐ Satisfied (Go to Q7)
☐ Somewhat satisfied (Go to Q7)
☐ Not very satisfied
☐ Not at all satisfied

Q7b. What is your main reason for feeling that way?

.....

Part C – COUNCIL CUSTOMER SATISFACTION

Q8. Have you sought information from Port Macquarie-Hastings Council in the last 12 months?

- ☐ Yes
☐ No (Go to Q11)



Q9. How did you seek this information? Please answer yes or no as I read each one. Prompt

- ☐ Phone
- ☐ Mail
- ☐ Email
- ☐ In person
- ☐ Council website
- ☐ WasteInfo App

Q10a. How satisfied were you with the way your contact was handled? Prompt

- ☐ Very satisfied (Go to Q10)
- ☐ Satisfied (Go to Q10)
- ☐ Somewhat satisfied (Go to Q10)
- ☐ Not very satisfied
- ☐ Not at all satisfied

Q10b. What was your actual contact about?

.....

Q10c. How could the way this contact was handled have been improved?

.....

Part D – INVESTMENT/RESOURCING

Q11. What do you believe Council's level of investment (i.e. resourcing/financial) should be in its services? Prompt

Leadership and Governance

	More	The same	Less
Communications	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Digital technology	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business improvement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Financial management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Managing its workforce (HR, Organisational Development, WHS)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Governance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Procurement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Planning and reporting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Your Community Life

	More	The same	Less
Community place and engagement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Libraries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Volunteering	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sports and recreation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Environmental testing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Glasshouse	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Crematorium and cemeteries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Your Business and Industry

	More	The same	Less
Economic development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Airport	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Property investment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



Your Natural and Built Environment

	More	The same	Less
Roads, bridges and transport	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stormwater and drainage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Water supply	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sewerage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Development assessment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Strategic land use planning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Waste management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Compliance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Natural resource management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Asset management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Infrastructure delivery	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

EXPLANATIONS

Airport – i.e. manage the airport, provide infrastructure and facilities, plan for future growth, and use

Business Improvement – i.e. identifying opportunities for continuous improvement to ensure we are delivering agreed services at the agreed level and at best value

Communications – i.e. Council media and communications with the community including media releases, newspapers, newsletters, social media

Crematorium & cemeteries – i.e. the crematorium is a business unit of Council that generates income, Council manages and maintains 12 public cemeteries throughout the area

Customer service - i.e. this service is often the first and only point of contact between Council and the community and includes the call centre and customer service centres at three offices. This service provides information and processes applications, takes bookings, retrieves files, and manages visitors

Compliance – i.e. ensure community safety by investigating and resolving unauthorised activities and legislative matters in the areas of food and public health premises, environmental pollution, onsite sewage management, building regulation, parking, and companion animals

Cultural development – i.e. through the community place and Glasshouse team this service is a collaboration between artists and the community to encourage community participation in artistic practices and pursuits

Development assessment – i.e. provide development and planning advice, assess applications for development, and undertake building inspections

Economic development – i.e. to work with industry and business to build up the economic capacity of the area to create a diversified and resilient regional economy

Library services – i.e. promote and support recreation, lifelong learning and literacy through access to a balanced collection of quality information, recreational, and educational resources

Natural resource management – i.e. protect and restore natural areas and assets, and provide the community with access to enjoy the natural environment

Parks, beaches, sports & recreational facilities – i.e. provide a network of parks, reserves, trails, waterways, and sports facilities that are appropriately located, fairly accessible, and considerate of future needs

Community Place and engagement – i.e. working with the community to create a series of well planned, connected, and unique places throughout the area that the community is proud of and engaging with the community about our services and future planning

Roads, bridges & transport – i.e. provide a safe and effective transport network that includes the formal road structures and anything relevant to the road boundary including the design, construction, maintenance, and management of footpaths, cycleways, kerb and guttering, road related drainage, bridges, and culverts, roadside vegetation, street lighting, and open spaces within road reserves as well as medians and traffic islands. This service also includes the operation of two vehicle ferries across the Hastings River

Strategic land use planning – i.e. plan for the future growth of the area, develop, and maintain planning guidelines for the use of land including new developments

Sewerage – i.e. provide a sewerage system to convey sewage from residential, commercial, and industrial areas through a network of pipelines and pumping stations that is reliable, safe, and cost effective

Stormwater and drainage – i.e. operate and maintain the stormwater drainage network to ensure efficient and safe collection of stormwater flows that reduce flooding, improve water quality, and reduce the potential for damage to infrastructure

Waste management – i.e. best practice waste management and recycling that is value for money, and minimised landfilling

Water supply services – i.e. provide water supplies to the urban areas and rural villages of the area in a reliable, safe, clean, efficient, and cost-effective manner



Part E. DEMOGRAPHIC INFORMATION**D1. Which town or area do you live in?**

- | | | |
|---|------------------------------------|---|
| <input type="radio"/> Bonny Hills | <input type="radio"/> Herons Creek | <input type="radio"/> North Shore |
| <input type="radio"/> Bagnoo | <input type="radio"/> Kendall | <input type="radio"/> Pappinbarra |
| <input type="radio"/> Ballengarra | <input type="radio"/> Kew | <input type="radio"/> Pembroke |
| <input type="radio"/> Beechwood | <input type="radio"/> King Creek | <input type="radio"/> Point Plomer |
| <input type="radio"/> Blackmans Point | <input type="radio"/> Koree Island | <input type="radio"/> Port Macquarie |
| <input type="radio"/> Byabarra | <input type="radio"/> Lake Cathie | <input type="radio"/> Rawdon Island |
| <input type="radio"/> Camden Haven | <input type="radio"/> Laurieton | <input type="radio"/> Rollands Plains |
| <input type="radio"/> Comboyne | <input type="radio"/> Long Flat | <input type="radio"/> Telegraph Point |
| <input type="radio"/> Dunbogan | <input type="radio"/> Lorne | <input type="radio"/> Upper Rollands Plains |
| <input type="radio"/> Ellenborough | <input type="radio"/> North Haven | <input type="radio"/> Wauchope |
| <input type="radio"/> Gum Scrub | | |
| <input type="radio"/> Other (please specify)..... | | |

D2. Gender (determine by voice):

- ☐ Male
☐ Female

As a participant in this research, you may be invited to participate in further community consultation, such as focus groups, about specific issues.

At this stage we are developing a register of interest for future consultations.

D3a. Would you be interested in registering your interest?

- ☐ Yes
☐ No (Go to end)

D3b. May I please confirm your contact details?

First name:
Surname:
Email:
Telephone:

Thank you for your time and assistance. This market research is carried out in compliance with the Privacy Act, and the information you provided will be used only for research purposes. Just to remind you, I am calling from Micromex Research on behalf Port Macquarie-Hastings Council



Port Macquarie – Hastings Council

Community Research - Presentation

Prepared by: Micromex Research
Date: May 2020



Background & Methodology

Why?

- Understand and identify community priorities for the Port Macquarie – Hastings Council LGA
- Identify the community's overall level of satisfaction with Council performance
- Explore and understand resident experiences contacting Council
- Identifying the level of investment for Council's services

How?

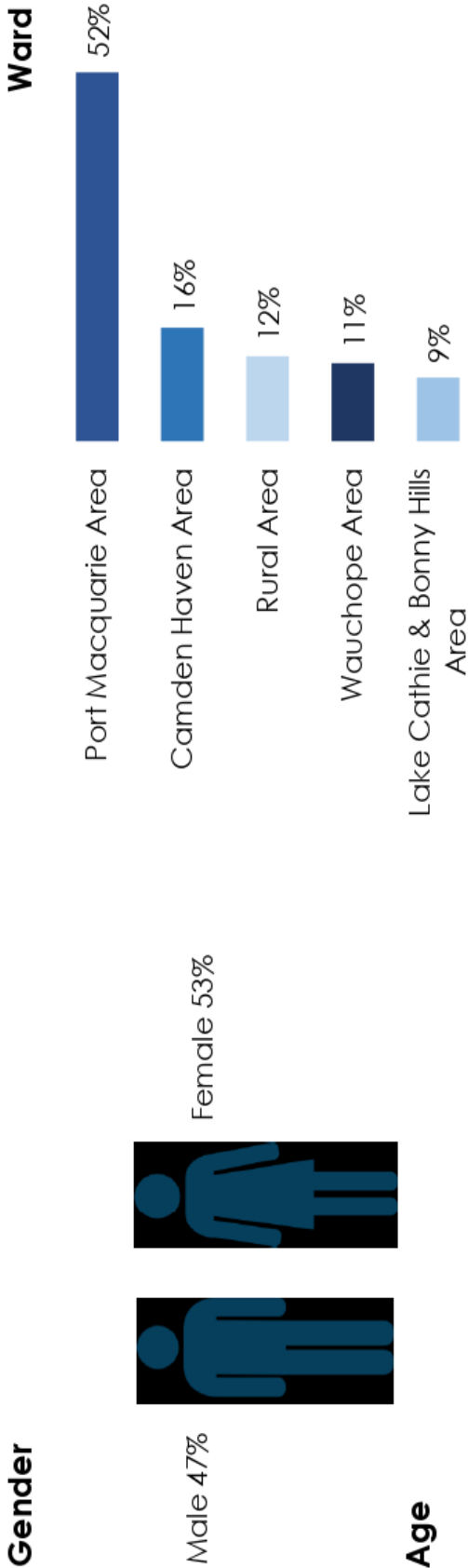
- Telephone survey (landline and mobile) to N= 605 households
- 37 acquired through number harvesting
- We use a 5 point scale (e.g. 1 = not at all satisfied, 5 = very satisfied)
- Greatest margin of error +/- 4.0%

When?

- Implementation 2nd – 8th April 2020

Sample Profile

The sample was weighted by age and gender to reflect the 2016 ABS community profile of Port Macquarie – Hastings Council.



Break Down of Areas:

- Port Macquarie area includes:** Port Macquarie and North Shore
- Camden Haven area includes:** Camden Haven, Dunbogan, Kendall, Kew, Laurieton and North Haven
- Rural area includes:** Bagnoo, Ballengarra, Beechwood, Blackmans Point, Byabarra, Comboyne, Ellenborough, Gum Scrub, Herons Creek, King Creek, Koree Island, Long Flat, Lorne, Pappinbarra, Pembroke, Point Plomer, Rawdon Island, Rollands Plains, Telegraph Point, Upper Rollands Plains



Key Findings

Satisfaction with Council Performance:

Overall Satisfaction







45/48

services/facilities had a T3B satisfaction rating of 70% or higher



Of residents rated Council current level of communication as 'somewhat satisfied' to 'very satisfied.'

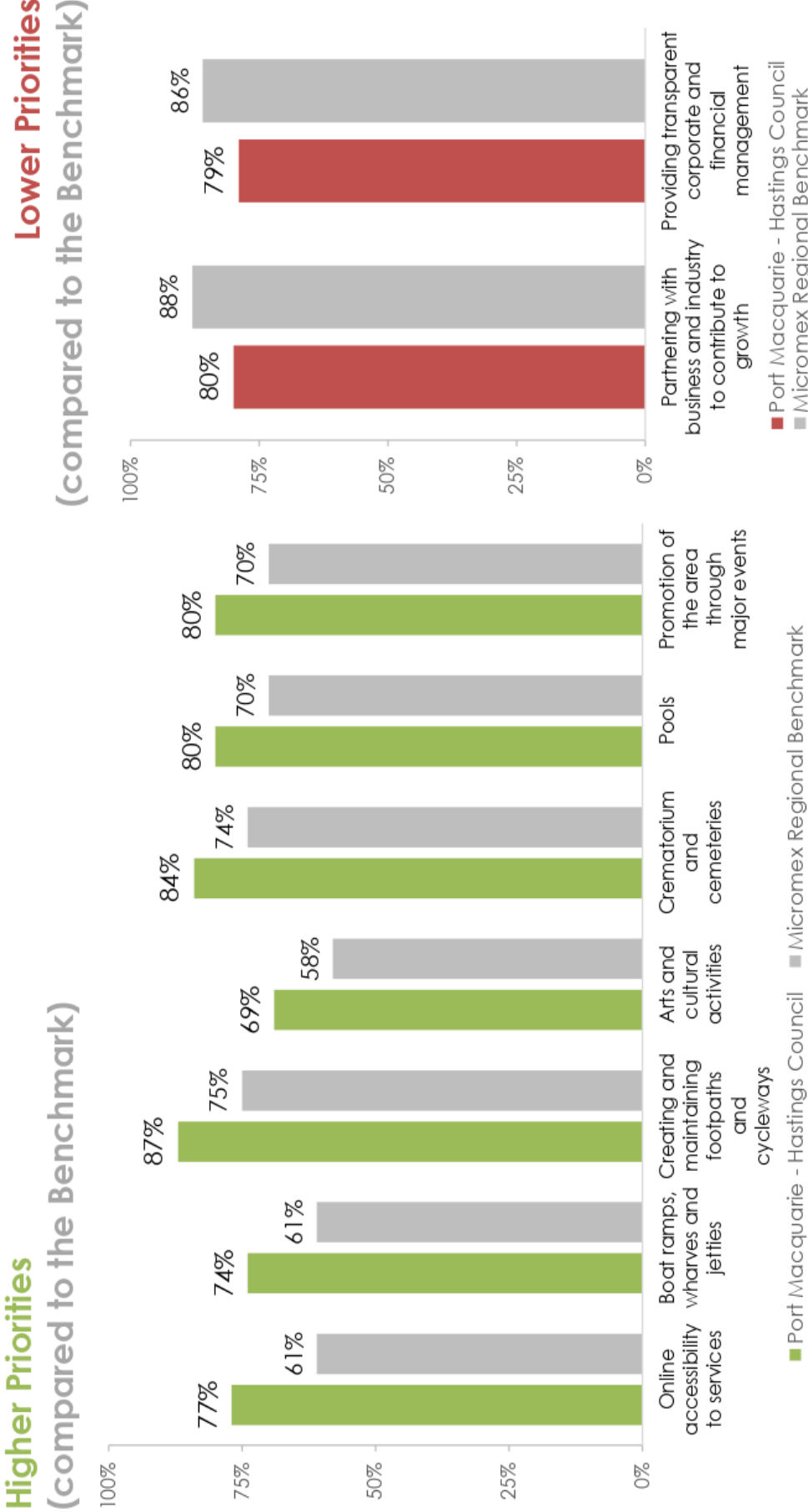
Top 5 Drivers of Overall Satisfaction:

-  The level of communication Council currently has with the community
-  Strategic planning of the LGA
-  Providing strong leadership
-  Opportunity to engage with Council

Most Valued Aspects of Port Macquarie - Hastings:

-  Natural environment
-  Central location
-  Community feel
-  Lifestyle the area provides

Comparison to the Micromex LGA Benchmark – Largest Importance Gaps



The table above displays the largest positive, and negative variances between Port Macquarie - Hastings Council's top 2 box importance scores and the Micromex LGA Regional Benchmark.

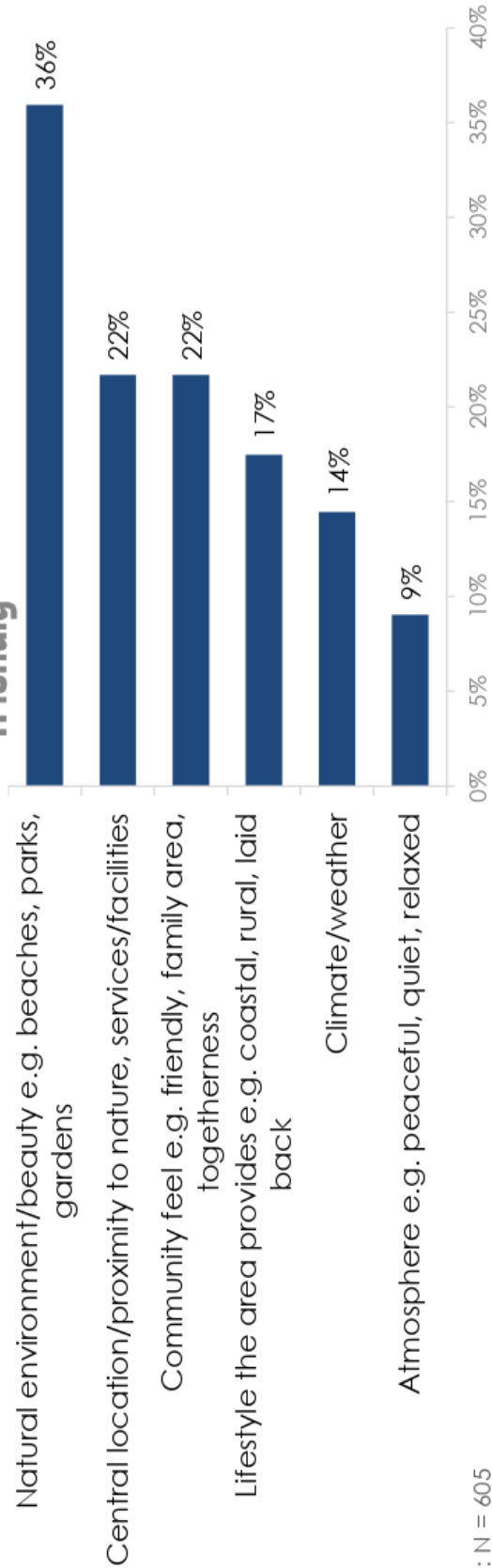
Comparison to the Micromex Importance LGA Benchmark

Service/Facility	Port Macquarie – Hastings Council T2 box importance score	Micromex LGA Benchmark – Regional T2 box importance score	Variance
Online accessibility to services	77%▲	61%	16%
Boat ramps, wharves and jetties	74%▲	61%	13%
Creating and maintaining footpaths and cycleways	87%▲	75%	12%
Arts and cultural activities	69%▲	58%	11%
Crematorium and cemeteries	84%▲	74%	10%
Pools	80%▲	70%	10%
Promotion of the area through major events	80%▲	70%	10%
Parks, playgrounds, and recreation facilities	92%	83%	9%
Sewerage services	89%	80%	9%
Library services	79%	70%	9%
An adequate stormwater drainage system	89%	81%	8%
Sporting facilities	82%	76%	6%
Recycling	96%	90%	6%
Water supply services	93%	87%	6%
Port Macquarie Airport	85%	79%	6%
Community involvement in Council's planning	76%	82%	-6%
Creating and monitoring parking	76%	82%	-6%
Providing transparent corporate and financial management	79%	86%	-7%
Partnering with business and industry to contribute to growth	80%	88%	-8%

Note: Benchmark differences are based on assumed variants of +/- 10%, with variants beyond +/- 10% more likely to be significant

Most Valued Aspects

Q2. What do you value most about living in the Port Macquarie-Hastings area?

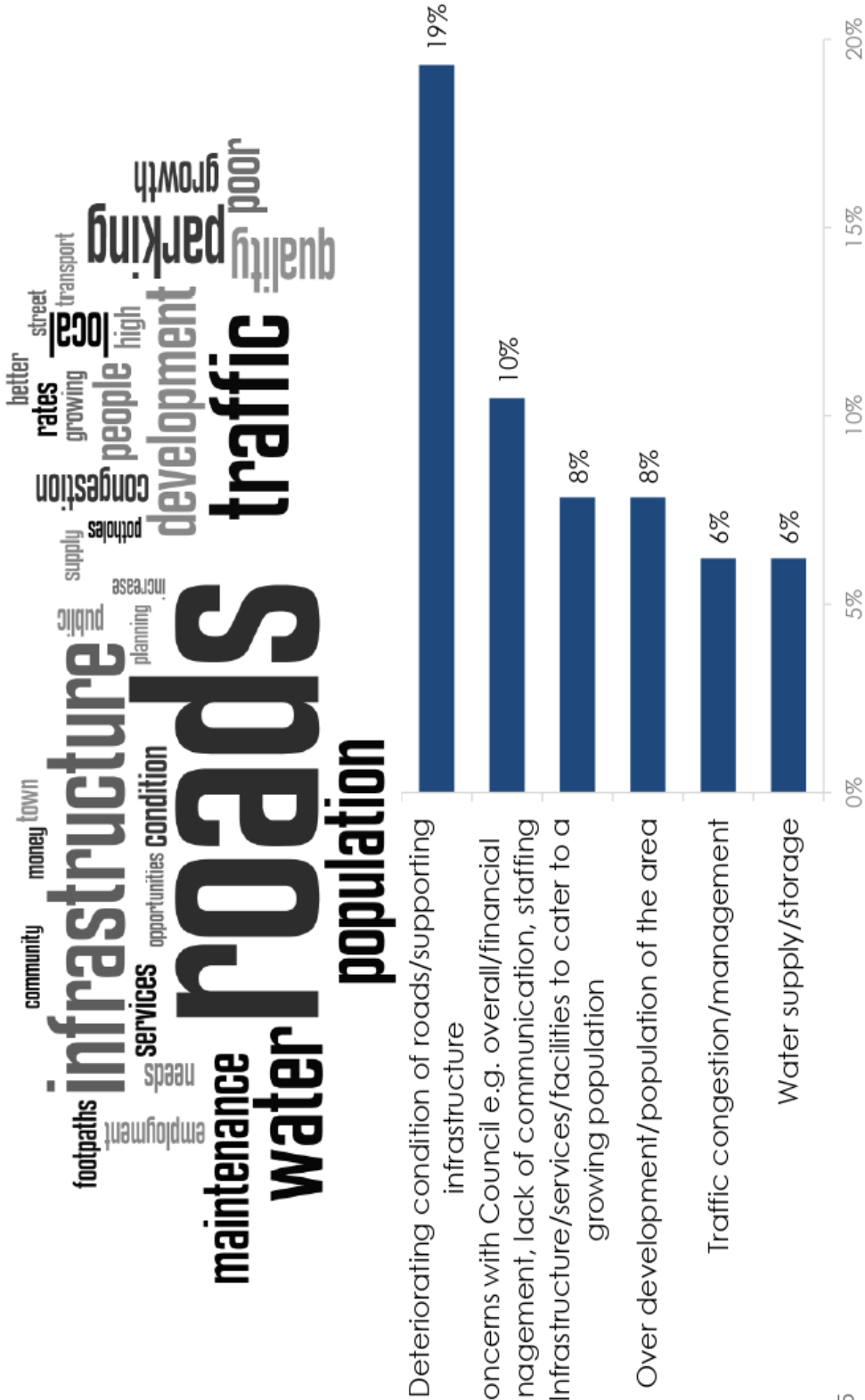


Base: N = 605



Top Concerns While Living in The Port Macquarie – Hastings LGA

Q3. What concerns you most with regards to living in the Port Macquarie-Hastings area?



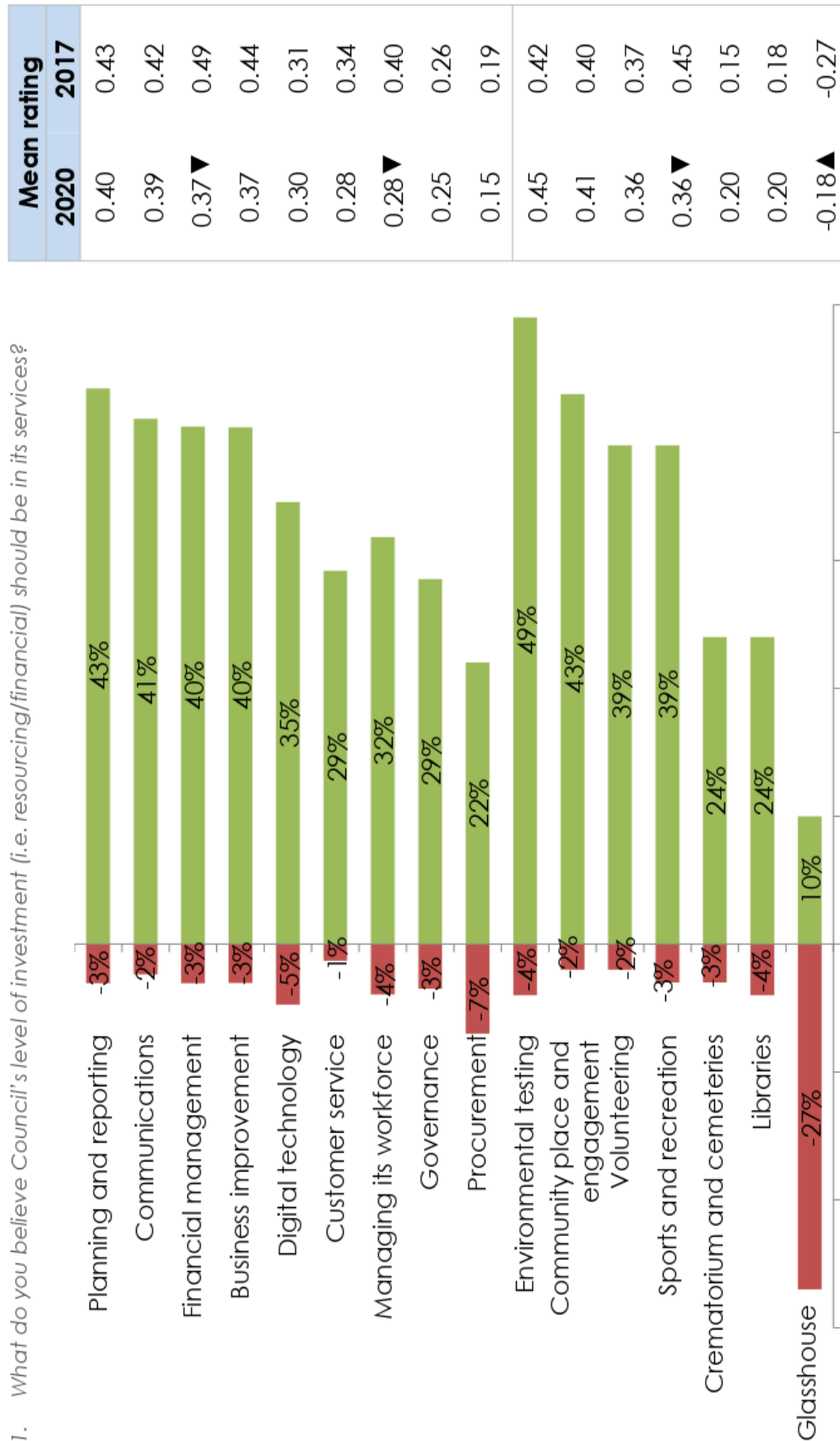
base: N = 605



Roads, infrastructure and the trappings of population growth

Leadership & Governance/Your Community Life

Q11. What do you believe Council's level of investment (i.e. resourcing/financial) should be in its services?



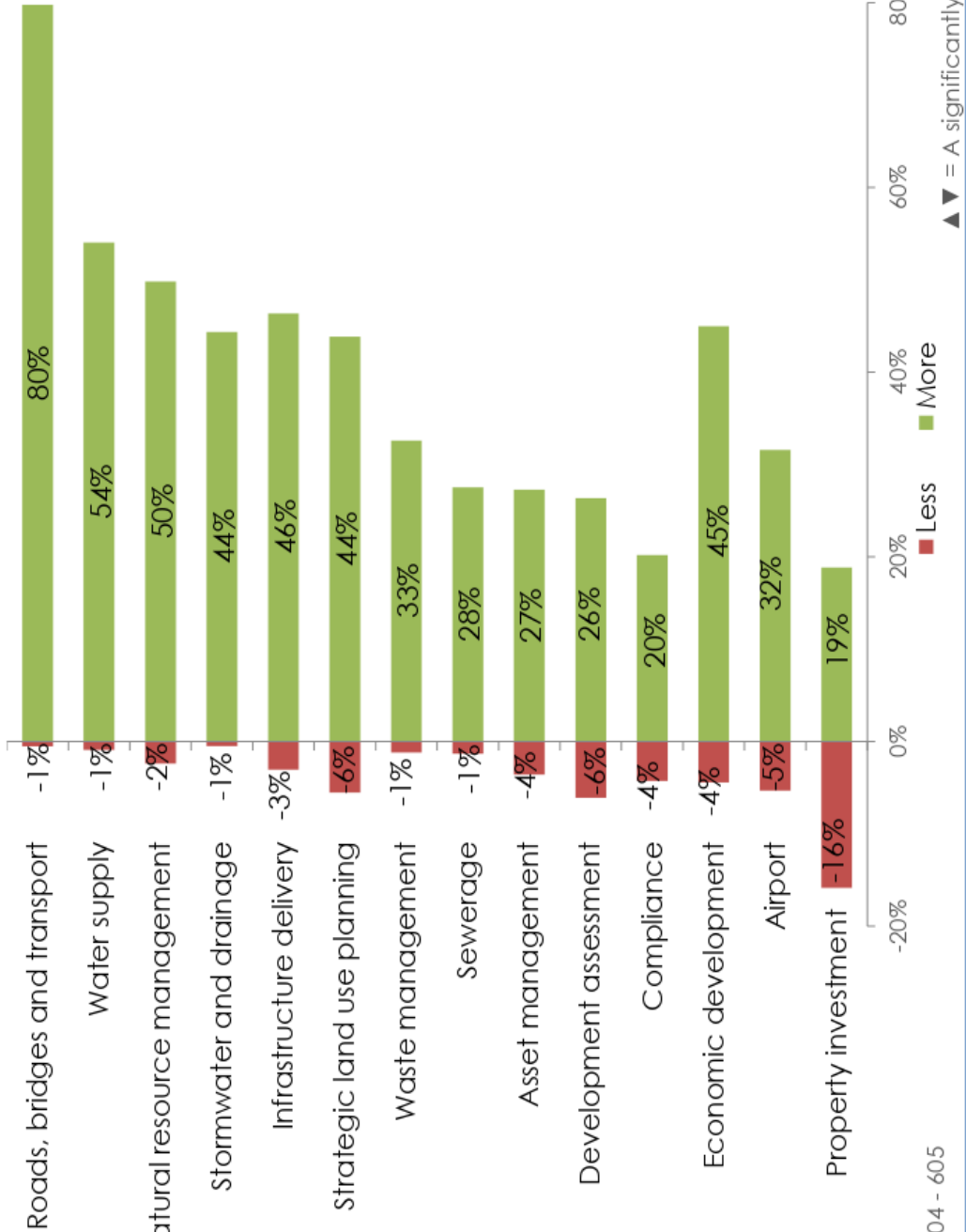
Scale: -1 = less, 1 = more
▲ ▼ = A significantly higher/lower rating (by year)

Base: N = 604 - 605

Little support for reducing investment/resourcing

Your Natural & Built Environment/Your Business & Industry

Q11. What do you believe Council's level of investment (i.e. resourcing/financial) should be in its services?



Base: N = 604 - 605

Scale: -1 = less, 1 = more
▲ ▼ = A significantly higher/lower rating (by year)



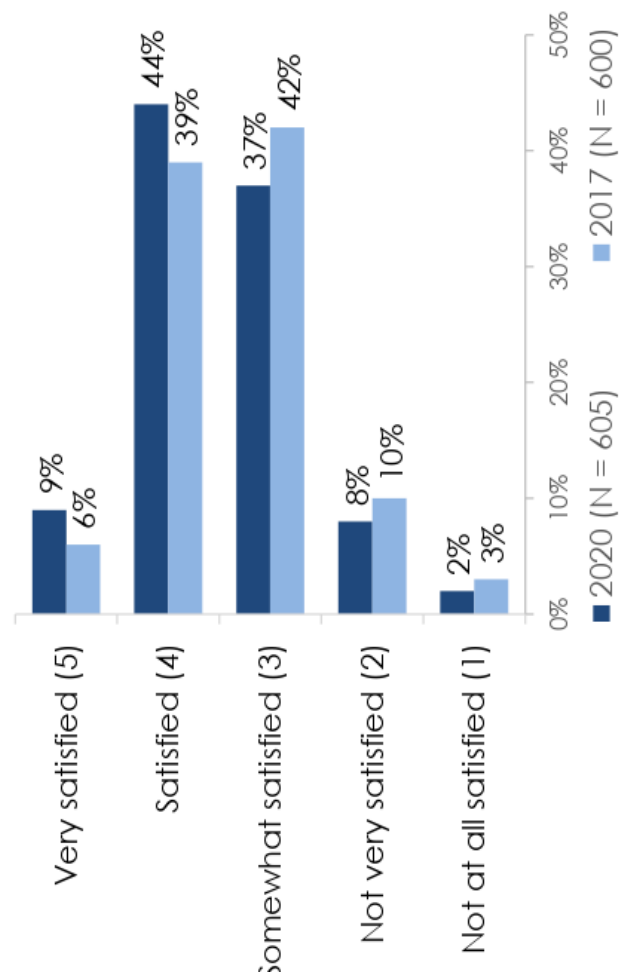
Little support for reducing investment/resourcing

11

Overall Satisfaction

Q7a. Over the last 12 months, how satisfied are you with the performance of Council, not just on one or two issues, but across all responsibility areas?

	2020	2017	2015	2012	Male	Female	18-34	35-49	50-64	65+	
Mean rating	3.50▲	3.36	3.51	3.13	3.56	3.45	3.52	3.41	3.45	3.58	
Base	605	600	600	600	285	320	109	126	160	210	
	Port Macquarie Area			Camden Haven Area		Rural Area		Wauchope Area		Lake Cathie & Bonny Hills Area	
Mean rating	3.56			3.47		3.50		3.51		3.24▼	
Base	314			98		72		65		57	

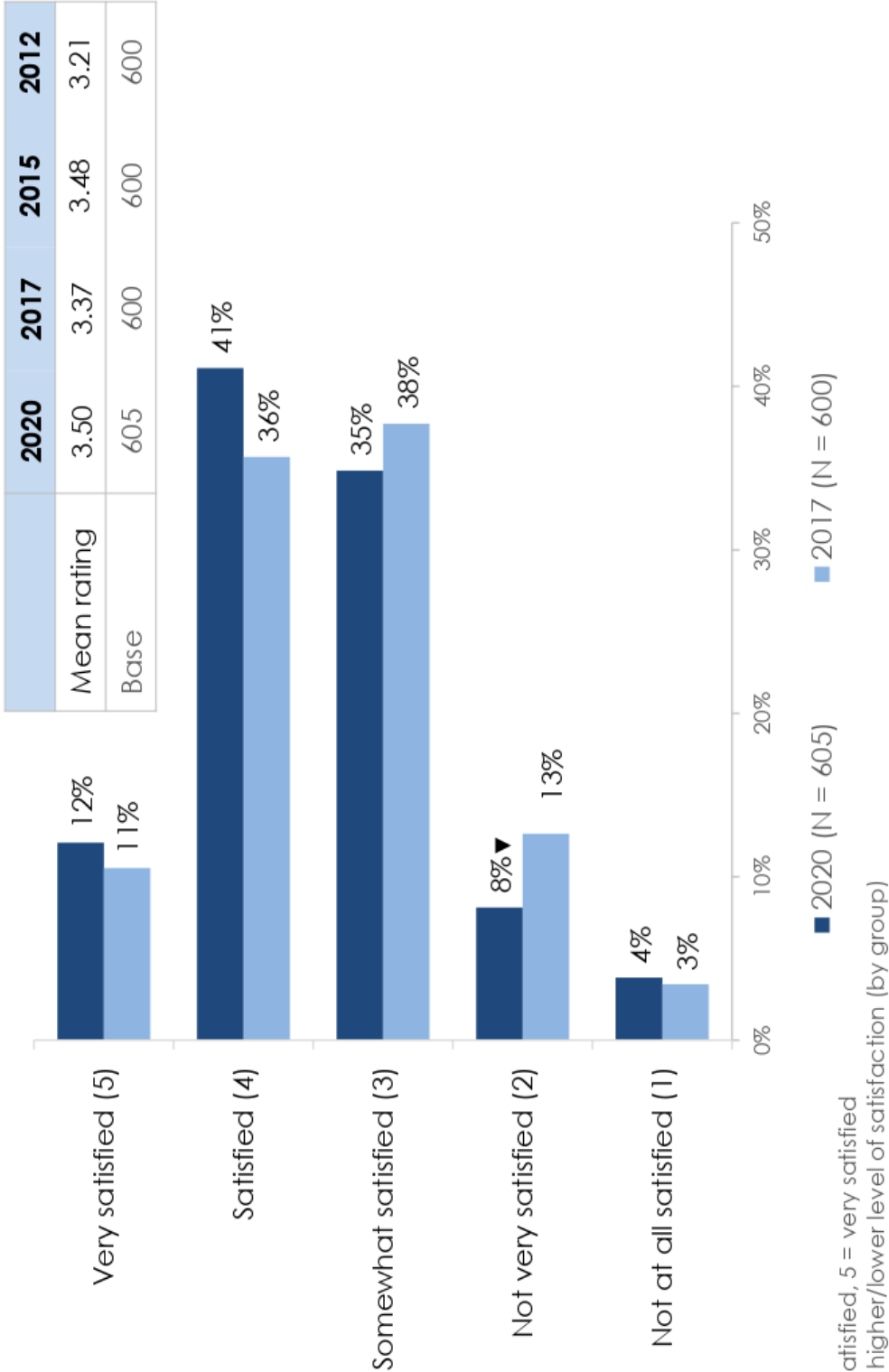


Scale: 1 = not at all satisfied, 5 = very satisfied
▲ ▼ = A significantly higher/lower level of satisfaction (by group)

Overall satisfaction with the performance of Council has significantly increased since 2017.

Satisfaction with Council's Current Level of Communication

Q5. How satisfied are you with the level of communication Council currently has with the community?

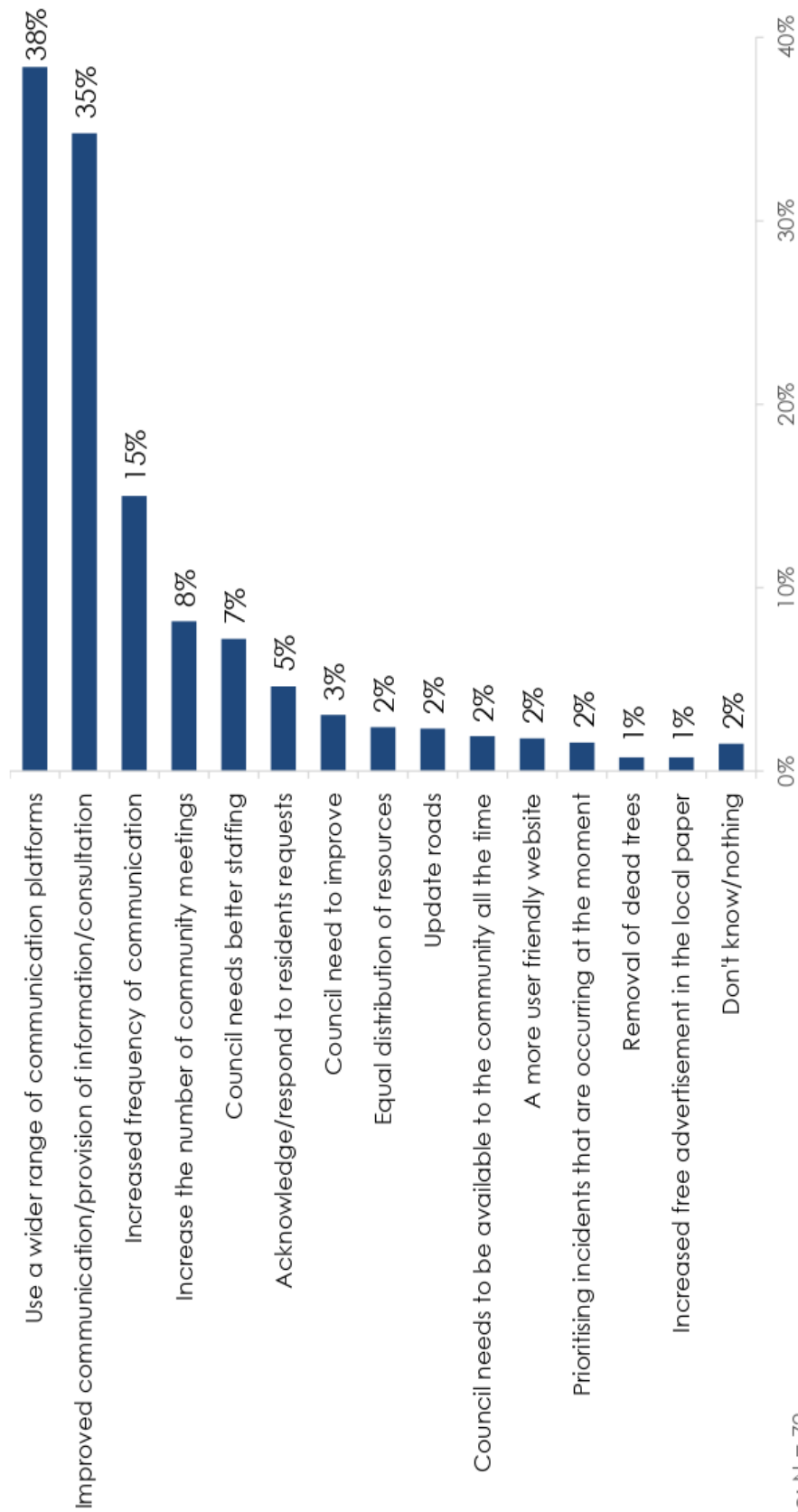


Satisfaction with Councils level of communication has increased.

Satisfaction with Council's Level of Communication

Q6. (If unsatisfied in Q5), how do you think Council can improve its communication?

**Residents that are 'not very/not at all satisfied' with the level of communication
Council currently has with the community (12% of all residents)**



Base: N = 72

Overview – Importance & Satisfaction

Importance

Top 7 for importance	Mean	T2 Box
Maintenance of sealed roads	4.78	96%
Waste collection and disposal	4.77	96%
Recycling	4.76	96%
Water supply services	4.72	93%
Providing services for specific groups disabilities	4.60	92%
Providing value for the ratepayers' dollars	4.60	90%
Sewerage services	4.60	89%

Bottom 5 for importance	Mean	T2 Box
The Glasshouse	3.50	56%
Property investment	3.59	52%
Arts and cultural activities	3.93	69%
Community halls	3.95	69%
Boat ramps, wharves and jetties	4.09	74%

Scale: 1 = not at all important, 5 = very important

Satisfaction

Top 5 for satisfaction	Mean	T3 Box
Library services	4.30	97%
Sewerage services	4.18	93%
Crematorium and cemeteries	4.12	95%
Waste collection and disposal	4.10	92%
Boat ramps, wharves and jetties	4.02	96%

Bottom 5 for satisfaction	Mean	T3 Box
Maintenance of unsealed roads	2.63	56%
Maintenance of sealed roads	2.65	56%
Creating and monitoring parking	3.01	72%
Managing residential development	3.04	69%
Providing transparent corporate and financial management	3.05	70%

Scale: 1 = not at all satisfied, 5 = very satisfied

The above analysis identifies the highest and lowest rated services/facilities in terms of importance and satisfaction.

Overview – Importance

Importance Trends

	2020	2017
Waste collection and disposal	4.77	4.65
Parks, playgrounds, and recreation facilities	4.59	4.47
Strategic planning of the LGA	4.45	4.32
Providing strong leadership	4.43	4.21
Crematorium and cemeteries	4.36	4.18
Creating a sense of place and community involvement	4.36	4.18
Maintenance of unsealed roads	4.36	4.18
Ensuring compliance	4.32	4.18
Informing our community about council activities	4.30	4.11
Partnering with business and industry to contribute to growth	4.30	4.16
Library services	4.24	4.06
Community ability to inform service level delivery	4.21	4.05
Opportunity to engage with Council	4.16	4.01
Providing grant money	4.15	3.97
Online accessibility to services	4.14	3.84
Community involvement in Council's planning	4.12	3.97
Arts and cultural activities	3.93	3.72
The Glasshouse	3.50	3.13

Scale: 1 = not at all important, 5 = very important

The above analysis identifies the importance trends when compared to the 2017 research.

Overview – Satisfaction

Satisfaction Trends

	2020	2017
Boat ramps, wharves and jetties	4.02	3.70
Port Macquarie Airport	3.98	3.71
Encouraging tourism growth	3.93	3.77
Parks, playgrounds, and recreation facilities	3.91	3.67
Sporting facilities	3.84	3.64
Council's customer service standards	3.80	3.63
Enabling the community to feel safe and connected	3.64	3.50
Maintaining Council's assets	3.53	3.33
Informing our community about council activities	3.53	3.32
Providing strong leadership	3.46	3.17
Creating and maintaining footpaths and cycleways	3.14	2.97
Providing value for the ratepayers' dollars	3.08	2.87
Creating and monitoring parking	3.01	2.77
Maintenance of unsealed roads	2.63	2.39

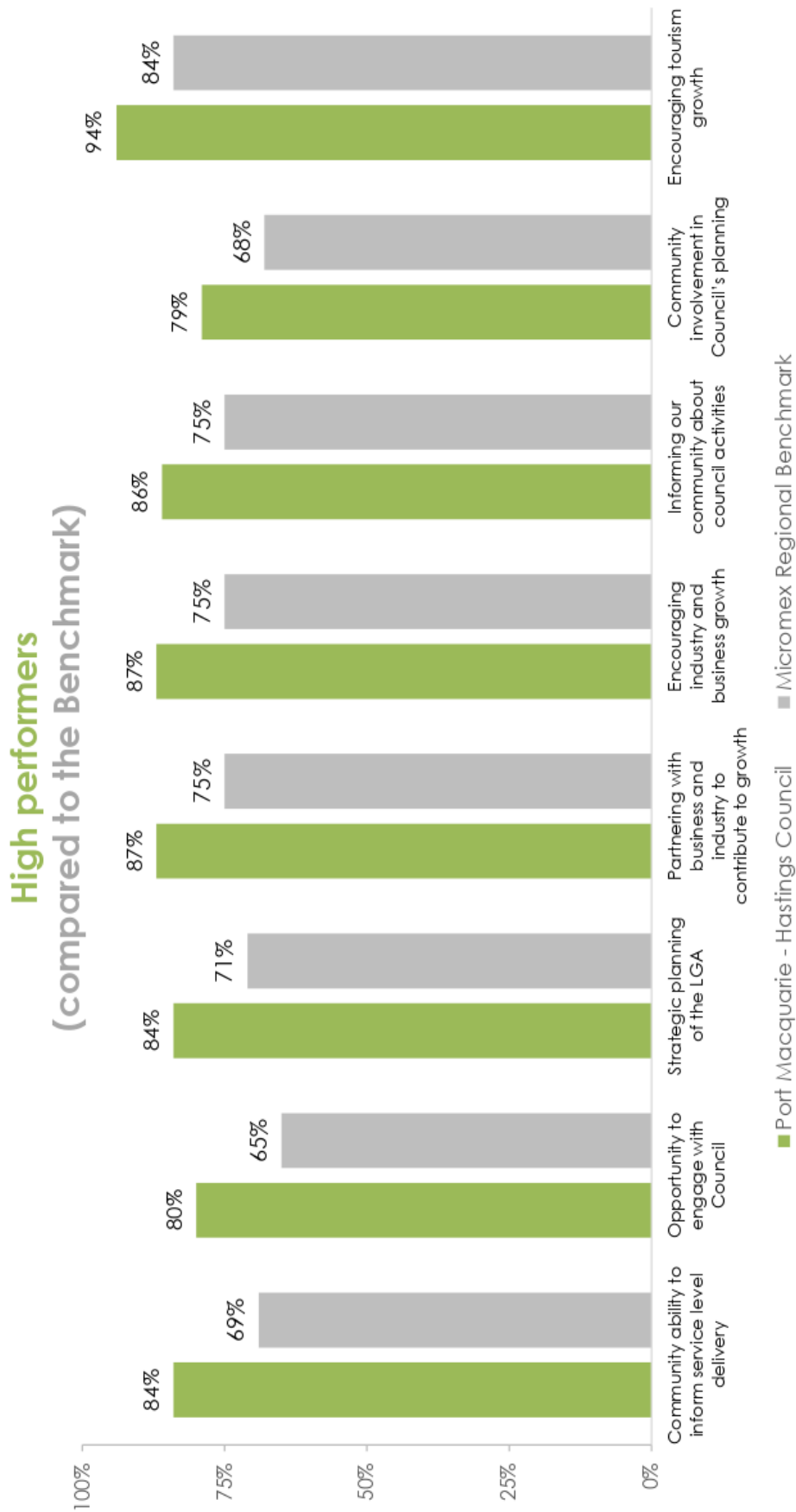
	2020	2017
Water supply services	3.58	3.85

Scale: 1 = not at all important, 5 = very important

Scale: 1 = not at all satisfied, 5 = very satisfied

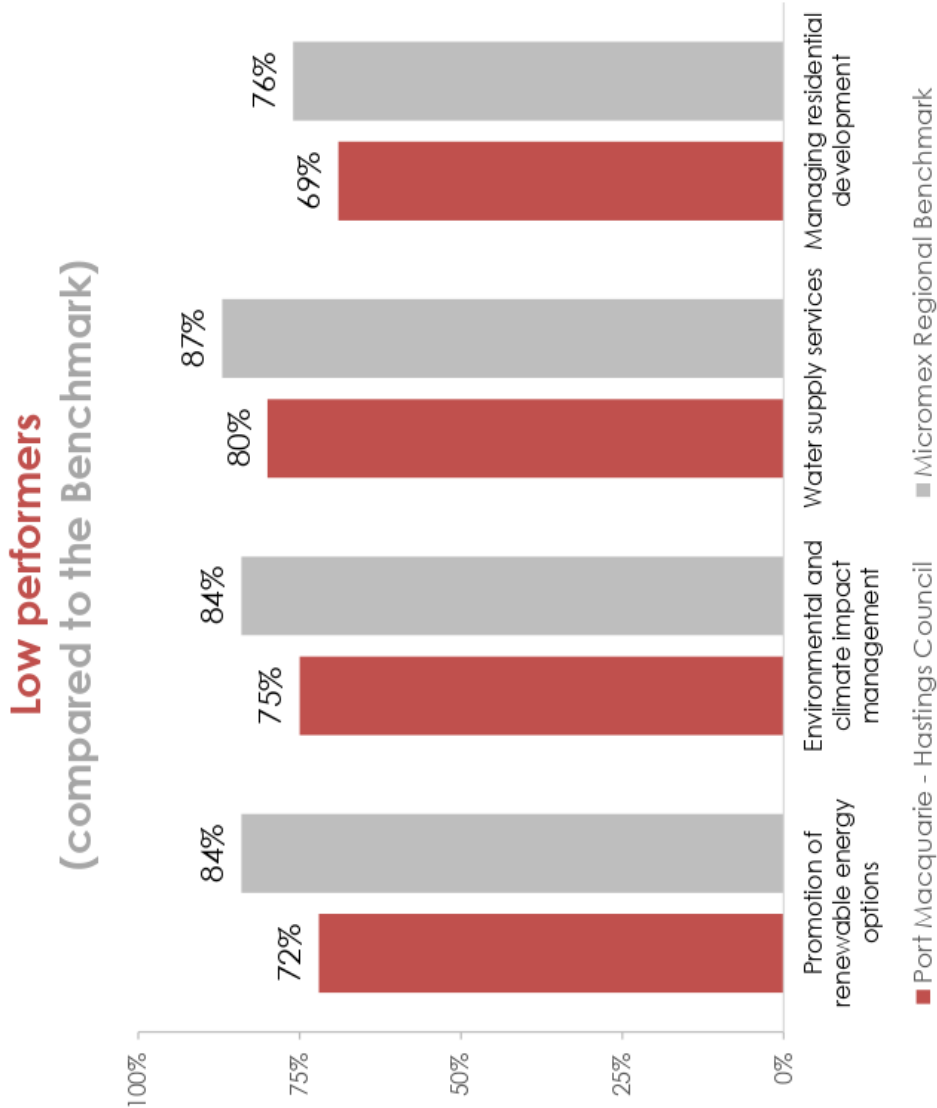
The above analysis identifies the satisfaction trends when compared to the 2017 research.

Comparison to the Micromex LGA Benchmark – Largest Satisfaction Gaps



The table above displays the largest positive variances between Port Macquarie – Hastings Council's top 3 box satisfaction scores and the Micromex LGA Regional Benchmark.

Comparison to the Micromex LGA Benchmark – Largest Satisfaction Gaps



The table above displays the largest negative variances between Port Macquarie – Hastings Council's top 3 box satisfaction scores and the Micromex LGA Regional Benchmark.

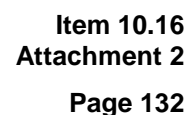
Comparison to the Micromex Satisfaction LGA Benchmark

Service/Facility	Port Macquarie – Hastings Council T3 box satisfaction score	Micromex LGA Benchmark – Regional T3 box satisfaction score	Variance
Community ability to inform service level delivery	84%▲	69%	15%
Opportunity to engage with Council	80%▲	65%	15%
Strategic planning of the LGA	84%▲	71%	13%
Partnering with business and industry to contribute to growth	87%▲	75%	12%
Encouraging industry and business growth	87%▲	75%	12%
Informing our community about council activities	86%▲	75%	11%
Community involvement in Council's planning	79%▲	68%	11%
Encouraging tourism growth	94%▲	84%	10%
Boat ramps, wharves and jetties	96%	87%	9%
An adequate stormwater drainage system	86%	78%	8%
Providing strong leadership	83%	76%	7%
Enabling the community to feel safe and connected	89%	82%	7%
Parks, playgrounds, and recreation facilities	92%	86%	6%
Creating vibrant town centres and public places	88%	82%	6%
Pools	79%	85%	-6%
Managing residential development	69%	76%	-7%
Water supply services	80%	87%	-7%
Environmental and climate impact management that protects and conserves for future generations	75%	84%	-9%
Promotion of renewable energy options	72%▼	84%	-12%

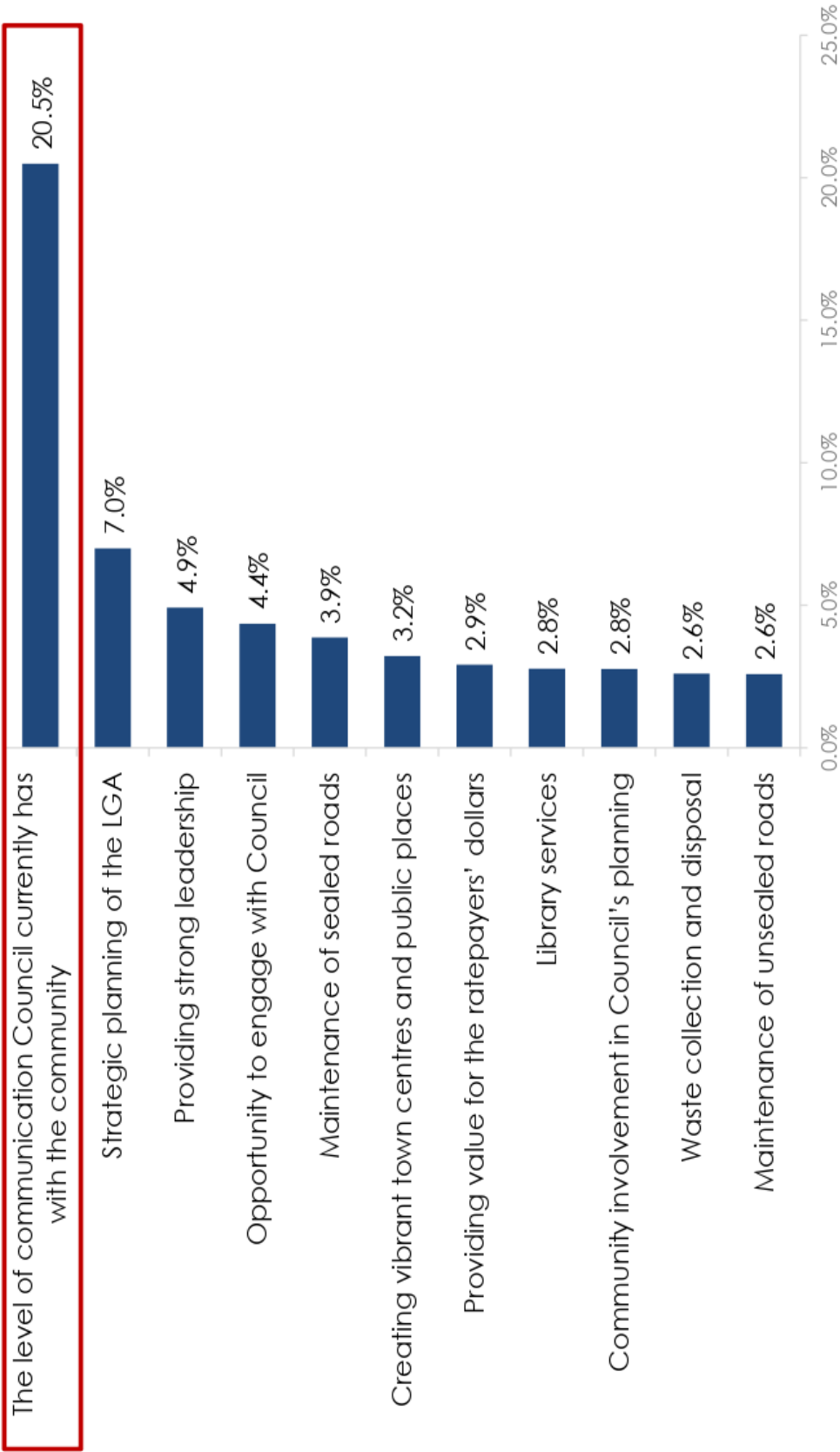
Note: Benchmark differences are based on assumed variants of +/- 10%, with variants beyond +/- 10% more likely to be significant

Performance Gap Analysis

Service/Facility	Importance T2 Box	Satisfaction T3 Box	Performance Gap (Importance – Satisfaction)
Maintenance of sealed roads	96%	56%	40%
Maintenance of unsealed roads	82%	56%	26%
Providing value for the ratepayers' dollars	90%	72%	18%
Long-term delivery planning and vision	88%	71%	17%
Managing residential development	86%	69%	17%
Environmental and climate impact management that protects and conserves for future generations	88%	75%	13%
Water supply services	93%	80%	13%
Creating and maintaining footpaths and cycleways	87%	76%	11%
Providing transparent corporate and financial management	79%	70%	9%
Providing services for specific groups	92%	83%	9%
Promotion of renewable energy options	79%	72%	7%
Recycling	96%	90%	6%

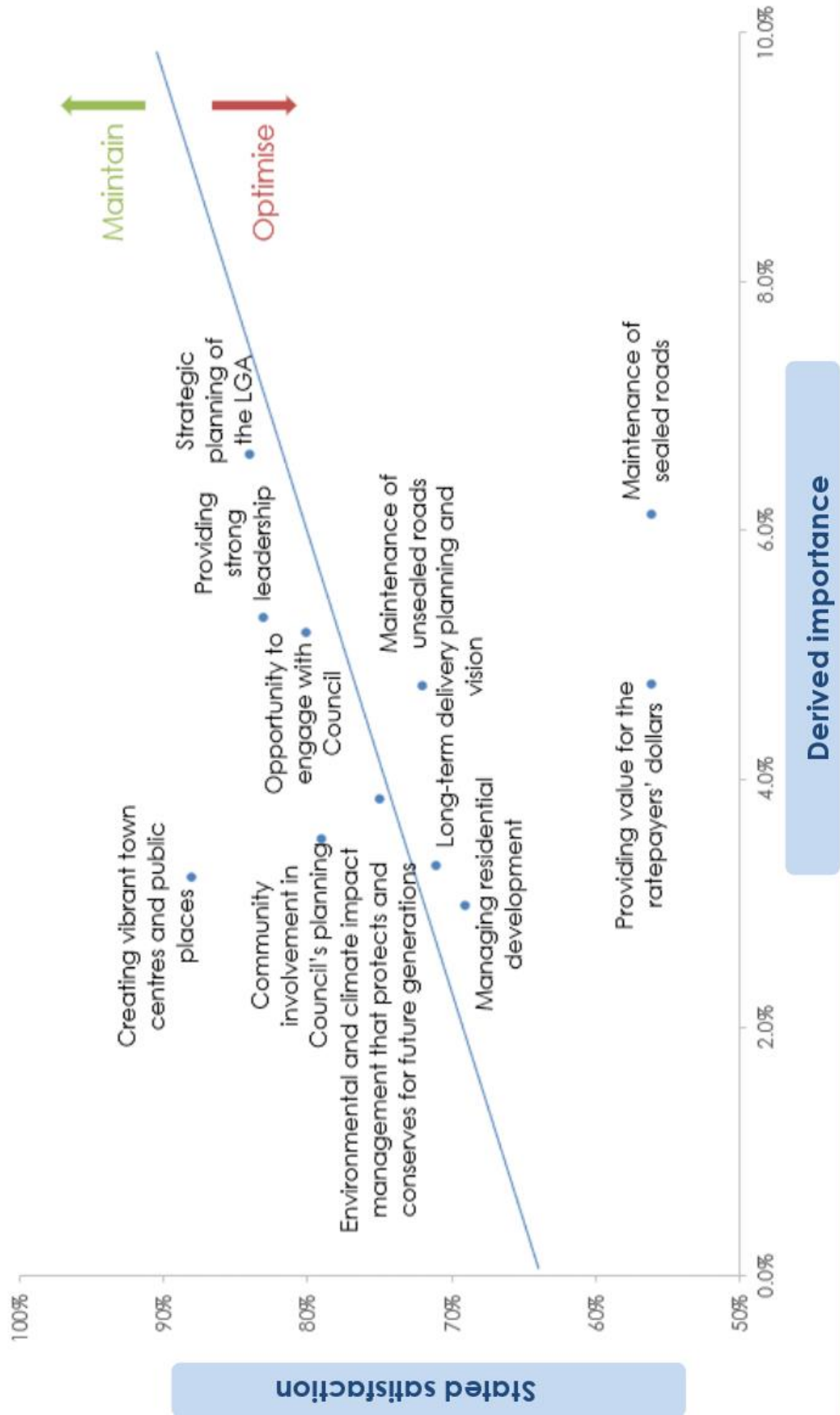


Communication with the Community as a Key Driver of Satisfaction with Council



Re-running the regression to include satisfaction with the current level of communication highlights the importance of communication on overall satisfaction.

Mapping Stated Satisfaction and Derived Importance Identifies the Community Priority Areas



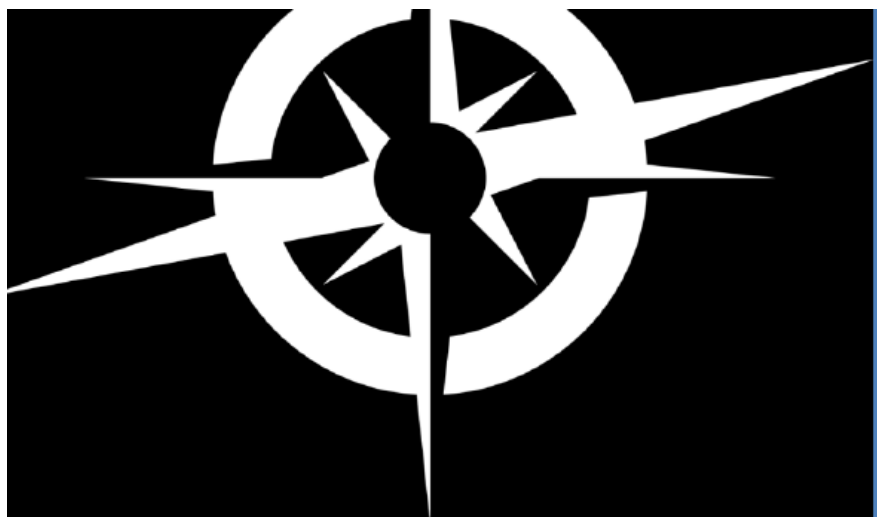
The above chart looks at the relationship between stated satisfaction (top 3 box) and derived importance (Shapley result) to identify the level of contribution of each measure. Any services/facilities below the blue line (shown above) could potentially be benchmarked to target in future research to elevate satisfaction levels in these areas.



Next Steps

Next Steps

- *Council to continue to communicate and demonstrate value, transparency and community leadership.*
- *Council to continue to engage with the community, particularly in the areas of long term planning and service level expectation. Other key topic areas include roads, development/population growth and environmental sustainability*



micromex research

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GRANTS REGISTER (2019-2020)

Legend:

Yes	SUCCESSFUL
Partial	PARTIAL FUNDING RECEIVED
No	UNSUCCESSFUL
TBA	TO BE ANNOUNCED

Date App. Submitted	Date \$ Advised	Project Title	Grant Program	Organisation Offering the Grant	Grant amount applied for	Council's contribution	Amounted granted	Funding Type (Local, State, Federal)	Grant Successful?	Estimated preparation time (hours)	Feedback / comments
31-Jul-19		Safer Roads program (4 projects) - King Creek Road, Owen Street/ Home Street, Lord Street/Herschell Street, Nany Bird Walton Dr/Mendall Road/Ocean Drive	NSW Safer Roads Program	Transport for NSW	\$ 900,000.00	\$ -	\$ 900,000.00	State	Yes	20	
31-Jul-19		Safer Roads program (3 projects)	Australian Government Black Spot Program	Transport for NSW	\$ 570,000.00	\$ -	\$ 570,000.00	Federal	Yes	20	
09-Aug-19	01-Dec-19	Seniors Week	Seniors Week 2020 - seniors sports clinics	NSW Department of Premier and Cabinet	\$ 2,650.00	\$ 1,200.00	\$ -	State	No	2	
02-Sep-19	11-Dec-19	Annual Gallery Program Grant	2019/20 Annual Organisation Funding	Create NSW	\$ 130,000.00	\$ -	\$ 70,000.00	State	Partial	35	Create NSW habitually award about 60% of amount applied. We have adjusted our applications in expectation of this.
30-Aug-19		Port Macquarie - Hastings GPT Audit and Maintenance Planning	NSW EPA's Litter Prevention Grants Program - Round 5	NSW EPA	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	State	Yes	5	
27-Sep-19	20-Mar-20	Laurie Park, Lauriston - provision of kerb and gutter and parking	Stronger Country Communities Funding - Round 3	NSW Department of Premier and Cabinet	\$ 410,000.00	\$ -	\$ -	State	No	5	All funding was allocated to local community and sporting groups and not to Councils
27-Sep-19	20-Mar-20	Town Green West Upgrades	Stronger Country Communities Funding - Round 3	NSW Department of Premier and Cabinet	\$ 500,000.00	\$ 500,000.00	\$ -	State	No	12	All funding was allocated to local community and sporting groups and not to Councils
30-Sep-19		Bus Shelter Replacement Program (16 shelters)	Council Passenger Transport Infrastructure Grant Scheme	Transport for NSW	\$ 176,000.00	\$ -	TBA	State	TBA	20	
04-Oct-19		Local Priority Grant	State Library Subsidy	State Library	\$ 59,468.00	\$ -	\$ 59,468.00	State	Yes	5	
31-Oct-19		Jabiru Fish Cleaning Table	Recreational Fishing Trust	NSW Department of Primary Industries, Fisheries NSW	\$ 18,255.00	\$ -	TBA	State	TBA	5	Fishing Trust advised delays due to process of new Trust Members being elected
07-Nov-19	12-Feb-20	Port Macquarie ANZAC Day Dawn Service - traffic management	Anzac Community Grant Program	NSW Veterans Affairs	\$ 2,000.00	\$ 5,641.00	\$ 1,000.00	State	Partial	2	
19-Nov-19		Lille Inner Acid Sulfate Soil Management Options Study	Coastal & Estuary Grants Program - Coastal & Estuary Planning Stream	NSW Department of Planning Infrastructure & Environment	\$ 147,500.00	\$ 147,500.00	TBA	Local + State	TBA	3	
11-Dec-19	01-Apr-20	Town Beach Playground	Everyone Can Play 2019-20	NSW Department of Planning Infrastructure & Environment	\$ 200,000.00	\$ 415,000.00	\$ 200,000.00	State	Yes	20	
12-Dec-19	24-Jun-20	Construct a Parallel Taxiway	Regional Airports Program - enhance aviation safety & accessibility	Australian Government	\$ 3,530,000.00	\$ 3,530,000.00	\$ 3,530,000.00	Federal	Yes	20	
16-Dec-19	13-Mar-20	Emergency Operations Centre Communications Upgrade	NSW Infrastructure - Disaster Readiness & Community Infrastructure	NSW Office of Responsible Gambling	\$ 45,000.00	\$ 45,000.00	\$ -	State	No	10	Identified Drought Affected Councils were prioritised
18-Dec-19	09-Jun-20	Bioerentary 2007 Together	Building Better Regions Fund Round 4 Community Investments Stream	Department of Infrastructure, Transport, Cities and Regional Development	\$ 20,000.00	\$ -	\$ 20,000.00	Federal	Yes	5	

Date App. Submitted	Date \$ Advised	Project Title	Grant Program	Organisation Offering the Grant	Grant amount applied for	Council's contribution	Amount granted	Funding Type (Local, State, Federal)	Grant Successful?	Estimated preparation time (Months)	Feedback / comments
19-Dec-19	05-Jun-20	Wauchope Regional Sporting Complex Stage 1	Building Better Regions Fund Round Four (Infrastructure Stream)	Department of Infrastructure, Transport, Cities and Regional Development	\$ 5,000,000.00	\$ 10,000,000.00	\$ -	Federal	No	35	Gordon (Retirement) Village received \$245,750 for Sustainability Hub. No funding for Lyne electorate. Noting LGA designated as drought affected were prioritised (PNHC not in this category)
23-Dec-19	30-Jun-20	1. Highfield Circuit PMQ Pavement Resurfacing Works	Fiving Local Roads Round 1, 2019	Transport for NSW	\$200,000.00	\$0	\$ 200,000.00	State	Yes	15	
23-Dec-19	30-Jun-20	2. Toonak Court PMQ Pavement Resurfacing Works	Fiving Local Roads Round 1, 2019	Transport for NSW	\$105,000	\$0	\$ 105,000.00	State	Yes	12	
23-Dec-19	30-Jun-20	3. Bago Road Wauchope Pavement Rehabilitation Works (Bago Rd between Milligans Rd and Timberops Ct)	Fiving Local Roads Round 1, 2019	Transport for NSW	\$1,110,000	\$1,110,000	\$ 1,110,000.00	State	Yes	18	
23-Dec-19	30-Jun-20	4. Pembroke Road, Redbank (Pembroke Road between Beechwood Rd and Storey Ck Rd)	Fiving Local Roads Round 1, 2019	Transport for NSW	\$2,440,000	\$0	\$ 2,440,000.00	State	Yes	20	
23-Dec-19	30-Jun-20	5. Pembroke Road, Pembroke (Pembroke Road between Logg Ck Bridge and north of Saltwater Ck Bridge)	Fiving Local Roads Round 1, 2019	Transport for NSW	\$550,000	\$0	\$ 550,000.00	State	Yes	18	
23-Dec-19	30-Jun-20	6. Lorne Road Pavement Rehabilitation Works (between Smiths Rd and Loggins Crossing Rd)	Fiving Local Roads Round 1, 2019	Transport for NSW	\$3,540,000	\$0	\$ -	State	No	25	Will automatically be re-submitted for Round 2
23-Dec-19	30-Jun-20	Marie River Road Sealing	Fiving Local Roads Round 1	Transport for NSW	\$17,011,000	\$0	\$ 17,011,000.00	State	Joint Funding with Kempsey Council	30	Joint funding with Kempsey Council
09-Jan-20	09-Jan-20	Federal Bushfire Disaster Recovery Fund - Government base payment to PNHC	Announcement from Prime Minister	Prime Ministers Office	\$1,416,667	\$0	\$ 1,416,667.00	Federal	Yes	35	
05-Feb-20	05-Feb-20	Bushfire Community Resilience and Economic Recovery Funds: Phase 1	Announcement from Hon John Barilaro Minister for Regional NSW	NSW Government	\$250,000	\$0	\$ 250,000.00	State	Yes	15	
21-Feb-20		Various shared path, on-road bicycle lane improvements (5 projects)	NSW Walking and Cycling Program - Regional Cycling	Transport for NSW	\$570,000	\$0	TBA	State	TBA	15	
21-Feb-20		Olney Hwy shared path - Widderson St to Fernhill Rd	NSW Walking and Cycling Program - Regional Cycling	Transport for NSW	\$620,000	\$0	TBA	State	TBA	15	
21-Feb-20		Beach to Beach shared path - Section D3	NSW Walking and Cycling Program - Regional Cycling	Transport for NSW	\$750,000	\$500,000	TBA	State	TBA	15	
21-Feb-20		Various footpath, shared zone projects (10 projects)	NSW Walking and Cycling Program - Regional Walking	Transport for NSW	\$1,157,500	\$0	TBA	State	TBA	35	
05-Mar-20		LGA Arts & Cultural Programs Multi-Year funding	LGA Arts & Cultural Programs Multi-Year funding	NSW Government (Create NSW - Arts, Screen & culture)	\$300,000	\$397,000	TBA	State	TBA	35	In May 2020 Create NSW advised that there was a delay in the decision about awarding grants
10-Mar-20	01-May-20	Sensitive Receptors - Catchment Management Lake Cathie, Lake Innes and Watson Taylor Lake	NSW Coastal and Estuary Grants Program - for financial assistance for bushfire affected coastal waterways	NSW Dept of Planning, Industry and Environment	\$265,000	\$25,000	\$ 265,000.00	State	Yes	8	
20-Mar-20	27-Jul-20	5 Angry Men Residency for Port Macquarie Biosciences 2021	Festivals Australia	Department of Infrastructure	\$40,000	\$0	\$ -	Federal	No		Very competitive, only 14 applications successful from 67 applications. Feedback being sought.
25-Mar-20	27-Jun-20	ArtWalk 2020 - marketing out-of-region promotion campaign	Regional Destination NSW Flagship Fund	Destination NSW	\$20,000	\$0	\$ 20,000.00	State	Yes	8	
08-Apr-20	24-Jun-20	ArtWalk 2020	Regional Tourism Bushfire Grant	Austrade Australian Trade and Investment	\$25,000	\$68,407	\$ 25,000.00	Federal	Yes	8	
09-Apr-20		Westport Park Boat Ramp Facility Upgrade, EOI 6/12/20 and then invited to apply	Round 3 Boating Now Program	Transport for NSW	\$737,275	\$250,000	TBA	State	TBA	12	EOI approved and invited to apply for the program
20-Apr-20		Lank Balm Sporting Complex Upgrade	NSW Infrastructure - Club Grants Category 3: Sport & Recreation	NSW Office of Responsible Gambling	\$180,500	\$180,500	TBA	State	TBA	20	

Date App. Submitted	Date \$ Advised	Project Title	Grant Program	Organisation Offering the Grant	Grant amount applied for	Council's contribution	Amount granted	Funding Type (Local, State, Federal)	Grant Successful?	Estimated preparation time (months)	Feedback / comments
24-Apr-20	25-May-20	PMH Cares Network	Combating Social Isolation for Seniors during COVID-19	NSW Families & Community Services	\$37,500	\$0	\$ -	State	No	5	Very competitive, over 500 applications
08-May-20	16-Jun-20	Port Macquarie Lumiere	Regional Tourism Business Recovery Grant Stream 2	Austrade Australian Trade and Investment Resilience NSW	\$200,000	\$25,000	\$ 145,000.00	Federal	Partial	25	
22-May-20	Community Recovery Officer 12 month position		Announcement from Shane Fitzsimmons, Resilience NSW Commissioner		\$220,000	\$0	\$ 220,000.00	State	Yes	0	Maximum of \$150,000 for employee related expenses. Maximum of \$70,000 for operating expenses
28-May-20	Port Macquarie Sincro Highway Service Centre and Ancillary Pacific Highway and Oxley Highway Works (Scott PDI contribution \$9,386,235)		Heavy Vehicle Safety and Productivity Program - Round Seven	Dept Infrastructure, Transport, Regional Development and Communications	\$2,000,000	\$0	TBA	Federal	TBA	10	
29-May-20	Dunkins Flat on Wingham Road (Comboyne) - Culvert upgrade		Bridge Renewal Program - Round Five	Dept Infrastructure, Transport, Regional Development and Communications	\$225,000	\$225,000	TBA	Federal	TBA	20	
29-May-20	Old school road bridge - Culvert upgrade		Bridge Renewal Program - Round Five	Dept Infrastructure, Transport, Regional Development and Communications	\$160,000	\$160,000	TBA	Federal	TBA	20	
29-May-20	Bill Brill Bridge (Rollands Plains) - Timber Strengthening. No upgrade due to heritage.		Bridge Renewal Program - Round Five	Dept Infrastructure, Transport, Regional Development and Communications	\$430,000	\$430,000	TBA	Federal	TBA	20	
05-Jun-20	Kew Driver/Reviver site mobile variable messaging signage		Driver/Reviver Site Upgrades Program Round 1	Dept Infrastructure, Transport, Regional Development and Communications	\$20,000	\$5,000	\$ 20,000.00	Federal	Yes	3	Quickest grant approval ever! Project completion within 3 months by 30 August 2020
			TOTAL		\$ 46,321,315.00	\$18,050,248	\$ 29,158,135.00			686	
					Grant amount applied for	Council's contribution	Amount granted			Estimated preparation time (months)	

Project Update for August Council Report - Commonwealth Bushfire Disaster Recovery Funding

ID	Project Owner	Project	Allocation	Anticipated completion date (30 June 2021 or earlier)	Progress update 20/7/2020
DRF1	PMHC - Community Engagement	10 to 12month Employment of Community Recovery Officer	\$ 120,000	30/06/2020	As Resilience NSW has funded a Community Recovery Officer, the \$120k allocation has been re-allocated to supporting community wellbeing and resilience training and workshops. It will also contribute to the community to identified projects, programs and activities the Community Recovery Officer will be doing across the affected communities.
DRF2	PMHC - HR	Staff Resilience training / workshops	\$ 50,000	30/12/2020	14/7/20 Launched stage one and two of staff resilience program. Prepare Leaders self paced online training accessible to people managers for 12 months. Managing Stress in Times of Uncertainty self paced online training accessible to all staff for 12 months. Plans to deliver face to face workshops to all staff have halted and will progress when the COVID risk reduces.
DRF3	PMHC - ICT	EOC - upgrade Communications, telephone, printing, smart projectors	\$ 45,000	31/03/2021	Confirmed detailed requirements. Next step is to draft a project plan and commence procurement activities.
DRF4	PMHC - Economic & Cultural Development	Community celebration for the RFS and all volunteer services virtually and gratitude murals in fire effected townships	\$ 60,000	25/12/2020	Initial proposal for a large community event in Autumn 2020, this has been reconsidered due to COVID 19. Adjusted plans will see Council delivering a series of gratitude murals in fire-effected townships and combining a "thank you" event and an end of year Christmas entertainment celebration in a virtual platform to unveil the murals and have performances from across the LGA.
DRF5	PMHC - Economic & Cultural Development	Marketing campaign / tourism / business	\$ 100,000	31/10/2020	Destination marketing campaign activity transitioned in market at the start of July. The campaign leads with a strong digital presence including activity across new audio formats such as Spotify and Podcasts this will be followed by a high impact outdoor presence in key visitor markets. A strong support local message featuring local operators has been incorporated. Thus far the campaign is performing well and meeting all KPI's and targets.
DRF6	Wauchope Showground	Wauchope Showground \$90K new amenity Block, \$210K contribution towards new stables	\$ 300,000	1/10/2020	Planning has been completed to replace a toilet block and 3 x rows of 24 stables. Covid has had no effect on the construction, due to the Showground being closed to events/camping etc. Construction is expected to commence in August to September.
DRF7	Bunyah Local Aboriginal Land Council	Bunyah and State Forests develop 10 person Aboriginal Cultural burning team - training program, PPE, chainsaws, mowers look after LALC properties	\$ 45,000	1/12/2020	State Forests has provided the training program for free. Funds used to purchase Personal Protection Equipment (PPE) for the trained team and purchase of chainsaws, mowers etc
DRF8	Birpai Local Aboriginal Land Council	\$38k for upgrade to Community Shed - ceiling fans, awning over footpath to bathrooms, external lighting, screening of outdoor area to keep out mozzies. \$7k repairing of cooktop and rewiring outdoor kitchen.	\$ 45,000	1/12/2020	Planning has commenced for the upgrades to community facilities.
DRF9	Kendall Showground	Kendall Showground upgrade toilet amenities, refurbish kitchen with commercial stove, fridge and preparedness as evacuation centre	\$ 50,000	1/09/2020	Planning is complete to deliver a bright new and improved amenities block. The revamp includes renew ceiling, new lighting, non-slip floor tiles, bright white wall tiles, new mirrors, complete paint out, skylights, new lockable doors on toilet and shower cubicles and new soap and paper towel dispensers. The revamp to the amenities will ensure an easy to clean, safer environment facility for all ground users to enjoy. The Society Board are thrilled to have local tradesmen working on the site. This project upgrade will ensure future preparedness for future crisis or evacuation centre use.
DRF10	Port Macquarie Chamber of Commerce	Awareness Video / showcase business, local producers, buy local	\$ 20,000	31/12/2020	Planning is underway for the Buy Local Campaign to support local businesses recover from Bushfires & now COVID19.
DRF11	Rollands Plains Community Association	Procurement and installation of equipment to aid in emergency situations for the RP Recreational Reserve: 2 door commercial fridge, gas upright stove and range hood.	\$ 8,200	31/12/2020	Quotations received. Expected works to commence later in the year.
DRF12	PMHC Community Recovery Officer and Long Flat CCAT	Facilities at the Long Flat Football ground to accommodate a Fire truck entry with water tank to fill RFS trucks for future emergencies.	\$ 10,000	31/12/2020	Community Recovery Officer will project manage and liaise with RFS to plan works that are fit for purpose.

ID	Project Owner	Project	Allocation	Anticipated completion date (30 June 2021 or earlier)	Progress update 20/7/2020
DRF13	Long Flat Hall & pre-school	Long Flat Hall and preschool - install stand alone accessible (disability) toilet and linking path, ramp to hall (has steps)	\$ 50,000	31/12/2020	Design completed and awaiting DA approvals and then works will commence.
DRF14	Long Flat Hall & pre-school with PMHC	Long Flat Hall and preschool - link to new sewerage connection	\$ 10,000	30/06/2020	On standby to connect when new sewer system becomes available.
DRF15	Telegraph Point Hall	Telegraph Point Hall - connection to new sewerage system / waiver of connection fee	\$ 8,000	Completed 1/7/2020	Connection to the new sewerage system has been completed. The environment of Telegraph Point has been improved by this new sewerage system and removal of the old septic tank.
DRF16	Comboyne Hall - with PMHC	Sewer-connect	\$ 10,000	30/06/2020	On standby to connect when new sewer system becomes available.
DRF17	Comboyne Museum	Comboyne Museum Hurrell House - sewer connection for new toilet amenities - for future evacuation site for caravans, RV's etc	\$ 10,000	30/06/2020	On standby to connect when new sewer system becomes available.
DRF18 A	PMHC - GMEDC	Covid Community in Recovery (was \$45,000 with \$25,000 re-allocated to Pappinbarra Fire Brigade)	\$ 20,000	30/06/2020	Monitoring the situation. GMIT have donated two generators for two residents whose property burnt down. Community Recovery Officer will arrange transport of 102kilo generators from Kempsey collection point to residents.
DRF18 B	Pappinbarra Rural Fire Brigade	Pappinbarra RFS Brigade site including an awning, concrete and electrical works, steel watertank and generator lock up cage.	\$ 25,000	31/12/2020	Quotations received and works expected to commence in August.
DRF19	PMHC - GMERS	Erosion and sediment control. Temporary/short term control measures in fire affected landscapes where sufficient ground cover to suppress erosion and soil loss no longer exists, road side cuttings etc.	\$ 150,000	31/12/2020	PMHC staff have shortlisted potential sites using a site suitability matrix and will now undertake further on ground site inspections to determine appropriate sites for restoration. Using this system, PMHC has assessed over 1900 parcels of land to create a shortlist of 19 potential sites to undertake an environmental restoration / remediation project. From July, PMHC staff will begin site inspections of the shortlisted sites. Based on these inspections, a site will be selected to undertake an environmental restoration / remediation project that will offset environmental damage caused by the bushfire event. The selected environmental restoration / remediation project will aim to be completed by December 2020.
DRF20	PMHC Community Recovery Officer + CCAT + Building Services	Beechwood Hall Improvements	\$ 20,000	30/06/2020	Refurbishment of hall kitchen to enable catering for community briefings, workshops and fit for purpose as an evacuation centre.
DRF21	Byabarra Recreation & Public Hall	Byabarra Hall Improvements	\$ 20,000	31/12/2020	Completed - purchase of new oven and range for hall kitchen. Completed - improvement to overall security of hall and surrounds. Benefits that vandalism and undesirable activities seemed to have ceased. Planning future improvements to the hall.
DRF22	Comboyne Hall	Comboyne Hall improvements	\$ 20,000	31/12/2020	Planning commenced for hall improvements.
DRF23	Ellenborough Hall	Ellenborough Hall improvements	\$ 20,000	31/12/2020	Committee reviewing long-term future of the community hall and needs as an evacuation centre.
DRF24	Hollisdale (Pappinbarra) Hall	Hollisdale Hall improvements	\$ 40,000	31/12/2020	Waiting on quotes and availability of contractors for capital works and COVID 19 restrictions to be eased to be able to run 'Reconnecting community' and 'Youth Resilience' programs. Completed installation to NBN service to the Hall. This allows access to the following services using free Wi-Fi for those without connectivity in their homes (due to fire, service availability on socio-economics reasons) to access the internet for social interactions, school support, online health and government agency services. This will also be a valuable service next time the hall is used as an emergency relief centre.
DRF25	Kindee Hall	Kindee Hall - Finish disability accessible toilet	\$ 20,000	Completed 30/6/2020	New accessible amenities completed. Hall is now fit for purpose to host community meetings and briefings and as an evacuation site for local residents.
DRF26	PMHC - GMRPB + Lake Cathie Hall	Lake Cathie Hall improvements	\$ 20,000	30/12/2020	Water tank, pump and shipping container have been sourced and will be delivered mid August.

ID	Project Owner	Project	Allocation	Anticipated completion date (30 June 2021 or earlier)	Progress update 20/7/2020
DRF27	PMHC - Paul Bailey + Laurieton Arts Hall / Longworth Park	Laurieton Arts Hall / Longworth Park improvements	\$ 20,000	30/12/2020	Liaison with Community Recovery Officer and Building Services to identify priority improvements to enable hall fit for purpose for community evacuation and meetings/ briefings.
DRF28	PMHC Community Recovery Officer + Jeanette Rainbow + CCAT + Building Services	Pembroke Hall maintenance	\$ 20,000	30/06/2020	Community Recovery Officer has commenced 20/7/20. They will arrange meeting with CCAT, Jeanette Rainbow (Hall Custodian) and Building Services to determine priority hall maintenance project.
DRF29	Rolands Plains Hall	Hall improvements	\$ 20,000	30/12/2020	Quotations and sourcing of materials has begun. Expected works to commence later in the year. Our community will be far better equipped to look after our own in times of threats, ranging from flood to fire.
DRF30	Telegraph Point Hall	Tele Point Hall amenities and accessible toilet construction	\$ 20,000	30/04/2021	Connection to the new sewerage system has been completed. Planning underway for accessible amenities block in order for the hall to be the Emergency Evacuation Centre for Telegraph Point in case of future natural disasters.
DRF31	PMHC Community Recovery Officer + Bellangry CCAT	Bellangry - Woodlands Reserve works	\$ 40,000	30/06/2021	Community Recovery Officer has commenced 20/7/20. They will arrange meeting with CCAT, Community and Building Services to determine priority project.
DRF32	Long Flat	COMPLETED. Contractor JR Richards to remove rubbish and rubbish bins left from stranded travellers due to bushfire road closures	\$ 467	Completed 28/02/2020	Completed.
TOTAL			\$ 1416,667		

Project Update for August Council Report - NSW Bushfire Community Resilience and Economic Recovery Fund

Number	Project Owner	Proposed description of Activities	Allocation	Approved Completion Date	Progress update 20/7/2020
1	PMHC Economic Development Team	Small business workshop series - future proofing your business, 'how to get through winter', cashflow management, x 5 townships	\$ 20,000.00	31/10/2020	Physical workshops postponed due to COVID-19 and abundance of on-line events in immediate aftermath of COVID lockdown. Online events and methods for sharing recovery education being explored with regional partners.
2	PMHC Economic Development Team	3 x Expos - our region is open for business. Purchase of collateral for exhibitor stall including 3m x 2m promotional banner, investment attraction brochures, satchel inserts. Council stall when Expo's are open. New for PMHC - NDIS State Conferences NSW and Qld satchel insert tailored investment attraction. New for PMHC Exhibiting at Sydney Build Expo (now 2021), new for PMHC Exhibiting at Advanced Manufacturing Exhibition (now 2021)	\$ 10,000.00	31/12/2020	Expos, satchel drops booked, collateral designed and delivered, expos postponed due to COVID-19 to late 2020 and early 2021, satchel-drops postponed until further notice. New opportunities to achieve outcomes being explored.
3	PMHC Destination & Cultural Development Team	Winter Destination marketing campaign, promote upcoming events - visitors to come to the region, 'holiday here', expanded marketing. Motorcycle Friendly ride guide updated, print and distribution - bushfire affected roads now open.	\$ 70,000.00	30/09/2020	Motorcycle Friendly Wauchope Map being designed, including development of photography and digital assets to grow the Motorcycle Friendly Wauchope brand.
4	Camden Haven Chamber of Commerce	"Our way to recover" video and print content development and education campaign. Engage a journalist and videographer to interview Camden Haven farmers to showcase four different styles of farming, their land, their techniques, their property, their product, and where and how residents and businesses can access it.	\$ 20,000.00	30/08/2020	Planning is underway for the Farmers video campaign. Delayed due to COVID restrictions.
5	Camden Haven Chamber of Commerce	Camden Haven River Festival - new event. Art, artists, local providers, outdoor hubs of entertainment / installations along the river banks, flotilla.	\$ 30,000.00	31/12/2020	Planning is underway for the Camden Haven River Festival, with outdoor hubs and installations being explored as part of the event design to be compliant with likely COVID regulations.
6	Wauchope Chamber of Commerce	Creative Wauchope 'Social-Distancing Festival' Local art and craft tutors deliver online workshops using digital platforms. Art kits available for collection / pick up and follow along online tutorials.	\$ 10,000.00	31/10/2020	The Create on online project EOI have now closed with 10 individual artists with different workshops themes being successful. They will now continue with information and training sessions to upskill ready for the workshops which will be held in the first week of October in conjunction with Art Walk 2020.
7	Wauchope Chamber of Commerce	"Our way to recover" video and print content development and education campaign.	\$ 20,000.00	31/08/2020	Three videos being produced; a community focused one on Hinterland life interviewing a local firefighter and a motorcyclist. Our producer/food will look at our natural resources, kids on the farm, hopefully the Farmers market. The third video is a welcoming promotional video with a range of local businesses shots of the town and local surroundings plus things to do around the area. Filming is commencing late July.
8	PMHC Community Engagement Team	Community Resilience Workshops run in conjunction with Lifeline Australia, suggestion by local CEO of Lifeline Australia (program already developed) OR Mental Health First Aid at regional halls and townships.	\$ 25,000.00	30/10/2020	Community Recovery Officer commenced 20/7/20 and will undertake delivery of the project.
9	PMHC Community Engagement Team	Community and Council Action teams at Regional Halls - series of small community in recovery BBQ's and events (approx 10)	\$ 20,000.00	30/10/2020	Community Recovery Officer commenced 20/7/20 and will undertake delivery of the project.
10	PMHC Economic Development & Communication Teams	Support Local Business Video campaign. Videographer short and vibrant profiles of business for FB, social media	\$ 25,000.00	30/09/2020	Production of video campaign is underway and expected to be in market in August.
		TOTAL	\$ 250,000.00		

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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Overview

Port Macquarie-Hastings Council recognises the importance of sport and recreation as an integral part of our social fabric, generating community cohesion and attracting visitors to the region. Our region has some fantastic recreational resources including the Port Macquarie Coastal Walk, Port Macquarie Skatepark, the Wauchope All-Abilities Playground, our sporting facilities, and iconic beaches. It is vital that Council works with the community to deliver and enhance these services and opportunities.

As a Council, we need to be well prepared to continue the delivery of an appropriate level of recreational facilities and services into the future. This includes maintaining a commitment to the provision of sports facilities, providing for participation in unstructured activities and a variety of passive and active recreational pursuits.

Due to the increase in facilities and services provided to and required by the community, provision of these opportunities has become more complex. Council must plan, develop and manage suitable allocation of funding, resources and priorities to ensure all members of the community are offered the opportunity to participate.

The Recreation Action Plan (the Plan) aims to provide Council with the necessary framework to provide for sport and recreation facilities in the short to medium term.



October 2019 Update

This is an updated Plan which reflects current priority projects required to meet community needs along with facilities needed to meet forecast growth in the Port Macquarie-Hastings.

The status of actions identified for delivery in the previous Plans (Recreation Action Plan 2015-2025 and Recreation Action Plan 2017-2025) is outlined in Appendix 1.

The Plan has been revised to reflect:

- Finalisation of the Port Macquarie-Hastings Open Space Contribution Plan
- Changing community, Council and State Government priorities
- Opportunities to reduce overall project cost and minimise impact on user groups by aligning project stages where appropriate
- Condition based asset information, providing clarity as to when assets need to be replaced
- Likely availability of funding sources
- Actions identified in recently developed Community Plans.
- A desire to optimise the use of existing open spaces.

The updated Plan, identifies three timelines for delivery of priority projects:

Immediate	2019-2020
Short term	2020-2021 to 2021-2022
Medium term	2022-2023 to 2024-2025



Immediate Priority Actions 2019/2020			
Guiding Principle	Area	Facility	Project Detail
Planning for growth	Lake Cathie/Bonny Hills	Rainbow Beach Sports Fields	Finalise detailed design and approvals and commence construction
		Hastings River Recreational Boating Improvements	Design and approvals for a new boat launching facility
		Red Ochre Park	Construction of a new park
	Port Macquarie	Wayne Richards Park Stages 3 and 4	Detailed design and approvals
	Thrumster	Thrumster Sports Fields	Detailed design and approvals
	Wauchope	Hastings Regional Sports Fields	Finalise detailed design and approvals and commence construction
	Beechwood	Beechwood Tennis Courts	Upgrade Facility
		Laurieton Sports Complex	Upgrade amenities and provide lighting to netball courts (100 lux)
		North Haven to Bonny Hills Coastal Walk	Coastal Walk Upgrade
		Riverview Reserve	Playground Upgrade
Improving existing facilities	Camden Haven	Scribbly Bark Reserve	Playground Upgrade
		Kendall Local Park	Skatepark Replacement
		Kew Community Park	Provision of new children's play space and associated infrastructure
	Kew/Kendall	Kendall Sports Ground	Sports Facility Upgrade
		Bonny Hills Reserves	Review Bonny Hills Reserves Master Plan
	Lake Cathie/Bonny Hills	Foreshore Reserve	Master Plan Implementation and construction of Skate Facility

	Lake Cathie Sport Fields	Install irrigation and improve playing surface
North Shore	Coal Wharf Reserve	Reserve Upgrade
	Blair Reserve	Playground Upgrade
	Flynns Beach	Continue seawall upgrade - Stage 1
	Oxley Oval	Contribution to amenities and Lighting upgrade to 300 lux
Port Macquarie	Port Macquarie Aquatic Facility	Commence detailed design and approvals
	Port Macquarie Coastal Walk - Kenny Walk, Doctors Walk and Charlie Uptin to Flagstaff Hill	Coastal Walk Upgrade
	Port Macquarie Foreshore Promenade	Detailed design & approvals
	Port Macquarie Regional Stadium	New Training Field & Lighting
	Ruins Way Park	Park Upgrade
	Settlement Point Reserve	Playground Upgrade
	Stuart Park	Upgrade to Regional Sporting Precinct
	Town Beach Park	Playground Upgrade
	Town Green Central & West	Detailed design & approvals
	Charlie Watt Reserve	Upgrade sports field lighting (50 lux) & provision of field drainage
Telegraph Point	Andrews Park	Provide sports field lighting (50 lux)
Wauchope	Bain Park	Develop Master Plan
	Blackbutt Park	Facility Upgrade
	Rocks Ferry Reserve	Playground Upgrade
Various	Crown Reserves	Develop Plans of Management for Council Crown Land Managed sites

Short Term Priority Actions 2020/2021 - 2021/22			
Guiding Principle	Area	Facility	Project Detail
Planning for growth	Wauchope	Hastings Regional Sporting Fields - Stage 1	Continue construction
		Camden Haven Surf Club Building	Design and approvals for replacement of facility
	Camden Haven	Laurieton Swimming Pool	Upgrade pool heating system
	King Creek	Narran Park	Playground Replacement at end of useful life.
	Lake Cathie/Bonny Hills	Bonny Hills Community Hall Reserve	Playground Upgrade
		Rainbow Beach Reserve	Reserve Upgrade
	North Shore	Ferry Reserve	Boat Ramp Renewal
		Blair Reserve, Lighthouse Beach	Provision of accessible public toilets
		Flynns Beach	Reserve Upgrade
		John Dick Reserve	Playground Replacement at end of useful life.
Improving existing facilities		McInherney Park	Contribution to new boat storage facility for inclusion of public amenities
		Port Macquarie Coastal Walkway	Upgrade Walkway Town Beach to Town Beach North; Continue upgrading of Kenny Walk
		Port Macquarie Regional Sports Stadium	Sports Facility Upgrade
		Town Green Central	Reserve Upgrade
	Port Macquarie	Town Green West	Reserve Upgrade
	Wauchope	Bain Park	Reserve and Playground Upgrade

		Bindi Close Reserve	Playground Upgrade
		Lank Bain Park Sports Ground	Sports Facility Upgrade

Medium Term Priority Actions 2022/2023 - 2024/25			
Guiding Principle	Area	Facility	Project Detail
Planning for growth	Lake Cathie/Bonny Hills	Rainbow Beach	Construction of new Pedestrian Facility
		Fernbank Creek	Construct new boat launching facility
	Port Macquarie	Wayne Richards Park Sporting Complex	Sports Facility Upgrade
	Thrumster	Thrumster Sports Fields	Construction of Sporting Facility
		Apex Park	Amenities Upgrade and Provision of Playground
		Beach to Beach Walk	Pedestrian Facility
		Camden Haven Surf Club Building	Construction
		Laurieton War Memorial Reserve	Reserve Upgrade
Improving existing facilities		Pilot Beach Reserve	Reserve and Playground Upgrade
	Camden Haven	Wallace Reserve	Playground Upgrade
	Comboyne	Pioneer Park Comboyne	Playground Upgrade

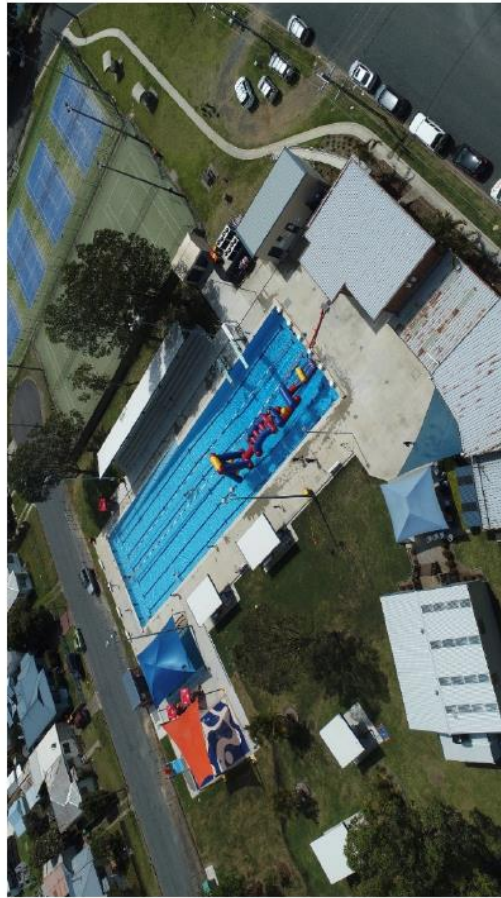
Ellenborough	Ellenborough Reserve	Renewal of amenities at end of useful life
Kew/Kendall	Norrie Reserve	Playground Replacement at end of useful life.
Lake Cathie/Bonny Hills	Explorers Way Reserve	Playground Upgrade
	Jonathan Dixon Reserve	Amenities Upgrade
	Port Macquarie Aquatic Facility	District Facilities (Stage 1A)
	Absolom Reserve	Playground Upgrade
	Amethyst Way Reserve	Playground Upgrade
	Ashdown Reserve, Ashdown Drive	Playground Upgrade
	Flagstaff Hill Reserve	Local Facilities
	Greenmeadows Reserve	Playground Upgrade
	Hudson Avenue Park	Playground Upgrade
	McInherney Park	Reserve Upgrade
	Mimosa Park	Playground Upgrade
	Port Macquarie Aquatic Facility	Construction of Stage 1
	Port Macquarie	Bicycle Facility
	Port Macquarie Rowing Club Reserve	Reserve Upgrade
	Rotary Park	Playground Upgrade
	Ruins Way Park	Playground Upgrade
Port Macquarie	Sandhurst Reserve	Playground Replacement at end of useful life.

		The Boom Reserve	Playground Replacement at end of useful life.
		Waterlily Park	Playground Upgrade
		Westport Park	Amenities, Reserve and Playground Upgrade
		Fairmont Gardens Sporting Fields	Reserve Upgrade
		Lank Bain Park Sports Ground	Lighting Upgrade
		Rocks Ferry Reserve	Reserve Upgrade
	Wauchope	Timbertown Estate Reserve	Playground Upgrade

Appendix 1

Completed Recreation Action Plan Priority Actions 2015-2019

- Construction of Googik Track (Stage 2)
- Establish process for community led sport and recreation improvement projects
- Develop web pages for sporting facilities
- Delivery of Tacking Point Lighthouse Reserve Master Plan (Stage 4)
- Permanent recruitment of Sport and Recreation Officer
- Develop an e-newsletter for sport and recreation groups
- Wauchope Pool Refurbishment (Stages 1 and 2)
- Develop & implement quarterly audit process for sport/recreational facilities
- Town Beach Kiosk/Marine Rescue Facility upgrade
- Develop a leash free dog exercise park at Henry Kendall Reserve
- Wayne Richards Park, Port Macquarie – Construct Multipurpose Field (Stage 5)
- Finalisation of the Camden Haven Recreational Boating Needs Study
- Hastings River, Port Macquarie – identify site and develop a Concept Plan for a new boating facility
- Expansion of Port Macquarie Indoor Stadium
- Upgrade Town Green East, Port Macquarie
- The site selection process for a new Port Macquarie Aquatic Facility has reconfirmed Macquarie Park as the preferred site
- Installation of a recreational boating pontoon at Rocks Ferry Reserve
- Construction of revetment wall to address river bank erosion at Rocks Ferry Reserve
- Development and adoption of the Port Macquarie Coastal Walk Master Plan
- Development and adoption of the Flynns Beach Master Plan





- Development and adoption of the Lake Cathie Foreshore Reserve Master Plan
- Provision of sports field flood lighting at Oxley Oval
- Provision of additional sports field flood lighting at Lank Bain Sports Complex
- Construction of Port Macquarie Dog Off-leash park at Stuart Park
- Construction of the Westport Park segment of the Foreshore Walkway
- Upgrade boat launching facility at Bruce Porter Reserve, Laurieton
- Upgrade boat launching facility at Dunbogan Reserve.



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Short term	2021-2022 to 2022-2023
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Immediate Priority Actions 2020/2021			
Guiding Principle	Area	Facility	Project Detail
Planning for growth	Lake Cathie/Bonny Hills	Rainbow Beach Sports Fields	Finalise detailed design and approvals and commence construction
	Port Macquarie	Red Ochre Park	Complete construction of a new park
	Thrumster	Thrumster Sports Fields	Finalise detailed design and approvals
	Wauchope	Hastings Regional Sports Fields	Finalise detailed design and approvals and commence construction
Improving existing facilities	Camden Haven	Beach to Beach shared path	Detailed design, environmental approvals and commencement of construction
		Camden Haven Surf Club Building	Design and approvals for replacement of facility
		Laurieton Sports Complex	Upgrade amenities
		Laurieton Swimming Pool	Complete upgrade pool heating system
		North Haven to Bonny Hills Coastal Walk	Continue Coastal Walk Upgrade
		Riverview Reserve	Commence Playground Upgrade
		School to School shared pathway	Detailed design and planning approvals for highest priority sections
		Narran Park	Playground Replacement at end of useful life.
	King Creek		
	Lake Cathie/Bonny Hills	Bonny Hills Community Hall Reserve	Playground Upgrade

Port Macquarie	Bonny Hills Reserves	Continue review of Bonny Hills Reserves Master Plan
	Foreshore Reserve, Lake Cathie	Construction of Skate Facility
	Rainbow Beach Reserve	Reserve Upgrade
	Blair Reserve, Lighthouse Beach	Provision of accessible public toilets
	John Dick Reserve	Playground Replacement at end of useful life.
	Port Macquarie Aquatic Facility	Continue pre-construction activities
	Port Macquarie Coastal Walk -	Continue Coastal Walk Upgrade (Kenny Walk, Doctors Walk and Charlie Uptin Walk)
		Upgrade Walkway Town Beach to Town Beach North
	Port Macquarie Bicentennial Walk	Continue detailed design & approvals
	Port Macquarie Regional Sports Stadium	Sports Facility Upgrade
	Ruins Way Park	Park Upgrade
	Tacking Point Lighthouse Reserve	Accessible Ramp Design and Approvals
	Town Beach Park	Continue Playground Upgrade
	Town Green West	Continue detailed design & approvals and commence construction

	Westport Park Boat Ramp	Pre-construction for upgrade of car park and boating related improvements
Telegraph Point	Charlie Watt Reserve	Provision of sports field drainage
Wauchope	Bain Park	Continue development of Master Plan
	Blackbutt Park	Continue Facility Upgrade
	Rocks Ferry Reserve	Continue Playground Upgrade
Various	Lank Bain Sports Complex	Sports Facility Upgrade
	Crown Reserves	Develop Plans of Management for Council Crown Land Managed sites

Short Term Priority Actions 2021/2022 - 2022/23			
Guiding Principle	Area	Facility	Project Detail
Planning for growth	Lake Cathie/Bonny Hills	Rainbow Beach Sports Fields	Finalise construction
	Thrumster	Thrumster Sports Fields	Finalise pre-construction activities
	Wauchope	Hastings Regional Sports Fields	Continue construction of Stage 1
Improving existing facilities	North Shore	Ferry Reserve	Boat Ramp Renewal
	Port Macquarie	Flynns Beach	Reserve Upgrade
		McInherney Park	Contribution to new boat storage facility for inclusion of public amenities
		Town Green West	Continue construction
		Town Green Central	Reserve Upgrade
		Westport Park Boat Ramp	Construction of upgrade of car park and boating related improvements
	Wauchope	Bain Park	Reserve and Playground Upgrade
		Bindi Close Reserve	Playground Upgrade

Medium Term Priority Actions 2023/2024 - 2024/25			
Guiding Principle	Area	Facility	Project Detail
Planning for growth	Lake Cathie/Bonny Hills	Rainbow Beach	Construction of new Pedestrian Facility
	Thrumster	Thrumster Sports Fields	Commence construction
Improving existing facilities	Camden Haven	Apex Park	Amenities Upgrade and Provision of Playground
		Beach to Beach Walk	Pedestrian Facility
		Camden Haven Surf Club Building	Commence construction
		Laurieton War Memorial Reserve	Reserve Upgrade
		Pilot Beach Reserve	Reserve and Playground Upgrade
	Comboyne	Wallace Reserve	Playground Upgrade
		Pioneer Park Comboyne	Playground Upgrade
		Ellenborough Reserve	Renewal of amenities
	Kew/Kendall	Norrie Reserve	Playground Upgrade
	Lake Cathie/Bonny Hills	Explorers Way Reserve	Playground Upgrade
		Jonathan Dixon Reserve	Amenities Upgrade

Port Macquarie	Absolom Reserve	Playground Upgrade
	Amethyst Way Reserve	Playground Upgrade
	Ashdown Reserve	Playground Upgrade
	Flagstaff Hill Reserve	Local Facilities
	Greenmeadows Reserve	Playground Upgrade
	Hudson Avenue Park	Playground Upgrade
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	Sandhurst Reserve	Playground Upgrade
	The Boom Reserve	Playground Upgrade
	Waterlily Park	Playground Upgrade
Wauchope	Westport Park	Amenities, Reserve and Playground Upgrade
	Fairmont Gardens Sporting Fields	Reserve Upgrade

	Lank Bain Park Sports Ground	Lighting Upgrade
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- Construction of revetment wall to address river bank erosion at Rocks Ferry Reserve
- Development and adoption of the Port Macquarie Coastal Walk Master Plan
- Development and adoption of the Flynn's Beach Master Plan
- Development and adoption of the Lake Cathie Foreshore Reserve Master Plan
- Provision of sports field flood lighting at Oxley Oval
- Provision of additional sports field flood lighting at Lank Bain Sports Complex
- Construction of Port Macquarie Dog Off-leash park at Stuart Park
- Construction of the Westport Park segment of the Foreshore Walkway
- Upgrade boat launching facility at Bruce Porter Reserve, Laurieton
- Upgrade boat launching facility at Dunbogan Reserve
- Construct new park in Crestwood Estate, Port Macquarie
- Upgrade netball court lighting at Laurieton Sports Complex
- Renewal of Scribbly Bark Reserve Playground, Lakewood
- Construct new community park in Kew
- Upgrade lighting and cricket net facilities at Kendall Sports Ground
- Flynn's Beach Sea Wall - completion of Stage 1
- Upgrade lighting at Oxley Oval to 300 lux for night cricket use
- Construction of new training field at Regional Stadium, Port Macquarie
- Replacement of Settlement Point Playground in Port Macquarie
- Completion of the Stuart Park Regional Sporting Precinct upgrade
- Sports field lighting upgrade completed at Charlie Watt Reserve, Telegraph Point
- Install new sports field lighting at Andrews Park, Wauchope

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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Acknowledgement of Country

Port Macquarie-Hastings Council acknowledges the close connection between Aboriginal people and the land and works with traditional owners, Birpai Aboriginal people, to promote the natural landscape and their heritage. The Birpai welcome you to their country.



INTRODUCTION

Port Macquarie-Hastings Council is committed to the development of a 'smart community' to improve local services, increase local opportunities and enhance economic, social and environmental outcomes.

This Smart Community Roadmap will guide Council and the local community towards a smarter future, leveraging innovative thinking, digital technology, data and human expertise. The Roadmap unpacks the smart community concept and demonstrates the benefits and opportunities from smart community investment. It will illustrate where we are today as a smart community, where we are going, and how we aim to get there.

The Smart Community Roadmap is closely aligned with Council's existing corporate strategies and plans, including the development of the THINK 2050 Community Strategic Plan. The Roadmap employed comprehensive stakeholder engagement to reflect local community and industry needs.

What is a Smart Community?

Smart Community Explained

A 'smart community' is a city, region or community that leverages digital technology, data and innovation to improve liveability, sustainability, collaboration and economic opportunities.

A smart community is more than just somewhere to live. A smart community puts people at the centre of planning and development and works actively to deliver high-quality services to everyone who lives, works or invests in the region.

Smart City vs. Smart Community

The term 'smart city' is used across the globe to refer to cities and municipalities that use technology intensive solutions (such as the Internet of Things, smart sensors and open data) to deliver value to their people.

While this approach has been used with success in cities around the world, Port Macquarie-Hastings Council has identified 'smart community' as a term that better encapsulates the broader innovation culture, positive lifestyle and human connection that Council seeks to foster within our community.





'Smart community' emphasises building a **sense of community**, defined by human connectedness and empowerment, which is supported by **smart ideas and processes**.

Smart Community Best Practice

A defining aspect of a smart community is that technology and innovative practices are deployed to address a clear problem, objective or outcome.

While each smart community will take a unique approach to reflect its core priorities, there are common principles that represent best practice in building a smart community. These best practice principles are integrated throughout this Roadmap and embedded into our approach to smart community implementation.

Support Digital Democracy

The use of digital technology to modernise democratic processes and facilitate participation in debate and decision-making.

Have a Smart Community Plan/Roadmap

Taking a strategic approach to smart tech deployment, aiming to focus aspirations, coordinate effort, and prioritise investment.

Leverage Leadership and Governance

The framework of roles, responsibilities and oversight that ensure smart community action, performance, risk management and accountability.

Embed Digital Standards

The principles that guide the design and implementation of technology, and the storing, protecting and processing data that guarantee privacy, security, interoperability, scalability, and performance.

Employ Prioritisation Frameworks

Developing a rigorous and systematic method of assessing and prioritising potential projects – best practice demands a people first approach and a formal process to assess, rank and prioritise smart community options.

Identify and Test New Business Models

The digital revolution is accompanied by a great number of innovative business models that offer new arrangements for funding, financing and operating smart community projects.

Foster Collaboration

Develop process and places for Council-community co-design and intra-community collaboration, to support better service delivery and policy design, business innovation and economic dynamism.

Modernise Regulation and Policy

Proactively modernise legislation, regulation or business processes to complement new technology, enabling digital benefit, and reducing digital risks.

Facilitate Innovation

Establish an innovation framework to promote, support and drive new ways of doing business and delivering services, leveraging smart technology and innovative practices/processes.

Set Goals and Monitor Progress

Measuring smart community success requires robust frameworks for identifying objectives, setting targets, applying metrics for measurement, and driving continuous improvement.



**Smart is
the way of the
future.**

Why does Port Macquarie-Hastings need to be a Smart Community?

To be a smart community means making the most of new tech, big data and innovation, and ultimately, improving local liveability, sustainability and economic opportunity.

By harnessing the benefits of smart tech, data and innovation, Port Macquarie-Hastings will:

1. Build a more diverse and resilient economy
2. Enhance its reputation as an attractive, vibrant and welcoming community
3. Maintain the competitive edge needed to attract and support local businesses and industries

Through a strategic and deliberate approach to smart community development, Port Macquarie-Hastings Council will:

1. Improve operational efficiencies, service delivery and sustainability outcomes
2. Optimise data-driven decision making and planning outcomes

Lessons learned through recent challenges, such as drought, bushfires, and COVID-19, will be integrated into our smart community thinking. Smart community approaches will be used to achieve the resilience, connectedness and responsiveness needed to drive economic recovery and protect our regional communities in the future.

CASE STUDY

Smart Environmental Sensors & Water Meters

With Port Macquarie-Hastings recently experiencing significant drought resulting in strict water restrictions across the region, Smart Water Meters can offer insight into the water usage of Council and in homes. When combined with data gathered from smart environmental sensors in green spaces, gardens and public ovals, Smart Meters assist Council and community to enhance their water-use efficiency, and increase community awareness about water usage.



SMART COMMUNITY LANDSCAPE

Development of the Port Macquarie-Hastings Smart Community Roadmap was informed by the local community, and reflects the unique needs, priorities and opportunities that exist in our region. Additionally, the Roadmap considers the broader strategic landscape in which it will operate.

Strategic Context

The table below outlines the broader context for the Smart Community Roadmap.

INTERNATIONAL	ISO Smart City Standards	In 2017, the International Organisation for Standardisation (ISO) released their first set of international smart city standards. These standards were developed by smart city experts from across the globe, and present guidelines for smart city success along with key targets, objectives and desired outcomes of smart development.
NATIONAL	Australian Government Smart Cities Plan	In 2016, the Australian Government released a 'Smart Cities Plan' that outlines the need for Australian cities and communities to remain productive, accessible and liveable. The Plan guides local government and business across Australia in building, from the ground up, an innovative, agile and prosperous nation.
STATE	NSW Government State Infrastructure Strategy 2018-2038	The NSW Government State Infrastructure Strategy outlines key recommendations for smart city/community development across NSW to fuel sustainable growth and increased quality of life. Recommendation 30 in the Strategy articulates the necessity of smart community opportunities to foster collaboration, enhance digital connectivity infrastructure, and increase resource-use-efficiency across regional NSW.
LOCAL	PMHC Think 2050 (Community Strategic Plan)	Engagement for the Community Strategic Plan (CSP) was launched in late 2019, and aims to gather insights from the entire community to set a direction and vision for the future of the region. The CSP will sit at the very top of Council's strategic planning framework, and will provide long-term direction not only for Council, but for the people, businesses and visitors to Port Macquarie-Hastings.
	PMHC Local Strategic Planning Statement (LSPS)	Sitting alongside the Community Strategic Plan the LSPS sets the direction for our community's social, environmental and economic land use needs for the next 20 years. Council is currently developing its first LSPS.



Other Council Strategies, Plans and Policies

Other key Council documents that provide context and meaning to this Smart City Roadmap include:

- > Economic Development Strategy
- > Local Environmental Plan
- > Operational Plan 2019–2020
- > Community Inclusion Plan 2020–2021
- > Cultural Plan 2018–2021
- > 2017–2021 Delivery Program
- > Urban Growth Management Strategy
- > Local Area Specific Plans
- > Long Term Energy Strategy
- > Long Term Financial Plan
- > Biodiversity Strategy
- > Koala Management Plan
- > Customer Experience Strategy
- > Digital Technology Roadmap
- > Disability Inclusion Action Plan 2017–2021
- > Port Macquarie-Hastings Destination Management Plan 2020–2024
- > Recreation Action Plan 2019–2025
- > Procurement Strategy

SMART COMMUNITY CONTEXT

This Snapshot outlines unique strengths, challenges and opportunities for Port Macquarie-Hastings, based on data relevant to smart community development.

Community

Understanding our region's demographics is key to tailoring smart community outcomes to the specific needs and problems experienced by our community. It ensures only high value initiatives are pursued.

Education

Understanding the skills, knowledge and qualifications that can be leveraged in our region ensures only realistic and manageable initiatives are prioritised.

Connectivity

Understanding our residents' access to high-speed internet and ability to engage with online services is vital for creating an equal, accessible and inclusive smart community.

Income

Understanding income and socioeconomic trends within our region ensures smart community initiatives are targeted to areas of greatest need.

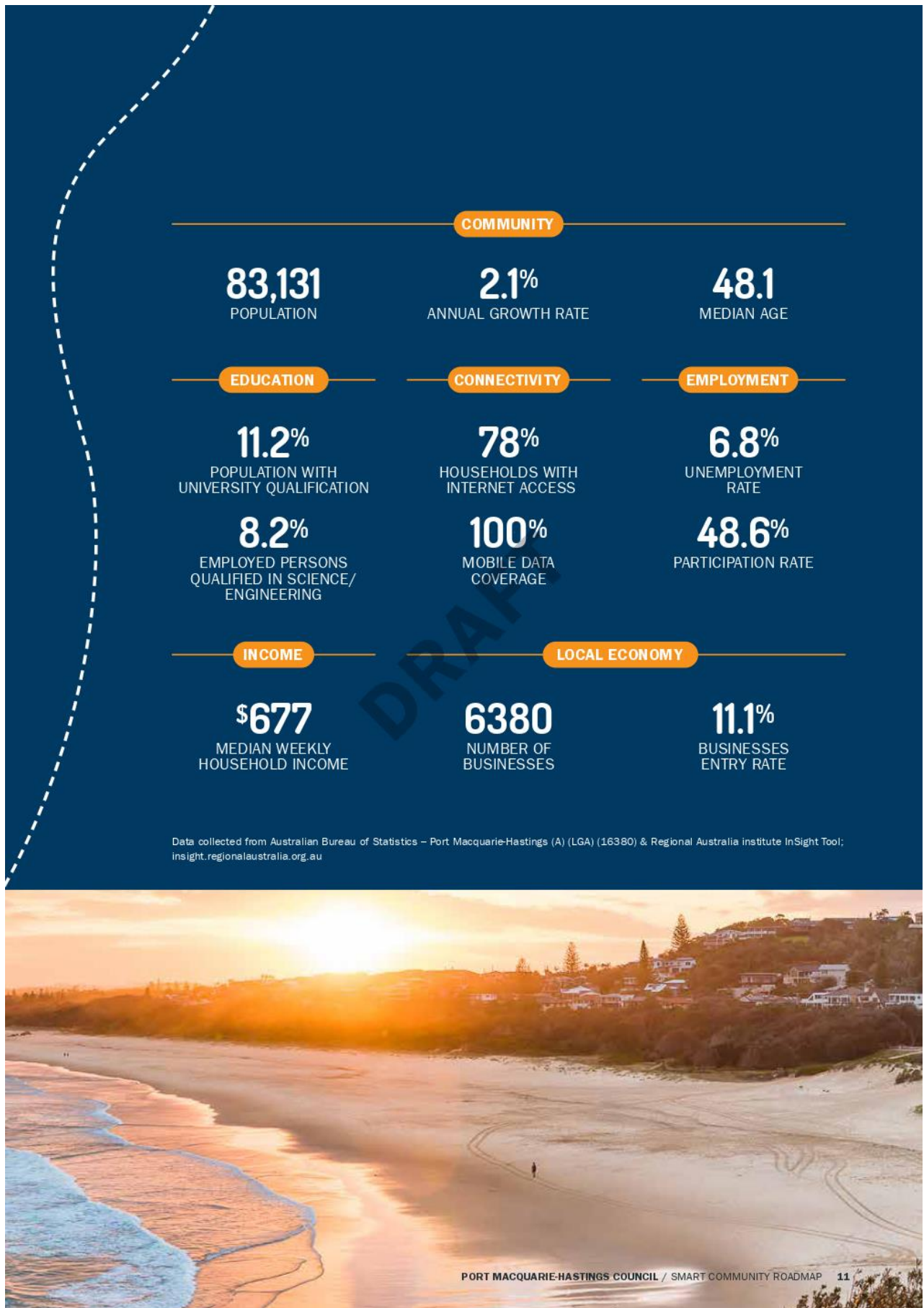
Employment

Understanding employment trends and local labour market dynamics enables smart community programs and initiatives focused on driving jobs growth and workforce participation.

Local Economy

Understanding local economic trends and business entry/exit rates enables planning for change and allows a tailored approach to developing a culture of innovation.





THE ROAD SO FAR

Port Macquarie-Hastings Council has already started this smart community journey, delivering a number of smart projects, services and initiatives, as highlighted below.

Current Smart Community Initiatives

Port Macquarie-Hastings Council provides online mapping for underground utility services, e.g. Water Supply, Sewer, Stormwater, Reclaimed Water and Communications networks. This tool is being expanded to include new data sets, such as traffic counts.

UNDERGROUND RESOURCE MAPPING



The HUB business and co-working centre provides a shared space where start-up, home based, micro businesses, teleworkers and creatives can operate. The HUB offers high-speed internet in a studio-like environment, with outdoor working options and shared amenities. It is an initiative led by the Economic Development Team to create jobs, foster innovation and grow the economy.

Council launched the Hub as a trial in 2018 and subsequently supported a successful Charles Sturt University funding bid for a purpose-built business innovation centre at the University's Port Macquarie Campus. It is due to open in 2021 and the existing Council service will transfer to this facility.

THE HUB BUSINESS AND CO-WORKING CENTRE

Sprayrite is a simple downloadable tool built with Microsoft Excel formulas that assists users with treating weeds over large areas by calculating the correct ratios of water-soluble products. The tool is being launched on multiple app platforms and promoted to landholders, Biosecurity Officers and other NSW Councils.

The tool replaces manual calculation to determine the time, cost and usage rates required to apply herbicides, pesticides and fertilisers to large areas. This tool improves dosage accuracy and prevents waste from overspray or excess product being mixed and requiring disposal.

SPRAYRITE: WEED SPRAY APPLICATION TOOL



SMART LIBRARY INITIATIVES

Imaginarium

Imaginarium is a free-to-use studio facility at Port Macquarie Library. Community members can record songs, make videos or simply tell stories. The studio features a wide range of recording equipment and software ideal for creative minds keen to experiment or groups wanting to preserve important events.

3D Printing Facilities

The Port Macquarie Library provides 3D Printing services to the community, with two MakerBot 3D printers – the Replicator Desktop and the Replicator Mini.

The Portal

The Portal is a dedicated virtual reality room where community members can experience high definition virtual reality. Using the Oculus Rift VR headset, users can explore other worlds, swim with sharks, climb mountains, or even walk in space. The Portal is free to use for library members.

Library App

The Library Service App allows community members to search, reserve and borrow books, magazines, movies and music.

Computer Help Services

The Port Macquarie Library offers a number of training and education resources to help people navigate the internet and digital devices.

These initiatives represent the **strong Smart Community** foundation that Council can build upon through the enactment of this **Smart Community Roadmap**.

BUILDING COUNCIL'S SMART COMMUNITY MATURITY & CAPACITY

The development of a smart community requires coordinated effort and collaboration across the Port Macquarie-Hastings community.

As the stewards, coordinators and administrators of the Smart Community Roadmap, it is vital Council develop our maturity and capacity as a smart organisation.

To understand the key areas for Council to leverage and improve as a smart organisation, an internal assessment of our smart community maturity and capacity was conducted in May 2020. This maturity assessment revealed we are in the beginning stages, which is common across most local government areas in Australia.

As a smart organisation, our current strengths include:

- > awareness of smart technology and understanding how it can be applied
- > leadership and capability, with increasing experience delivering smart community projects
- > collaboration with an increasing number of external organisations and industries

Key areas we will focus on to build smart community maturity include:

- > Governance structures
- > Smart community prioritisation processes
- > Smart procurement guidelines
- > Council innovation culture
- > Internal collaboration frameworks
- > Data management and analysis skills





The Port Macquarie-Hastings
Smart Community Roadmap
reinforces **our long-term
commitment** to make the
most of **technology, data and
innovation**, delivering tangible
benefits to our community.

PORT MACQUARIE-HASTINGS COUNCIL / SMART COMMUNITY ROADMAP 15

COMMUNITY ENGAGEMENT

To guide the development of the Smart Community Roadmap, Port Macquarie-Hastings Council engaged with the local community and Council staff through online surveys and online/digital workshops.

Community Survey Priorities & Concerns

The online community survey identified priority actions and concerns that should be considered in this Smart Community Roadmap. A summary of key survey results is presented below.

<p>Which smart community initiatives offer the most value for Port Macquarie-Hastings?</p> <ol style="list-style-type: none"> 1 Smart resource management (e.g. waste, water, energy) 2 Smart environmental/biodiversity management and monitoring 3 Business and innovation programs 4 Smart buildings/developments/precincts 5 Wi-Fi and other digital networks 	<p>What are your concerns about the integration of smart community and digital technology?</p> <ol style="list-style-type: none"> 1 Digital literacy 2 Impact on human interaction 3 Inability to access and use technology 4 None 5 Cost
<p>Which local services should be improved through smart technology?</p> <ol style="list-style-type: none"> 1 Energy management 2 Transport and parking 3 Waste and waste-water management 4 Planning and development 5 Tourist and visitor services 	<p>What are the main barriers to smart community development?</p> <ol style="list-style-type: none"> 1 Low smart community culture 2 Red tape 3 Low access to capital/funding 4 Low digital inclusion and literacy 5 Few innovation pathways

Stakeholder Engagement Summary

Based on information gathered from online/digital workshops, and online surveys with Council staff and the broader community, the following key themes were identified.

ENVIRONMENTAL SUSTAINABILITY

Protecting our Natural Beauty

Smart resource management, environmental sustainability and enhanced management of natural assets are high priorities for the people of Port Macquarie-Hastings. Smart technology, such as smart water meters, environmental sensors and smart lighting, can be used to increase environmental sustainability outcomes and awareness, and help to protect the natural beauty of the Port Macquarie-Hastings region.

CONNECTIVITY

Promoting Equity, Inclusion & Accessibility

One of the most common themes from engagement was the desire for an inclusive, welcoming, and accessible smart community. Smart tech knowledge, digital literacy, digital equity and modern democracy were all priorities for the people of Port Macquarie-Hastings.

INNOVATION

Supporting Local Business

Support for local business was a consistent theme from engagement, with the effects of the COVID-19 pandemic at the forefront of people's minds. Support for local business through innovation, economic diversification, and calculated smart technology deployment is a proven method for developing a resilient regional economy and achieving sustainable smart community success.

TRANSPORT & MOBILITY

Improving Regional Accessibility

Mobility and accessibility are key priorities for the residents of Port Macquarie-Hastings. A common theme throughout engagement was stakeholder excitement about smart technology being used to enhance transport options (e.g. smart parking, integrated public transport systems, smart wayfinding). Gathering data from these smart initiatives will also allow for improved planning and decision-making about transport and mobility in the region.

COMMUNITY CULTURE

Embracing Change

Enhanced community participation, collaboration, and co-design of smart projects/initiatives are central aspects of a successful smart community. A common theme from engagement was the drive for enhanced community input and involvement in smart community development, through innovative engagement, dedicated training and education programs, and regular progress updates.

COUNCIL CAPACITY

Delivering Enhanced Services

Throughout engagement, the targeted enhancement and improvement of Council capacity to deliver smart services was a common suggestion from stakeholders. Council service improvement through smart, online and digital technology, and increased data management capability go hand-in-hand when developing smart community capacity.

SMART COMMUNITY REFORMS

Clarity in Change

Targeted reform and dedicated change management are critical enablers of smart community success. Stakeholder engagement identified the opportunity for various reforms, including regulatory modernisation, smart procurement, and digital governance. Smart community change and reform will require leadership from Council, community, local businesses and beyond.

UNIQUE LIFESTYLE

Leveraging Regional Assets

One of the key strengths of the Port Macquarie-Hastings region, as noted in engagement, is the unique natural environment and distinct lifestyle. The people of Port Macquarie-Hastings believe that smart technology, digital engagement and online software/dashboards can be used to leverage these unique strengths, particularly to support and enhance the visitor economy.

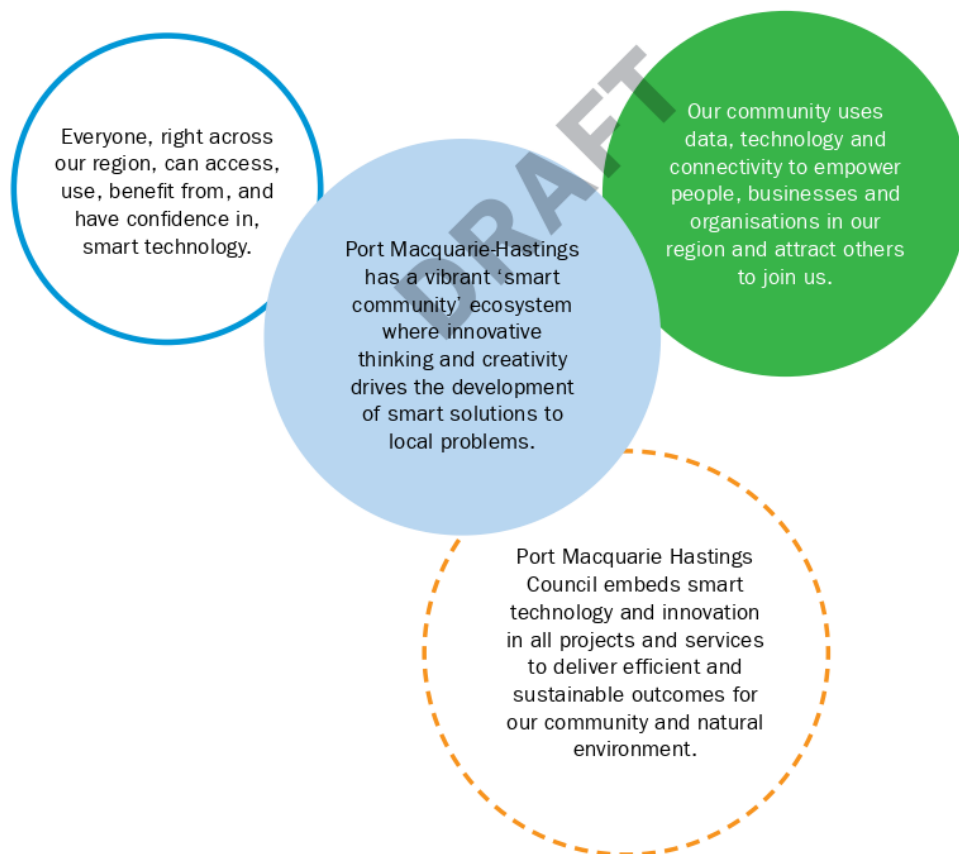
OUR PRIORITY OBJECTIVES

Where We Are Going

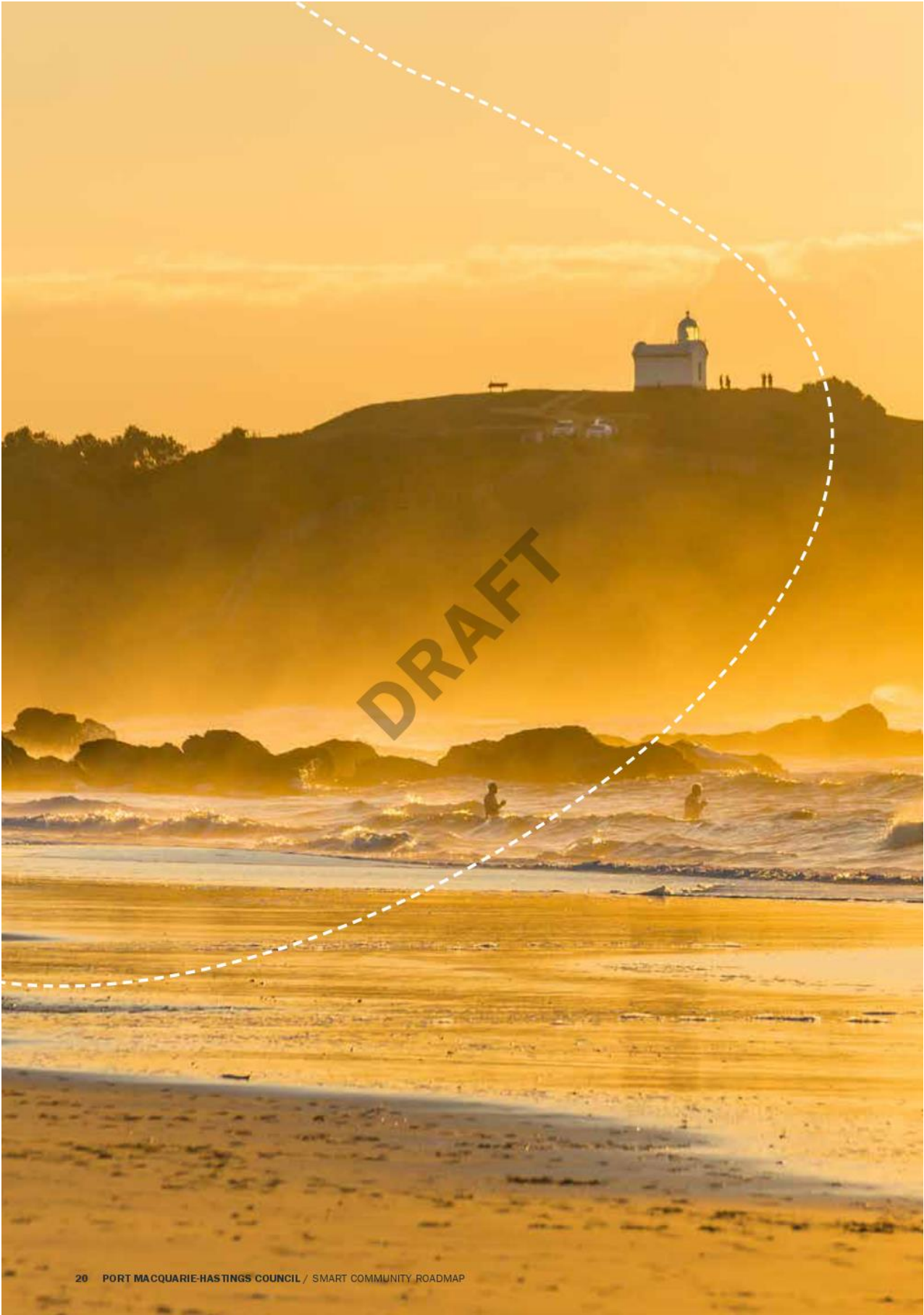
To create a 'smart community' and realise the benefits of technology, data and innovation, we must have clear direction and intention.

The following section outlines our smart community aspirations for Port Macquarie-Hastings, and the road ahead. These aspirations and priority focus areas are informed by community engagement, Council's smart community maturity and best practice in smart community development.

Our Smart Community Aspirations







PRIORITY FOCUS AREAS

The table below presents the priority focus areas that map how we will move Port Macquarie-Hastings from its current position to become a leading smart community over the next decade and beyond.

The route described will be reviewed and revised over time to ensure it continues to guide and assist the Port Macquarie-Hastings community as the landscape changes.

PHASE	STARTING 2020-2022	BUILDING 2023-2025	ACCELERATING 2026-2029	LEADING 2030 onwards
DESCRIPTION	Gearing up and laying the digital foundations	Delivering value through smart/digital projects and programs	Making digital 'business as usual' in Council and the community	Setting new benchmarks in smart tech deployment and outcomes
FOCUS OF ACTION	<ul style="list-style-type: none"> > Increasing smart tech awareness > Investing in skills and capacity > Identifying opportunities, gaps and risks > Assessing priorities > Developing plans and governance > Establishing smart tech foundations and standards > Progressing key projects and pilots 	<ul style="list-style-type: none"> > Creating partnerships and networks > Increasing the number and scale of smart tech projects > Investigating opportunities for 'smart' regulatory reform > Evaluating projects and outcomes > Increasing the collection and use of big data > Integrating smart tech considerations into key plans and processes 	<ul style="list-style-type: none"> > Encouraging smart tech innovation > Promoting community co-design of smart tech projects > Integrating digital/smart dimensions into all local projects and programs > Modernising regulations and processes to complement smart tech > Showcasing success and building our 'smart community' brand 	<ul style="list-style-type: none"> > Developing and testing leading-edge smart tech services and solutions > Exporting smart tech expertise and products > Shaping the forward smart tech policy agenda (nationally and beyond) > Leveraging the leadership position to attract new investment and industry to the region

DRIVING FORWARD

Six smart community Principles will guide our smart community growth and development. These Principles are informed by international best practice, key insights from stakeholder engagement, and the current maturity and capacity of Council as a smart organisation.

Smart Community Principles



Collaboration & Participation

Our Smart Community will maximise community input, facilitate cross-sector partnerships and ensure all residents are able to collaborate, benefit and contribute to smart initiatives.



Accessibility & Transparency

Our Smart Community will ensure all projects, initiatives and activities are accessible and inclusive. Council will be open and transparent about the risks and ongoing benefits of smart community projects.



Liveability

People will be at the centre of our Smart Community. The unique lifestyle and amenity of our region will be emphasised, promoted and enhanced through smart community initiatives.



Environmental Sustainability

Our Smart Community will promote sustainability and efficiency and protect our natural assets.



Innovation

Our Smart Community will embrace new ideas and cultivate a culture of entrepreneurship and active engagement with change.

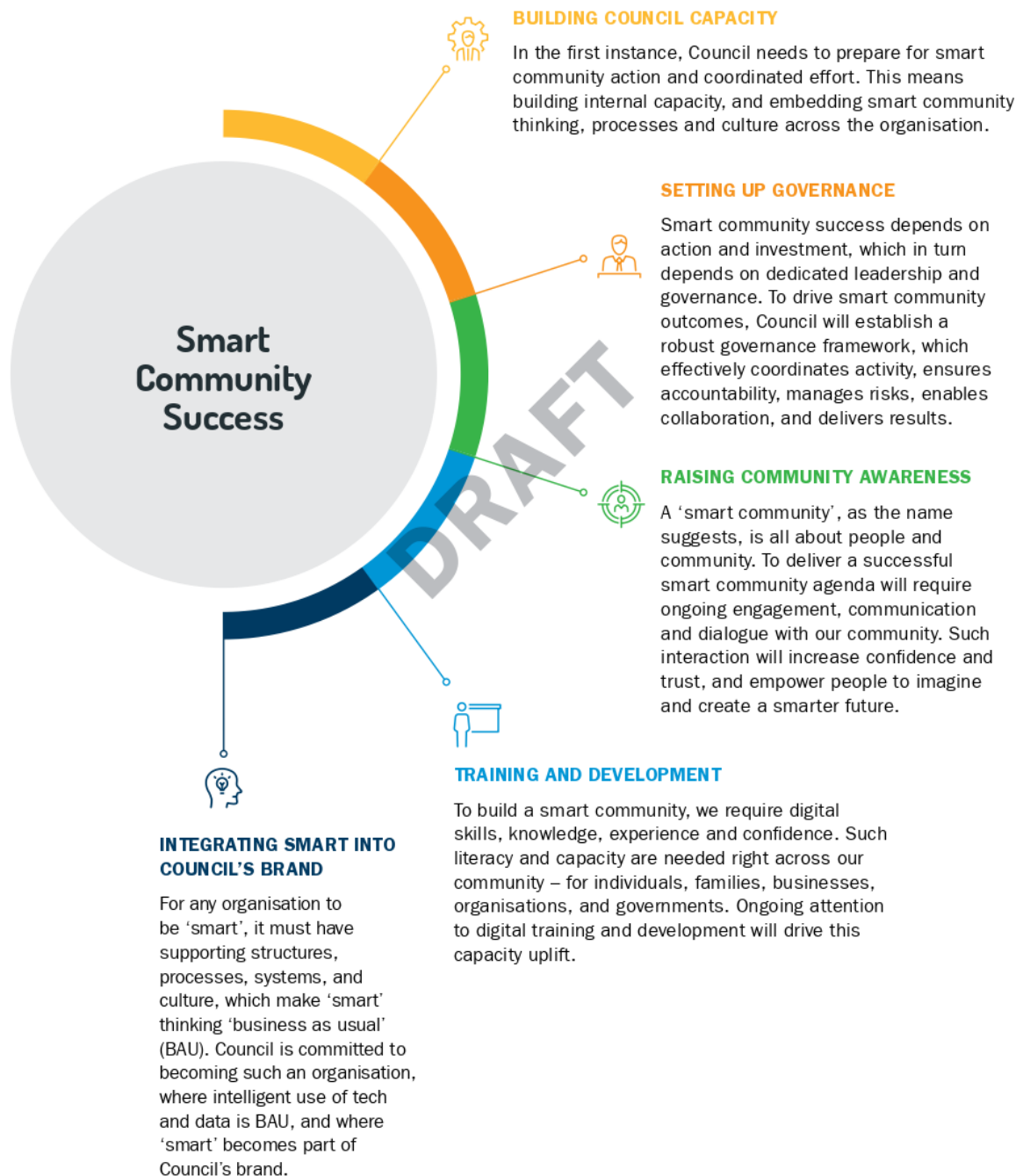


Economic Resilience

Our Smart Community will use innovative thinking and smart systems/processes to support local businesses and enhance the economic diversity and resilience of our region. Council will use data and information from smart technology to attract businesses and retain talent in our region.

Positioning Council & Community for Success

Advancing our smart community relies on a clear, strategic approach and forward roadmap. Our approach to smart community success is founded on five critical dimensions, as noted below.



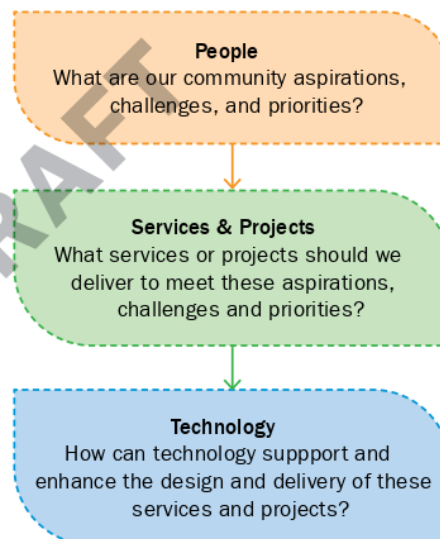
PRIORITISING SMART COMMUNITY PROJECTS

With a multitude of possible opportunities for smart community investment, effective project prioritisation is a key element of this Roadmap. Council is committed to enacting robust prioritisation processes and methods to identify and deliver high-value smart community initiatives.

Best practice in smart community project prioritisation demands a people-first approach. This approach aims to eliminate the risk of 'technology for the sake of technology'. It also ensures that smart tech solutions address local challenges and priorities.

This people-first framework is founded on a three-step thought process, which connects people to services/projects and then to technology. This process is summarised in the diagram below.

By starting the prioritisation process with community-specific needs and concerns, Port Macquarie-Hastings Council will always have clear rationale for future smart tech projects and services. The ultimate intent is to maximise the community value of technology, data and innovation for Port Macquarie-Hastings.





NEXT STEPS

This Roadmap will guide our smart community approach for the coming years – as we move forward from the starting and building phases, to the accelerating and leading phases.

As we focus on the 'starting phase' in the short-term, our immediate efforts will be targeted to:

- > Ensure integration of smart community principles and priorities in critical strategic documents and projects currently under development. These will include: 2050 Community Strategic Plan, Customer Experience Strategy, Integrated Water Cycle Management Strategy and the Regional Integrated Transport Strategy.
- > Foster and promote education and knowledge sharing that will encourage and support smart community approaches in our community and Council.
- > Continue to foster existing smart community partnerships and explore new opportunities for collaboration.
- > Actively seek NSW and Australian Government funding to support various projects that will help build a smart community.

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FUTURE OPPORTUNITIES

Using the prioritisation framework outlined in this Roadmap, future smart community initiatives will be based on local priorities, the capacity of Council and community, the status of the local economy, and the broader strategic context for the region.

The following ideas for future initiatives, programs, events and activities provide examples of the multitude of ways that Council can progress the smart community maturity and capability of the Port Macquarie-Hastings region.

This list of smart community opportunities is indicative, not exhaustive. Moreover, all future smart community projects will be subject to robust processes of assessment, business case development, and prioritisation, before commitment and implementation.



Collaboration & Participation

- > Partner with educational organisations such as Charles Sturt University to help inform the community about smart tech opportunities and local initiatives
- > Support local community groups and organisations to deliver new targeted digital training programs for residents vulnerable to digital disadvantage
- > Explore opportunities to deliver smart community initiatives via public-private partnerships or developments such as the Airport Business Park and Health & Education Precinct



Accessibility & Transparency

- > Expand Council public Wi-Fi networks
- > Enhance use of apps and other technologies that will support improved communication and engagement with our community
- > Continue to advocate for enhanced connectivity and mobile data coverage in the region, with particular emphasis on the satellite towns outside of Port Macquarie CBD



Liveability

- > Explore opportunities to enhance community amenities and events through smart technology such as digital art, augmented reality and smart street furniture
- > Conduct internal training sessions to build Council's smart tech skills and capacity
- > Examine mobility sensors to better understand the activity of drivers, cyclists, and pedestrians
- > Promote demand-based and ride-sharing technologies

**FUTURE SPOTLIGHT****Charles Sturt University Innovation Hub**

Charles Sturt is an active participant in regional innovation ecosystem of Port Macquarie-Hastings. Having operated innovation programs in Port Macquarie for over three years, Charles Sturt is now working with Port Macquarie-Hastings Council to launch the new Innovation Hub and Co Working Space in early 2021.

The brand new co-working space has been architecturally designed to increase a sense of community and culture that drives, supports and enables innovation. Charles Sturt will be working with Council to transition existing Hub users to the purpose built, on campus, Innovation Hub.

The new Innovation Hub will feature a dedicated innovation space to include board room, flexible working spaces, a pitch zone, quiet rooms, 3D Printers, soundproof booths and access to catering and amenities. The location within the campus is designed to link innovators and industry to academics and researchers, enhancing innovation and business outcomes.

**Sustainability**

- > Facilitate investment in electric vehicle charging infrastructure across the local government area
- > Review existing smart metering trials and assess viability for expansion
- > Invest further in smart irrigation solutions that can increase efficiency of Council sports field/land management
- > Explore waste-reduction solutions such as circular economy programs and bin sensors
- > Determine the suitability for environmental sensors to provide real-time data on key variables
- > Increase the use of solar and other renewables in accordance with Council's Long-Term Energy Strategy

**Innovation**

- > Market Port Macquarie-Hastings as a leading remote working location in the post-Covid19 economy
- > Support innovation events and training through the CSU innovation hub
- > Continue to implement improved digital procurement and payment systems that make doing business with Council easier and improve our customers' experience
- > Explore new procurement pathways that remove regulatory barriers to promote testing and trialling

**Economic Resilience**

- > Promote learning and mentoring opportunities to help local businesses provide services online
- > Work with local tourism providers to identify key mechanisms for smart technology to enhance the visitor experience and economy



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Port Macquarie-Hastings Smart Community Roadmap

Engagement Report



Port Macquarie-Hastings Smart Community Roadmap

Engagement Report

DRAFT



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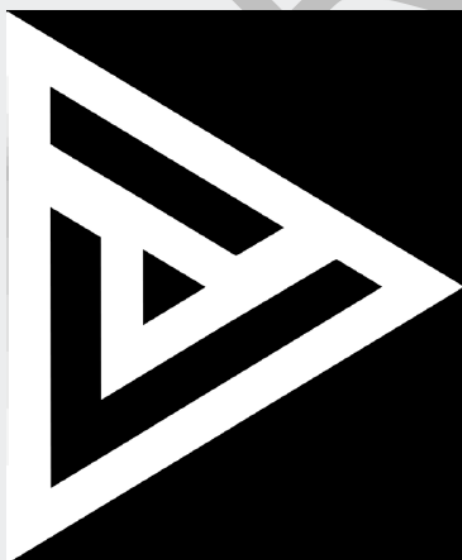
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Executive Summary



Background

Port Macquarie-Hastings Council is developing a Smart Community Roadmap to create a more connected, smart and liveable region. To support this process, Council engaged smart city/community experts Delos Delta.

To inform this Roadmap, Council and Delos Delta conducted a broad engagement and consultation process with residents, key stakeholders and Council staff. This included a number of digital workshops, an internal Council staff survey, and a community survey.

What the Community Said

Community and external stakeholder engagement revealed that one of the key priorities for the community is to increase the digital literacy of residents. Being able to effectively engage with, and use, smart technology, was a common interest expressed through digital workshops and the survey.

Other key points from community engagement include:

- ▶ Using smart technology to enhance environmental sustainability and protection
- ▶ Building the digital capacity of local businesses to drive economic growth
- ▶ Creating smart, integrated and efficient public transport (and smart parking) systems to enhance mobility
- ▶ Establishing smart council services, through online/digital and innovative service delivery

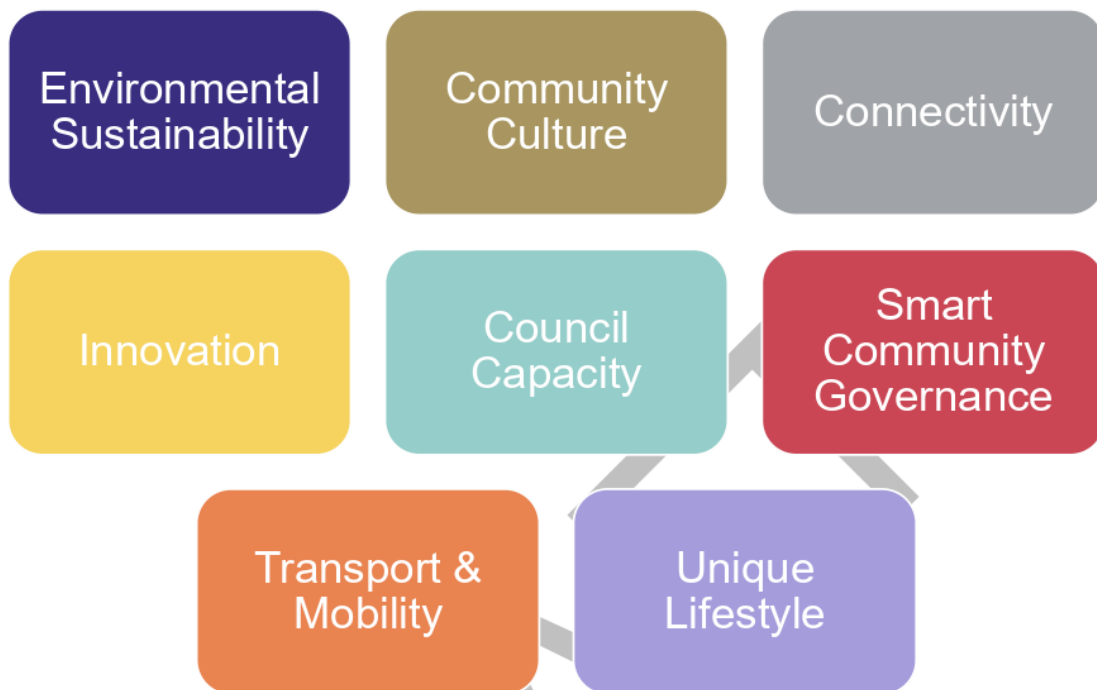
What Council Staff Said

Similar to the community, Council staff also noted the need for increased smart tech capability and skills. Staff also highlighted the necessity and value of building broader community awareness and confidence, collaborating with residents and businesses to design and build our 'smart community'.

Other priorities identified by Council staff included:

- ▶ Increasing the data management capacity and capability of Council
- ▶ Enhancing the breadth and quality of Council's digital services
- ▶ Using smart technology to enhance resource use efficiency (e.g. smart meters, sensors etc.)

Overview of Key Engagement Themes



Next Steps

The engagement insights (as summarised in this Report) will help inform development of the Smart Community Roadmap. The DRAFT Roadmap is expected to be released for public exhibition and comment in July/August 2020, and, subject to final Council consideration and endorsement, public release in September 2020.

Introduction



Port Macquarie-Hastings Council is developing a Smart Community Roadmap to create a more connected, smart and liveable region.

A 'smart' Port Macquarie-Hastings is a place where adaptable future technologies are seamlessly integrated to support a safe, connected community, where inclusiveness, security and collaboration are a priority. Port Macquarie-Hastings' Smart Community Roadmap will provide a framework for creating new possibilities and better outcomes for its residents, business owners and visitors.

Council is taking a three-phased approach to becoming a 'smart community' and has almost completed Phase One. The main aspect of this initial phase 'Exploration and Scene Setting' is the development of a dedicated Smart Community Roadmap. The remaining two phases are targeted at implementing immediate priorities, and strategically building on the foundation developed in Phase One.

The key aims for this Project and phase of smart community development include:

- ▶ To understand PMHC's smart community maturity in terms of capability, capacity, strengths and obvious gaps (infrastructure, knowledge, skills, relevant resources etc)
- ▶ To understand short to medium term smart community opportunities available to PMHC that align with Council's existing strategy framework.
- ▶ To establish a Smart Community Roadmap to guide and drive PMHC's smart community investment, development and engagement.

Aligning with existing Local, State and Federal Government plans, the Roadmap will look to build on Port Macquarie-Hastings' existing dedication to regional issues, such as environmental protection and economic sustainability, as well as understanding the needs, concerns and expectations of the community.

Council, in collaboration with leading smart community consultant Delos Delta, has undertaken a broad engagement and consultation process with residents, key stakeholders and Council staff to identify the priorities, challenges and perspectives needed to create the Port Macquarie-Hastings Smart Community Roadmap.

This Report outlines the results and key insights from this engagement processes.

Consultation Overview



In April 2020, Port Macquarie-Hastings Council engaged Delos Delta to assist in the development of a Smart Community Roadmap. To gather insights on how data and technology can be used to drive smart community development, Delos Delta facilitated a series of online engagement sessions with external stakeholders and Council staff in May 2020.

Digital Workshop(s) Overview

A summary of the consultation sessions is outlined in the table below.

TABLE 1. OUTLINE OF STAKEHOLDER AND COUNCIL STAFF CONSULTATION MECHANISMS

Date	Activities	Description
7 May	Project Team Digital Workshop	Workshopping of the Roadmap via Zoom to develop key priorities, assess capacity and identify strategic themes, strengths and opportunities
11 May	Executive Management Digital Roundtable	Webinar with Council executive staff to inform, build awareness and discuss priorities for the Roadmap
13 May	Councillor Digital Roundtable & Workshop	Engage with Councillors to increase awareness and buy-in for smart objectives, and ensure the Roadmap accurately reflects local priorities
19 May	Council Staff Webinar & Workshop (#1)	Engage with staff members interested in smart community initiatives, data, innovation and technology to build awareness and gain an understanding of capacity and capability of staff
	General Public (open) Webinar & Workshop	Engage with community members interested in smart initiatives, data, innovation and technology so build awareness and ensure that the Roadmap accurately reflects community priorities
20 May	External Stakeholder Workshop	Engage with external stakeholders interested in smart community initiatives to build awareness and ensure local priorities are reflected in the Roadmap.
	Council Staff Webinar & Workshop (#2)	Engage with staff members interested in smart community initiatives, data, innovation and technology to build awareness and gain an understanding of capacity and capability of staff.

The consultation sessions aimed not only to inform Council of the vision, needs and priorities of all stakeholder groups, but also to ensure that all participants had a consistent understanding of Council's direction for smart community development. This process encouraged knowledge-sharing from the outset and demonstrates Council's commitment to a collaborative Roadmap. These sessions enabled Delos Delta to build awareness and support for the key Roadmap objectives, in collaboration with the community and Council.

Survey Overview

To ensure wide-reaching community engagement, an online community survey was released during May 2020. The survey aimed to identify community priorities and challenges that can be improved through the integration of digital technology and innovation. Council worked hard to ensure a range of values and opinions were captured. Community surveys were conducted online and promoted at community events and via Council platforms.

Additionally, a survey was also released to Council staff that focussed on identifying capacity/capabilities and areas of strength and weakness in Council's innovation and smart community capability and processes. A summary of the discussions, and key insights from the engagement sessions and survey are outlined in the following sections of this Report.

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Project Team Engagement



Project Team Digital Workshop

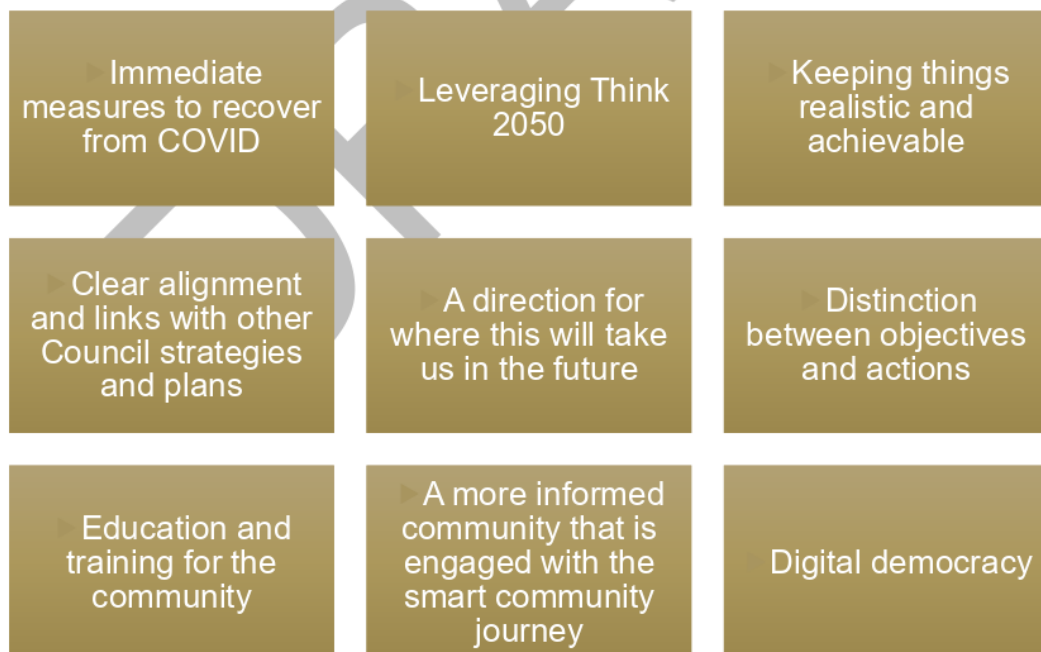
The Project Team session was a key mechanism used at the beginning of the engagement process to workshop the Roadmap via Zoom to develop key priorities, assess capacity and identify strategic themes, strengths and opportunities.

Discussions in the session were centred around three main questions:

- ▶ What does success look like to you?
- ▶ How are we making this Roadmap distinctive, and what are the big issues we can address in this Roadmap?
- ▶ Who do we bring along, and what are the risks and/or roadblocks?

Key notes from these discussions are presented below. Please see Appendix 1 for additional workshop notes and comments.

What does success look like to you?



How are we making this Roadmap distinctive, and what are the big issues we should address?**Who do we bring along, and what are the risks and/or roadblocks?**

Who	Risks and Potential Risk Management Solutions
Council	<ul style="list-style-type: none"> ▶ The barriers/resistance will be less “change resistance” and more based on resourcing demands ▶ Steering or project group
Stakeholders	<ul style="list-style-type: none"> ▶ Who are the stakeholders? – land use implications <ul style="list-style-type: none"> • Regional integrated transport strategy ▶ Approaching the stakeholders that are not front and centre
Innovators	<ul style="list-style-type: none"> ▶ People responsible for development and process ▶ ‘Smart community’ is a way of thinking, way of planning, making decisions etc. <ul style="list-style-type: none"> • Embedding these influential people (decision makers)
Community	<ul style="list-style-type: none"> ▶ Community understanding and capacity
Focus Groups	<ul style="list-style-type: none"> ▶ Focus groups often present city/regional issues and concerns for which there is no smart community angle, however, if these topics do arise, we are happy to listen to the community and pass-on to relevant Council departments

Executive Leadership Engagement



Delos Delta, as part of a suite of engagement and briefing sessions, engaged with the Executive Leadership Team at Council, to gather key insights and ideas for the Smart Community Roadmap. A summary of key insights and themes from the online webinar/discussion are presented below.

What does 'smart community' success look like?

- ▶ Only implementing technology for a reason, never 'for the sake of technology'
- ▶ Identifying the problems in the community that we can address with smart technology
- ▶ Providing value from customer experience, engagement with community, ensuring the community feels skilled and able to take part and benefit from the value of technology
- ▶ The community themselves are able to see tangible value
- ▶ Technology that emphasises security and privacy
- ▶ More accurate and accessible data to support decision making and for easy consumption by community
- ▶ Ability for amenity and information sharing as well as self-serve models (ability to 'Shazam' the region)

What can ELT do to help 'smart community' development?

- ▶ Reduce red tape
- ▶ Enable council agility
- ▶ Facilitate a culture of 'being okay to fail'
- ▶ Not being known as everything for everybody - let's make the clear focus points correct!
- ▶ Building on the health and education precincts - tourism and how it uses tech to drive tourism
- ▶ Make smart communities scalable

What should we focus on for smart community development

- ▶ Better service - not just having smart 'stuff' - being known for our own unique smart community brand
- ▶ Be 'smart' for creative industries and entrepreneurship in the region
- ▶ Smart wayfinding - sharing information for citizens and tourism especially
- ▶ Smart water metering - customer focus and allows people to do their own management. Smart metering is a tangible way to show advantages to the community

What might be some of our challenges?

- ▶ Red tape
- ▶ Misinformation about 5G
- ▶ Buy-in from community and Councillors is essential to success
- ▶ Clear communication, messaging and promotion
- ▶ Perception that 'old people can't use technology'

External Stakeholder Engagement



External Stakeholder Workshop

The External Stakeholder workshop was open to the key stakeholders in Port Macquarie-Hastings to build awareness and capacity, allowing local innovators and businesses to discuss smart community issues in an open forum. Please see Appendix 2 for additional workshop notes. Attendees were from a wide range of organisations, local businesses and backgrounds, including:



Key Insights from External Stakeholder Workshop

Smart Community Objectives

- Leverage data for improved decision making
- Encourage small businesses to embrace smart technology and learn
- Enhance community engagement, learning and education
- Using smart initiatives to increase accessibility, inclusion and equality
- Encouraging innovation, entrepreneurship and start-ups

Priority Projects

- Leveraging existing programs and local expertise for IT and digital/online support and training
- Leveraging smart technology to build awareness for local businesses
- Cross-sector collaboration, breaking down silos, leveraging regional success (e.g. promoting tourism)
- Investment in smart infrastructure (& retrofitting existing infrastructure) with smart technology to enhance liveability, sustainability and amenity

Collaboration Opportunities

- Health - smart precincts
- Education - schools, universities and other
- Creative industries - leveraging imagination and innovation
- Airport business park

Building Profile

- Dedicated comms and marketing to promote benefits of smart tech (including innovative tourism marketing)
- Integration with existing Council plans and strategies
- Online Council 'help desk' for smart community information
- Equality, inclusion and accessibility - ensuring all people feel involved in the process of developing a smart community

Maintaining Momentum

- Identify and engage with local champions
- Collaboration with youth, technology experts, local business etc.
- Leveraging local expertise and knowledge to educate and train community

Community Engagement



Community Workshop

The Community workshop was open to the public, allowing local residents and businesses to discuss smart community issues in an open forum. Please see Appendix 3 for additional workshop notes.

Directions

Looking to the future, say in 5 years, what does your 'smart community' look like?

- ▶ Equality and inclusivity – sense of community
 - Increasing the liveability and image/reputation of Port Macquarie-Hastings
- ▶ Smart tech for efficient resource management
- ▶ More efficient and sustainable transport options
- ▶ Maintaining open and green space through enhanced land management
- ▶ Enhanced asset management
- ▶ Awareness of short and long-term priorities – using smart technology to be ready for the future and enhance our future planning
- ▶ Having a framework for managing future development
 - E.g. data management, connectivity capacity – to solve local issues
- ▶ Online and smart systems for fast, agile and easily accessible Council services – e.g. DA's
- ▶ Leveraging our unique features (strengths and benefits)
 - E.g. the 'isolated' nature of the LGA
- ▶ Human inter-connectedness and leveraging regions natural beauty
- ▶ Using the 'community lens'

Principles

What principles should guide our smart community planning and action?



Action

What are some high-priority local issues, challenges, and opportunities that might be addressed through 'smart community' initiatives?

- ▶ Water management (storage and user management)
 - Managing water restrictions for community – live data monitoring
 - Enhanced community awareness of water consumption – smart water meters (real time management)
- ▶ Emergency management
- ▶ Community dashboard – emergency (e.g. flood or fire) live updates
- ▶ Traffic management
 - Reduced congestion through smart systems and enhanced monitoring
- ▶ Integrated public transport system (more efficient/effective public transport)
- ▶ Future planning of CBD(s) in towns across the region
- ▶ Parking, access, smart technology deployment across CBD
- ▶ Forward planning for sustainability utilising data gathered from smart tech
- ▶ Using smart city as a means for improving health and liveability
- ▶ Happiness index

Collaboration

Who can play a role to create our smart community?



Community Survey



Council also sought community feedback via an opt-in community survey. The survey was open from the 4th to 29th of May 2020. During that period 118 responses were received.

The main purpose of the survey was to engage the wider community on key issues, strengths and ideas for smart community initiatives to implement within the Council area and/or its operations. Additionally, the survey acted as a tool for raising awareness and building buy-in for the Roadmap, as well as gaining further insights into the unique opportunities and potential issues present in the current community ecosystem.

Respondents were predominantly aged over 35 (approx. 91%) and were 50% female and 47% male (3% preferred not to say). Only 0.85% of respondents were aged 16 – 25, but almost 29% were aged 66+, indicating a strong survey response from the senior demographic (this is reflective of the residential population as per census statistics). While only a very small percentage of respondents were aged 16-25, the trends in response for this age bracket were consistent with the overall survey trends.

The majority of respondents submitted their email address indicating they would like to stay in contact throughout the process of developing the Port Macquarie-Hastings Smart Community Roadmap.

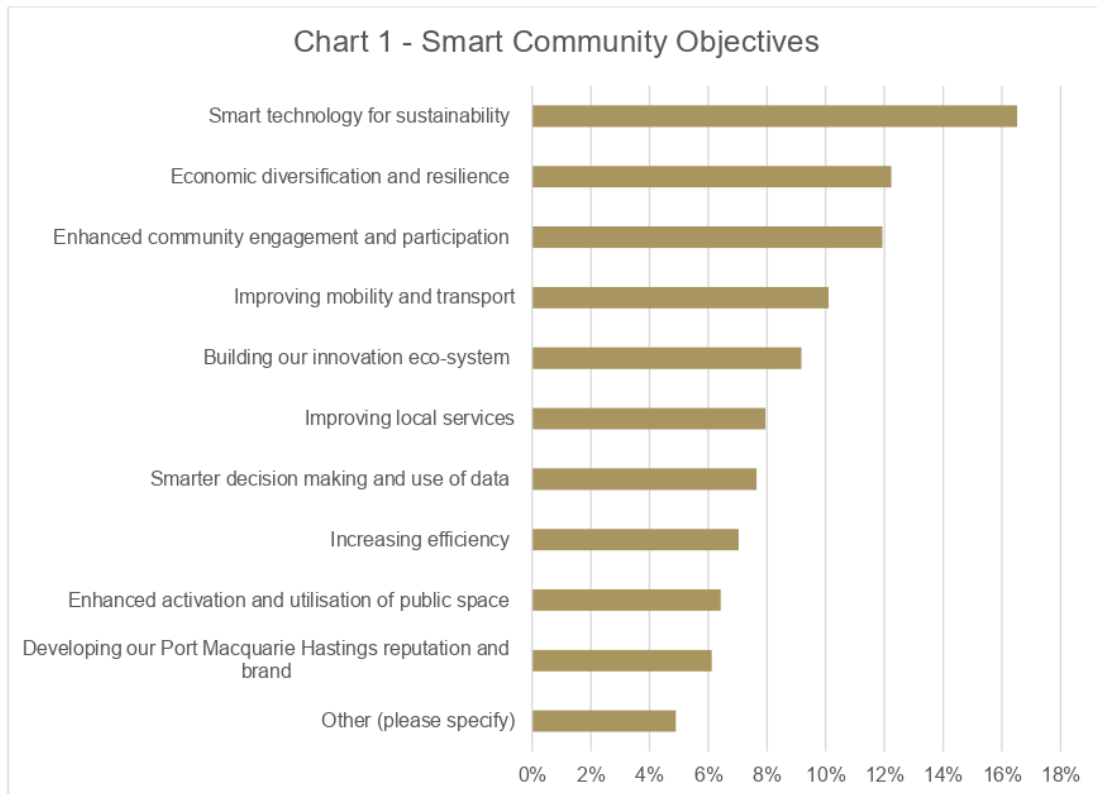
The majority of respondents indicated that they were 'fully' (33%) or 'highly' (22%) engaged with and receptive to the concept of a smart community, and the utilisation of digital technology. This result indicates a community that is generally receptive to the smart community concept but is still developing awareness and understanding of smart technology.

Each of the charts with an 'other' response option has a summary of these responses listed below the chart. for a full verbatim list of these responses, please see Appendix 4. Some of these comments received were not specifically related to Smart Community but have been included in the Appendix and referred to Council's Community Engagement Team for inclusion in relevant engagement activities.

Community Survey Results

Smart Objectives

Respondents were asked to select what they felt the core three smart community objectives should be for Port Macquarie-Hastings.

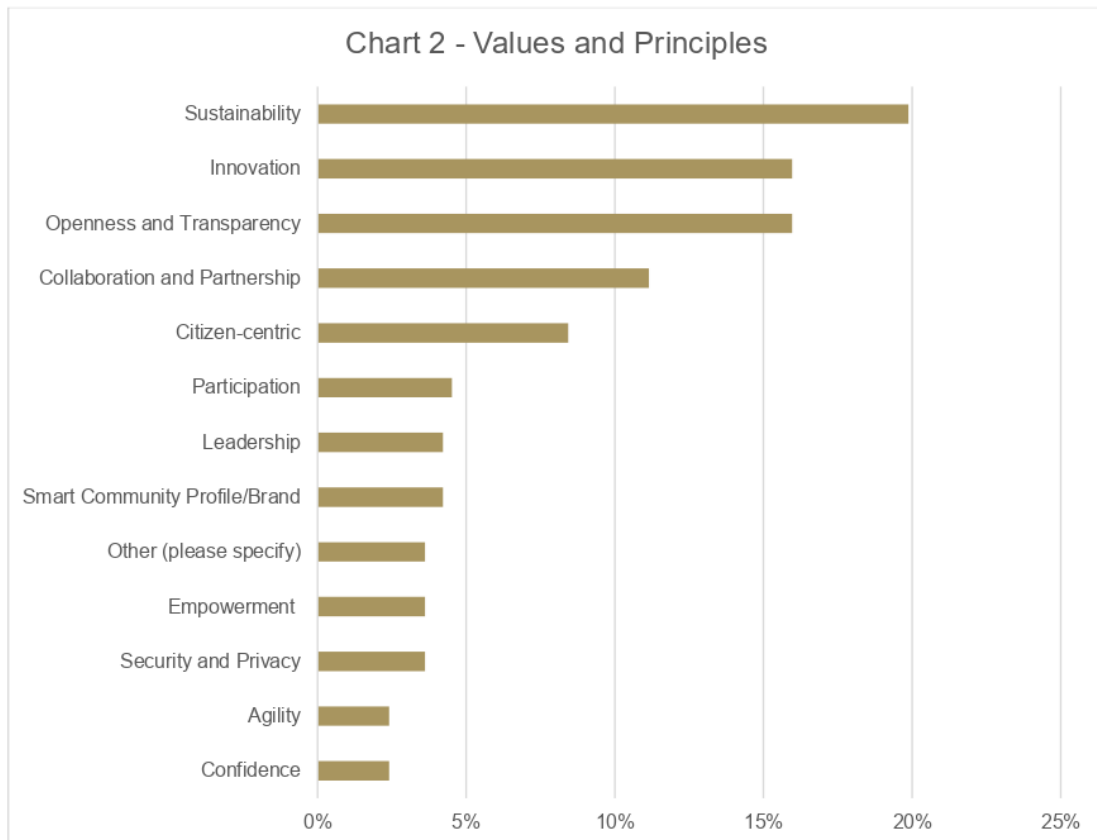


OTHER RESPONSES ARE SUMMARISED BELOW:

- ▶ Improved Council efficiency and effectiveness in processing documents
- ▶ Bringing big markets and organisations to the region (e.g. Costco)
- ▶ Smart planning for major events and tourism attraction
- ▶ Focusing on enhanced environmental protection
- ▶ Enhanced safety through smart technology and systems
- ▶ Improved quality of internet connection for business and community
- ▶ Investigation of smart precincts that separate industry from residential areas

Smart Values and Principles

Respondents were asked to select up to three smart community values and principles they feel should guide Port-Macquarie Hastings' smart community agenda.

**OTHER RESPONSES ARE SUMMARISED BELOW:**

- ▶ A safer community that is more liveable, vibrant and welcoming (e.g. night-time safety)
- ▶ Leadership from both town and country – leveraging the unique satellite towns in the region
- ▶ Community safety and environmental protection
- ▶ Innovation, community empowerment and inclusiveness

Priority Initiatives

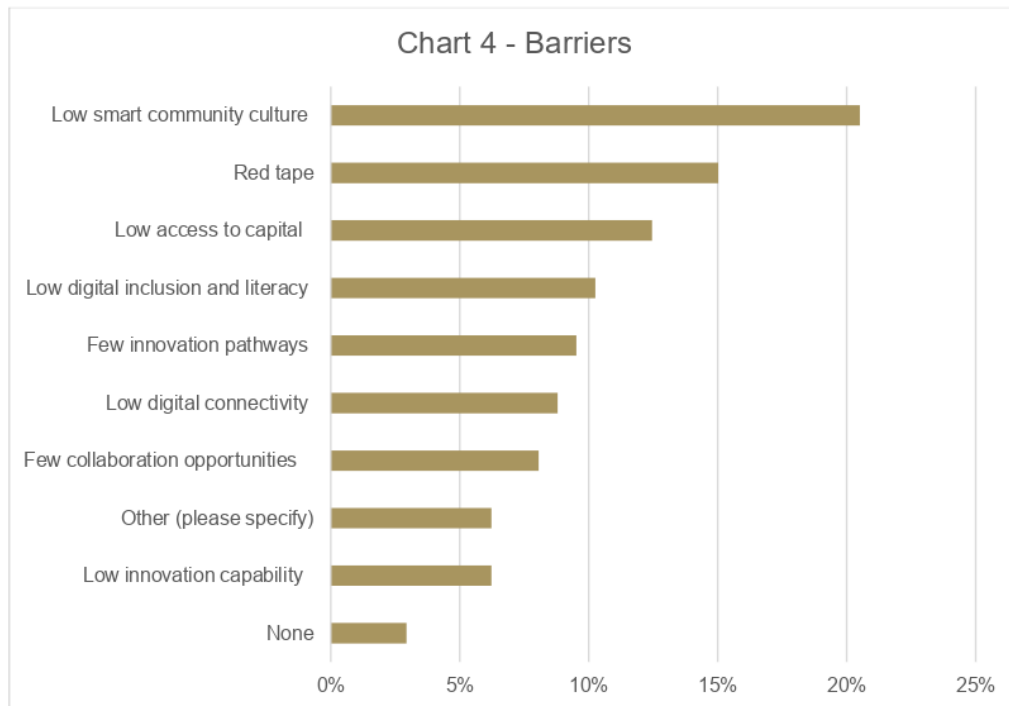
Respondents were asked to select up to three smart community initiatives that they feel offer the most value to Port Macquarie-Hastings.

**OTHER RESPONSES ARE SUMMARISED BELOW:**

- ▶ Data collection, management, analysis and processing for enhanced and expedited decision making
- ▶ Commitment to cheap, high-speed internet services for major local business corridors
- ▶ Replace personal vehicles with electric vehicles in the CBD and integrate smart public transport systems to remove cars from the road, reduce congestion and pollution and enhance pedestrian mobility in the CBD
- ▶ Keep the region as natural as possible and maximise the natural beauty and amenity available to people

Barriers

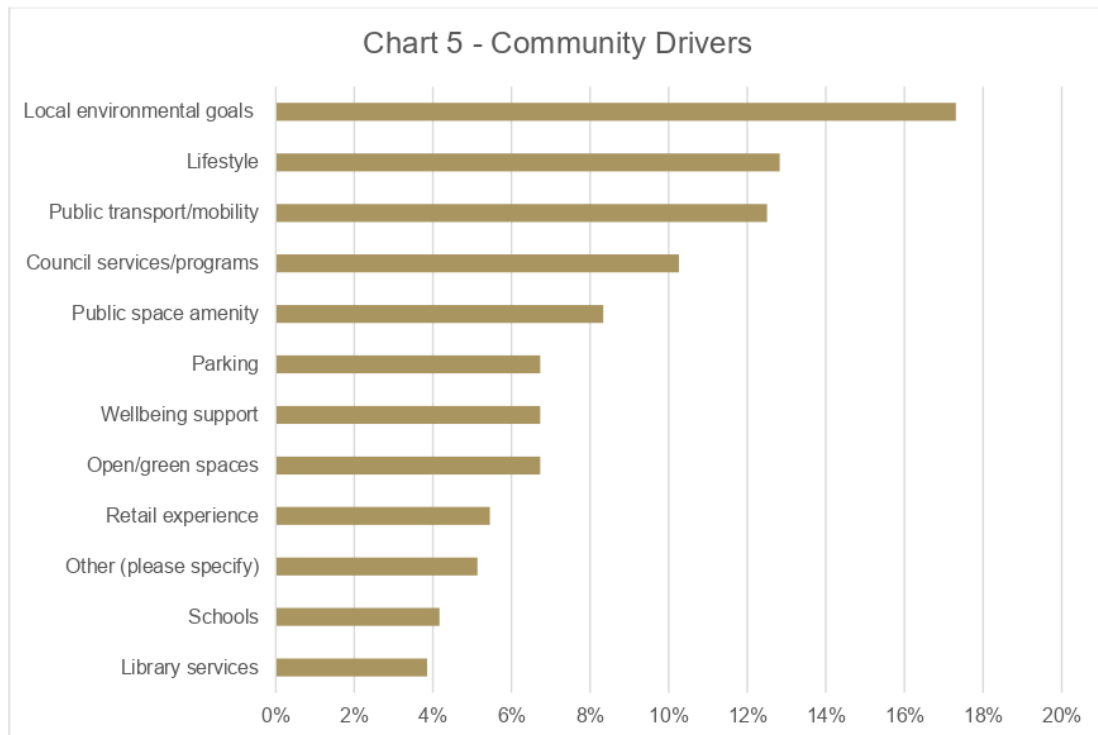
Respondents were asked to select up to three key barriers to smart community development they feel Port Macquarie-Hastings faces.

**OTHER RESPONSES ARE SUMMARISED BELOW:**

- ▶ Lack of interconnection between departments of Council
- ▶ Mindset of community towards innovation and change
- ▶ Litigation from people who are misinformed and don't trust new technology
- ▶ People who are weary of their privacy and security online and with digital technology/data
- ▶ Low culture of smart community in the region

Community Drivers

Respondents were asked to select up to three main community drivers in the Port Macquarie-Hastings region (for residents and visitors) that they feel can be enhanced with smart technology.

**OTHER RESPONSES ARE SUMMARISED BELOW:**

- ▶ More night-time security at bus stops
- ▶ Waste management services
- ▶ Digital access to climate change mitigation measures
- ▶ Enhanced decision making within Council
- ▶ Strategic development of digital economies and creative industries
- ▶ Sustainability and unique lifestyle of the Port Macquarie-Hastings region

Strengths and Opportunities

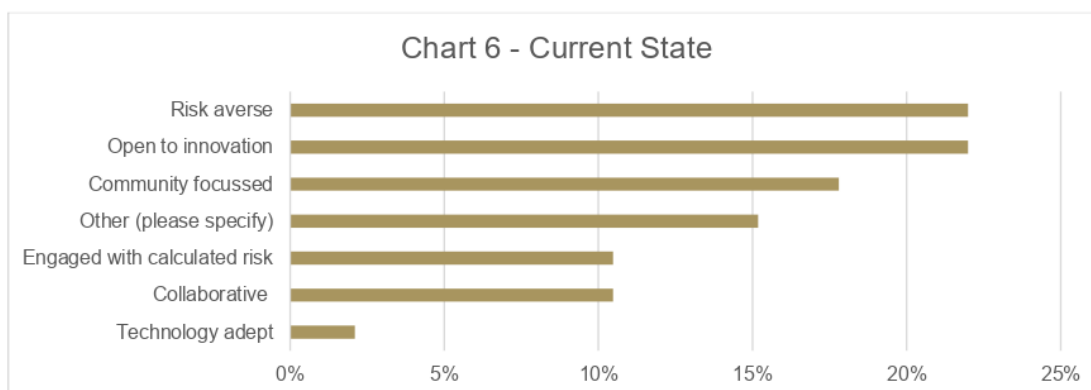
Community respondents were asked to share what they felt Port Macquarie-Hastings' main smart community strengths and opportunities are.

The results are summarised in the table below.

Strengths	Opportunities
Receptive Community	<ul style="list-style-type: none"> ▶ Increase community engagement ▶ Ascertain common community objectives ▶ Collaboration between community members ▶ Foster clusters of innovation occurring in the community
Natural Environment	<ul style="list-style-type: none"> ▶ Gather and use environmental data to direct future developments ▶ Promote a 'greener' more eco-friendly community culture ▶ Continue to develop waste app ▶ Become an innovation leader in the environmental sphere ▶ Pursue sustainable housing alternatives and renewable energy sources e.g. community owned solar, tidal, seaweed farming etc.
Location	<ul style="list-style-type: none"> ▶ Attract innovation investment through proximity to airport ▶ Expand tourism industry and bolster local farming ▶ Encourage young entrepreneurs to the area ▶ Increase commercial development ▶ Promote sustainable transport options e.g. cycleways, EV's ▶ Increase accessibility to local attractions ▶ Use location to pursue alternative forms of energy generation e.g. hydro and solar thermal.
Local Expertise	<ul style="list-style-type: none"> ▶ Apply this expertise to business sectors ▶ Develop digital skills ▶ Use and develop skills of aging community ▶ Give voice to local leaders
Engaged Council	<ul style="list-style-type: none"> ▶ Improve communication with community and promote transparency ▶ Use data and technology to improve council service delivery ▶ Remain responsive to community needs ▶ Continue to be open to new ideas
Thriving Business Community	<ul style="list-style-type: none"> ▶ Foster business leadership and encourage innovative initiatives ▶ Employ and train youth and elderly ▶ Continue to collaborate with Chamber of Commerce ▶ Sustain and support developing business networks ▶ Diversify industry and employment sectors
Education Precinct	<ul style="list-style-type: none"> ▶ Continue to develop the education precinct ▶ Support art, culture, music to increase cultural appeal of the area ▶ Develop courses in renewable technologies ▶ Use tertiary institutions to research and develop sustainable energy

Current State

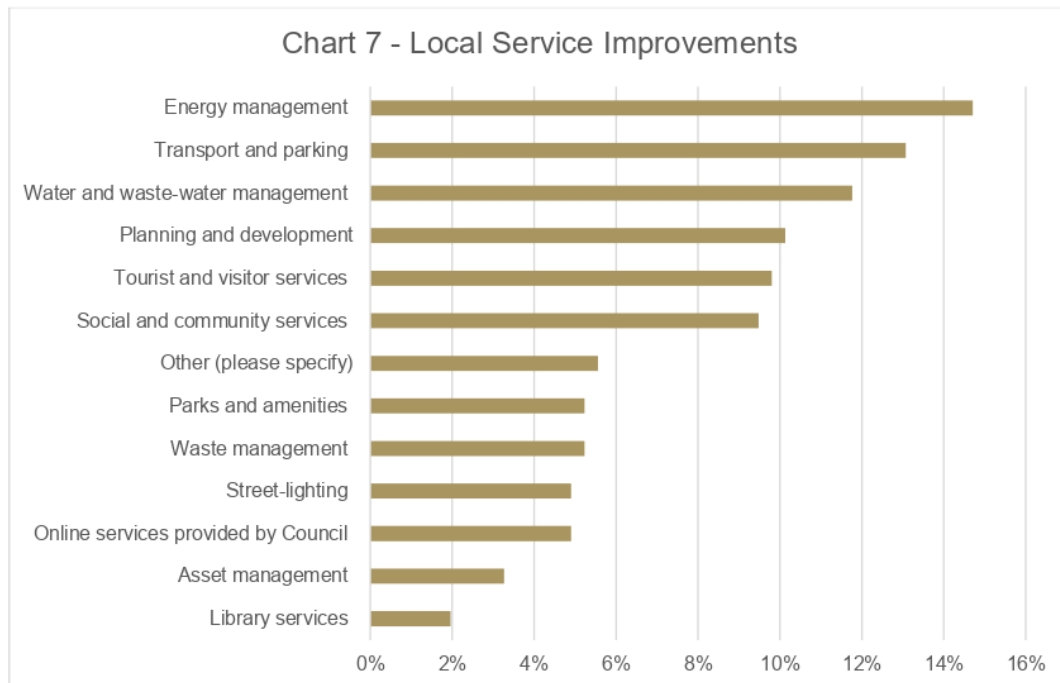
Respondents were asked to select the top three options describing how they view the current state of Port Macquarie-Hastings as a smart community.

**OTHER RESPONSES ARE PRESENTED VERBATIM BELOW:**

- ▶ Lots of room for improvement
- ▶ Can only be community focussed if community feedback is considered and responded to. This doesn't mean accept everything the community says but explain why feedback is or isn't taken on board and why.
- ▶ I think that there are many people open to new possibilities, and embrace innovation, sustainability and economic diversification as a path towards a more sustainable future, but there are others who are resistant to change and, for example, don't really understand the value of the creative industries or culture (both in and of itself and as a value-add to other industries).
- ▶ Innovative locations around the world are those with creative leaders or at least those who are prepared to get out of the way of those who are able to enact change. For too long in communities such as ours, innovation has been seen to be get rich quick schemes through real estate development, ensuring that we lose the beauty and history of our infrastructure.
- ▶ To be a truly smart community, we need to show ourselves as technologically adept, collaborative and community focussed.
- ▶ With a high aging community, most innovations are perceived and driven by the larger aged community, we have a younger 'smart community' who need to be engaged and heard to assist with developing a smart community, especially in the area of technology enhancement
- ▶ Needs to be more open to innovation & improve technology use
- ▶ not widely discussed as an option in the community currently
- ▶ limited to basic functionality e.g. parking sensors for ticketing where it could be expanded to engage consumers on where parking is available, also look outside the CBD
- ▶ Unfortunately, party politics often dominate views on climate and energy in our region, making innovation and smart technology at Council and community level more difficult. Let's face it - on these issues, we lag behind many other LGAs.

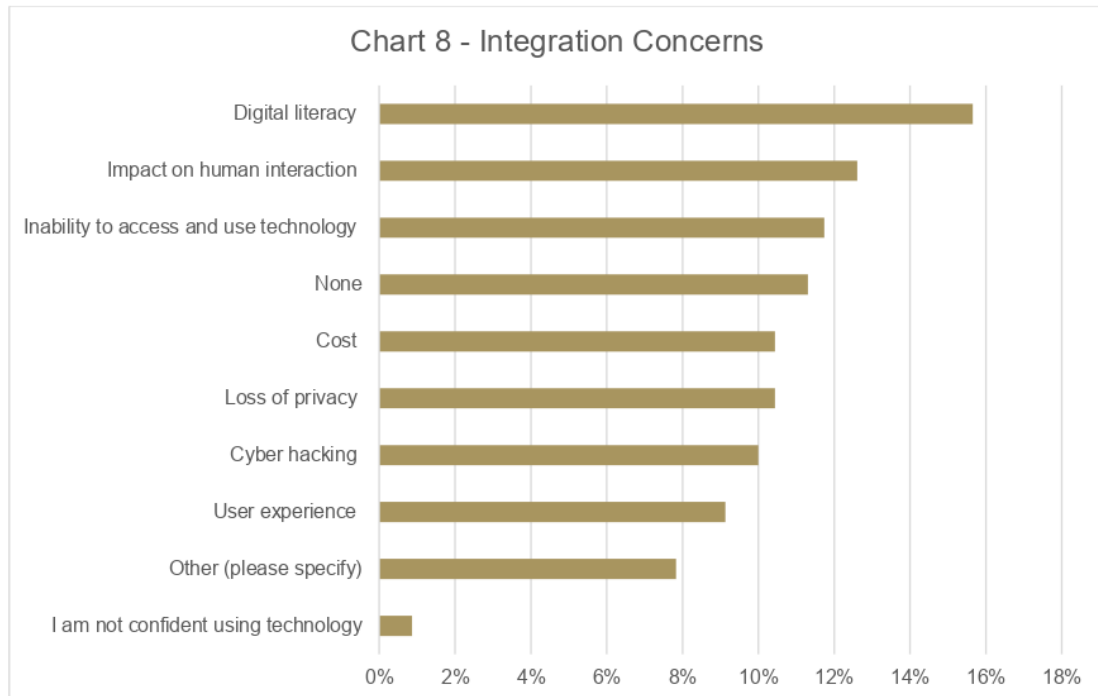
Local Service Improvements

Respondents were asked to select up to three local services they would most like to see improved by smart technology.

**OTHER RESPONSES ARE SUMMARISED BELOW:**

- ▶ Health facilities and lifestyle/amenity services (e.g. aquatic centre)
- ▶ Community based renewable energy initiatives
- ▶ Access to free public Wi-Fi
- ▶ Social and community services
- ▶ Cycling safety – smart lighting and off-road paths for
- ▶ Enhanced mobility, public transport and integration of electric vehicles

Respondents were asked to select the three main concerns they have about the integration of smart community and digital technology in Port Macquarie-Hastings.

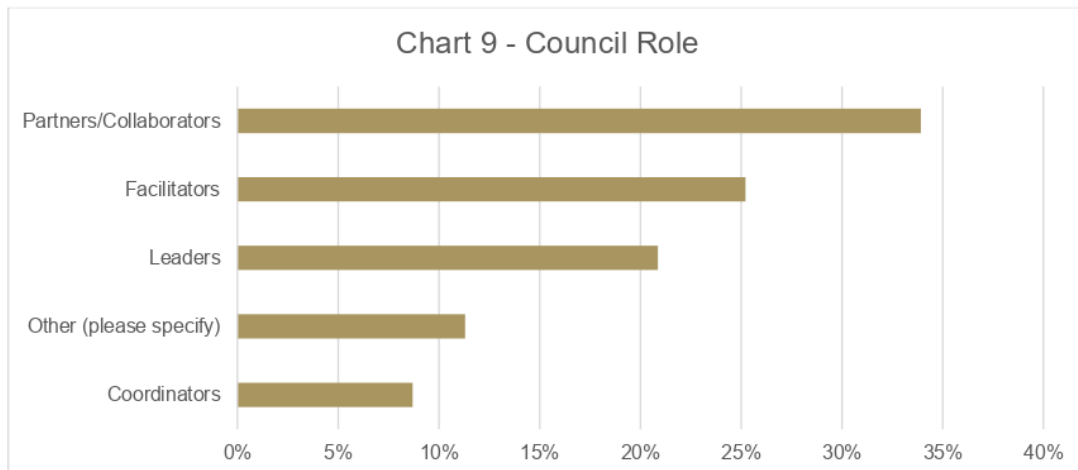


OTHER RESPONSES ARE SUMMARISED BELOW:

- ▶ Ageing population and
- ▶ Digital literacy
- ▶ Inequality of access to smart technology for digitally challenged/disadvantaged people n
- ▶ Loss of connection to nature and natural beauty of region
- ▶ Lack of capacity for internet traffic during peak times
- ▶ Potential impact of disasters (e.g. power outages causing disruption to business)

Council Role

Respondents were asked to select one option for what, in their view, should be the main role of Council in coordinating smart community activity and outcomes for Port Macquarie-Hastings.

**OTHER RESPONSES ARE PRESENTED VERBATIM BELOW:**

- ▶ Coordinated planning 30 years in advance with underwriting of costs such as NBN to the premises for major commercial pathways EG Horton St Lord St Lake Road Industrial zone
- ▶ Listen to all in the community and their needs and interests first. You represent us and our area. And we all have the right to enjoy and feel safe in our community.
- ▶ The role of council should be protecting its citizens
- ▶ Leaders, but not at the expense of leadership on energy (renewable) and environment - these should be integrated.

Other Roles

Respondents were asked to share who else they feel can/should play a role in coordinating and delivering Port Macquarie-Hastings' smart community agenda, and what might that role be.

The responses have been synthesised below and organised according to common themes.

Community Groups and Local Leaders

Respondents expressed a strong desire for community participation in co-ordinating and delivering Port Macquarie-Hastings' smart community agenda. Suggestions focused mainly on the inclusion of representation from the different groups that compose the Port Macquarie-Hastings Community. This arose out of concerns for the appropriateness of smart community initiatives for the Port Macquarie-Hastings' community. Specific mentions were given to the community's Indigenous members, senior residents, youth, local entrepreneurs and local leaders.

A list of actionable suggestions from responses as to how this community involvement may be implemented is provided below:

- ▶ Community working group or advisory panel with a range of community voices
- ▶ Consultation with local leaders with relevant experience (such as local entrepreneurs)
- ▶ Collaboration with existing community groups

Local Businesses and Industries

There was also a strong call for the involvement of local businesses and local industries in the pursuit of a smart community agenda. Respondents thought that tourism and renewable energy sectors in particular should play a role in delivering this agenda. It was thought that local businesses would have a valuable insight into how smart community initiatives could best achieve beneficial results for Port Macquarie-Hastings.

Recurring mentions were made to:

- ▶ Chambers of commerce
- ▶ Local service providers e.g. health, waste management, energy and aged care facilities
- ▶ Tourism industry
- ▶ Renewable energy industry

Local, State and Federal Government

The responses indicated that the community would like to see different levels of government and government agencies involved in Port Macquarie-Hastings' smart community agenda. Responses varied in the role that they believed the government should play. Some viewed the role of governments as a key source of funding for smart technology, while others saw the success of smart community initiatives as depending on support from government representatives and intergovernmental collaboration.

Frequently mentioned levels of government and government agencies include:

- ▶ NSW Government, and associated services
- ▶ Federal Government
- ▶ Local Council staff

Education Institutions

The community responses demonstrated a desire for local education institutions to play a role in the development of a smart community agenda for Port Macquarie-Hastings. Specific suggestions included developing an 'innovation incubator' within the University and connecting with relevant TAFE course attendees.

Continued Engagement and Participation

Respondents were asked to share what support they need to continue to engage and participate in Port Macquarie-Hastings' smart community agenda. The responses have been distilled into key themes below.

Communication

Respondents indicated that a strong communication strategy would be helpful in maintaining community engagement. Responses often expressed a desire for regular updates, better circulation of information and a platform for community feedback. Many of the responses suggested specific ways of improving communication, including an online newsletter, regular emails, public meetings and a clearly articulated council plan with actionable objectives.

Training

A large portion of community respondents suggested that they would continue to engage with a smart community agenda, with additional training. The specific types of training referenced included:

- ▶ Technology training
- ▶ Innovation programs for local businesses and residents

Access to Resources

The community responses demonstrate that continued participation could be fostered through increased access to technological resources. More reliable internet and free wi-fi were areas that respondents wished to see better access, as well as the further provision of devices or alternatives for those without smart-phones.

Funding

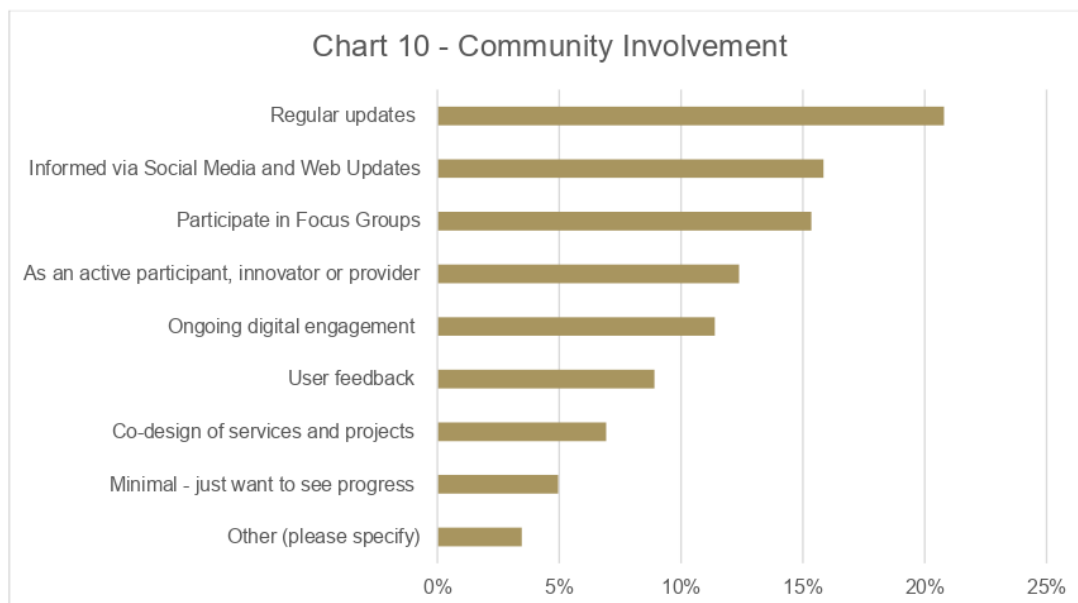
Multiple responses identified dedicated smart community funding as a way in which continued participation could be encouraged, however few responses suggested specific areas in which to direct this funding. From the 'other' responses, it might be presumed that possible avenues include funding better access to resources and training. One specific suggestion was the provision of grants for small businesses.

Specific Smart Community Initiatives

Individual responses often mentioned specific smart community initiatives which, if pursued, would lead to their increased participation in a smart community agenda. Many emphasised free wi-fi as a priority. Other specific initiatives included open data platforms, digital road repair mapping, and 'Snap, send, solve' initiatives.

Community Involvement

Respondents were asked to select up to two ways they would like to be involved in Port Macquarie-Hastings' possible smart community agenda.

**Community Concerns about 5G**

Through various survey responses, a number of community members expressed concern over the potential health impacts of 5G technology. Port Macquarie-Hastings Council, and Delos Delta, would like to acknowledge these responses but emphasise the lack of scientific evidence to support these claims. Moreover, the deployment and national roll-out of 5G networks is an issue being controlled by the Commonwealth and State Governments, and is not a matter within the direct control of the Port Macquarie-Hastings Council.

While a range of other non-smart-community-specific concerns were raised through the engagement process, Port Macquarie-Hastings Council and Delos Delta are open to continued discussions with the general public in order to educate, listen, share information and encourage the community to embrace the vast benefits of smart community development.

Community Engagement Key Insights



The following section presents a summary of the most common themes, insights comments and ideas from community engagement. A more detailed and holistic summary of the entire engagement process is presented later in this document.

Community Culture

- ▶ Community participation, engagement and training/education
- ▶ Smart partnerships and collaboration
- ▶ Empowerment of community and participation in smart community initiatives
- ▶ Innovation programs
- ▶ Leverage local expertise
- ▶ Communication and regular updates on smart initiatives
- ▶ Digital literacy training

Council Capacity

- ▶ Alignment with Think 2050 (and other Council plans)
- ▶ Developing an innovation culture
- ▶ Leveraging data for enhanced decision-making
- ▶ Openness and transparency
- ▶ Reduce red tape
- ▶ Partnerships and collaboration
- ▶ Engagement with state and federal governments

Mobility and Transport

- ▶ Smart mobility and interconnectivity
- ▶ Smart parking
- ▶ Integrated public transport
- ▶ Reduced congestion
- ▶ Public transport safety

Natural Environment

- ▶ Smart resource management
- ▶ Forward planning for sustainability using smart data
- ▶ Enhanced green space and land management
- ▶ Environment and biodiversity protection
- ▶ Renewable energy and smart energy management
- ▶ Smart meters

Supporting Local Business

- ▶ Enhanced connectivity capacity
- ▶ Economic diversification and resilience
- ▶ Innovation programs for business
- ▶ Support tourism industry through smart technology
- ▶ Foster business leadership and encourage innovation

Liveability

- ▶ Equity, accessibility and inclusion
- ▶ Smart community outcomes for improved health and wellbeing
- ▶ Supporting the Port Macquarie-Hastings lifestyle
- ▶ Leveraging education (e.g. partnership with CSU)

Staff Engagement



Staff Workshop

Staff were invited to attend a consultation session facilitated by Delos Delta. The discussion focused on the direction, projects, risks and actions that should be considered during the development of a Port Macquarie-Hastings smart community.

Objectives

To begin the session, attendees discussed the main goals and objectives they believed should underpin Port Macquarie-Hastings' Smart Community Roadmap. These objectives and goals are outlined below:

Objective	Actionable Goals
Carbon Neutral and Sustainable	<ul style="list-style-type: none"> ▶ Improved renewable energy, smart power grids, water management outcomes ▶ Enhanced natural resource management and ecosystem/natural asset protection ▶ Establish smart technologies/systems for fauna management and protection
Unique 'Smart Community'	<ul style="list-style-type: none"> ▶ Tailor projects to unique local strengths, challenges and concerns
Innovative Ecosystem	<ul style="list-style-type: none"> ▶ Building a foundation for future development ▶ Finding and supporting entrepreneurs and local businesses ▶ Explore partnerships with CSU for innovation/co-working
Safe Public	<ul style="list-style-type: none"> ▶ Increase security ▶ Preserve privacy
Engaged Community	<ul style="list-style-type: none"> ▶ Increase community participation ▶ Connecting the community through more effective transport infrastructure ▶ Online workshops, participation in design and decision-making to ensure the whole community has a strong voice ▶ Digitally connected community
Informed Decisions	<ul style="list-style-type: none"> ▶ Use smart tech and data to make better decisions and work smarter

Projects

Council staff members were consulted on what high-value smart technology projects they would like to see considered in a smart community agenda. The possible projects the discussion generated are detailed below.

Project	Examples
Drone Technology	► Flora/fauna and natural resources mapping and management
Smart sensors	► Improve infrastructure through smart tech and sensors
Data Integration	► Expand on and further utilise existing data ► Integrate other sources of data, e.g. BOM website
Sustainability	► Waste management and investigation of circular economy ► Smart water and electricity meters, flow monitoring and environmental sensors
Transport projects	► Support EV and autonomous transport options ► GPS for enhanced accessibility to disabled parking
Council Service Improvement	► Streamline application processes through online/agile platforms ► Explore a smart app to navigate cemeteries ► E-planning processes ► Across Council data sharing
Connectivity	► Increase speed, quality and accessibility of internet within regional areas
Local Business Collaboration	► Invite and encourage partnerships with local businesses, community and industry
Internal Innovation	► Integrate 'smart' into Council culture

Risks and Challenges

Council staff were asked to identify potential risks and challenges, and consider ways of overcoming these challenges

Risks/Challenges	How to Overcome
Old Regulations and Red Tape	► Update regulations to match the changing demand, culture and demographics of the region
Technology Risks	► Address security, privacy and technological redundancy concerns
Political Support	► Create Councillor engagement and buy-in ► Allow room for Council members to make mistakes
Education	► Manage misinformation ► Ensure that all concerns are effectively addressed ► Keep key stakeholders engaged

Risks/Challenges	How to Overcome
Funding	<ul style="list-style-type: none"> ▶ Demonstrate that benefits outweigh costs of smart community initiatives e.g. smart water management ▶ Grant applications ▶ Internal resourcing ▶ Smart procurement – implementing additional 'smart' criteria to be assessed by suppliers ▶ Implement smart options during contract renewal/rollover
Social Inclusion	<ul style="list-style-type: none"> ▶ Promote digital literacy and democracy ▶ Ensure smart initiatives work for the whole community through accessibility and ease of use
Governance Policy and Processes	<ul style="list-style-type: none"> ▶ Ensure relevant policies and processes are updated to enable inclusion of smart practices
Resourcing	<ul style="list-style-type: none"> ▶ Ensure strong leadership, and council justified position for leadership role
Change management	<ul style="list-style-type: none"> ▶ Ensure internal innovation changes match external changes ▶ Develop internal change management plan ▶ Top down communication and commitment

Collaboration and Implementation

Council staff members provided a list of possible other contributors to smart community building. The list is summarised below:

Tertiary education (e.g. CSU)	Construction, developers, precinct designers	Local youth (primary schools, sporting groups)	Smart community leaders and champions
Think 2050 ambassadors	Events coordinators	Local start-ups, entrepreneurs and innovators	Local industry (existing and new)
Tourism operators (e.g. accom, hospitality etc.)	Creative industries	Other governments (neighboring LGA's, state, federal)	Service providers (Telco's, power, water etc.)

Staff Survey

64 Council staff members contributed to the online staff feedback survey, which focussed on the internal processes and capability of Council to successfully enact the Port Macquarie-Hastings Smart Community Roadmap. 20% of respondents were Senior Officers or Executives, and over 60% of respondents have management responsibilities, indicating that the survey captured a broad snapshot of authority levels within Council.

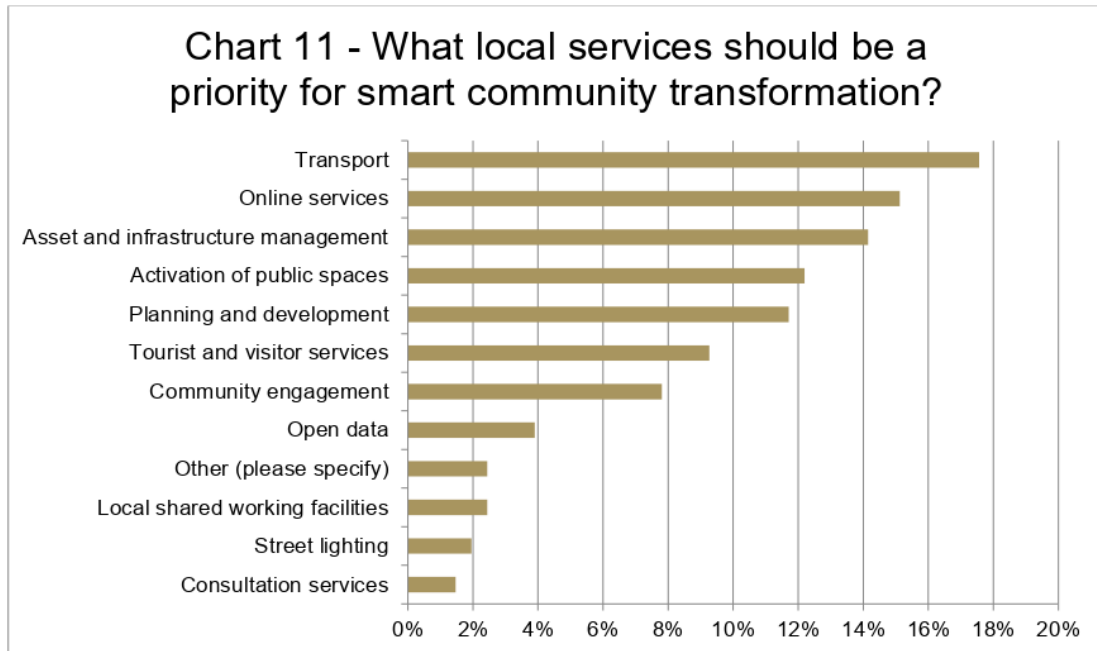
While it is not uncommon to see a number of 'neutral' responses to the agree-disagree Likert style questions in the staff survey, there was a notably high number of neutral responses from staff. This result suggests that, for each of the questions with a high neutral response, there is uncertainty, or lack of confidence/understanding in the topic of the question.

For example, in response to the question *'I have the skills and experience to plan and deliver smart community projects and services'* 31.25% of staff respondents agreed, or were neutral, while 28.13% disagreed. This response pattern highlights that there is inconsistency in staff response, any may also suggest that staff are unsure of what skills and experience are actually required for smart community development. In each case, a high neutral response rate suggests more work needs to be done to inform and educate staff on the skills, knowledge, and experience required for smart community success.

The results of the Staff Survey are summarised below.

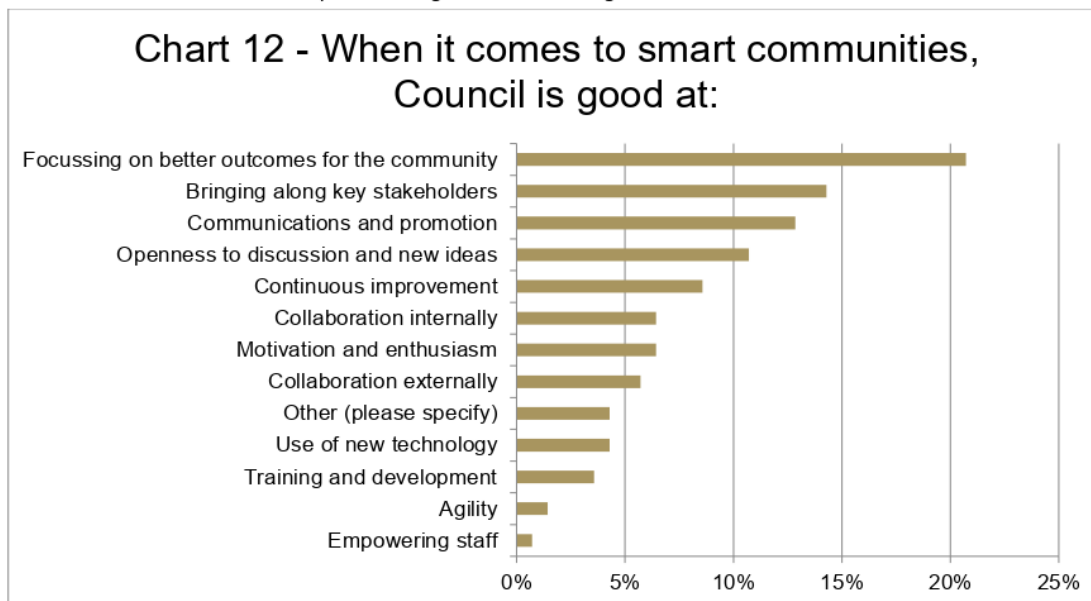
Survey Results

Staff were asked to select the top three local services they feel should be a priority for smart community transformation.

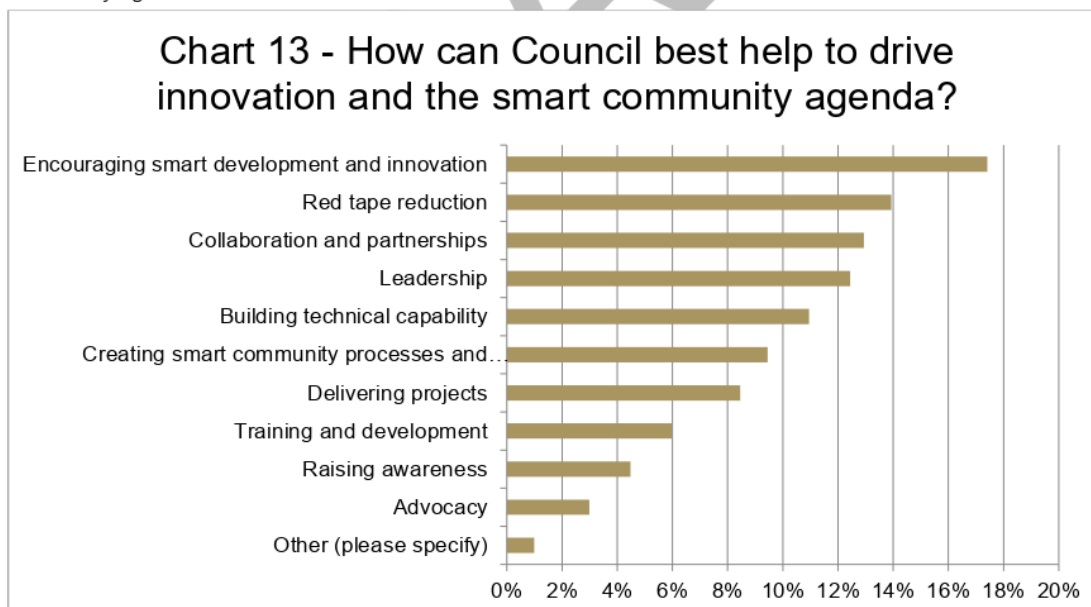
**Other Responses**

- ▶ Environmental Protection
- ▶ broader scope of recreation and sporting facilities/space set aside or general acceptance by council and community, beyond the traditional scope of playing fields and walking tracks
- ▶ IOT sensors for things, i.e. bin capacity, parking spaces, motion sensitive lights in public spaces, etc.
- ▶ Foot paths
- ▶ Circular economy/ waste management

Staff were asked to select the top three things that Council is good at when it comes to smart communities.



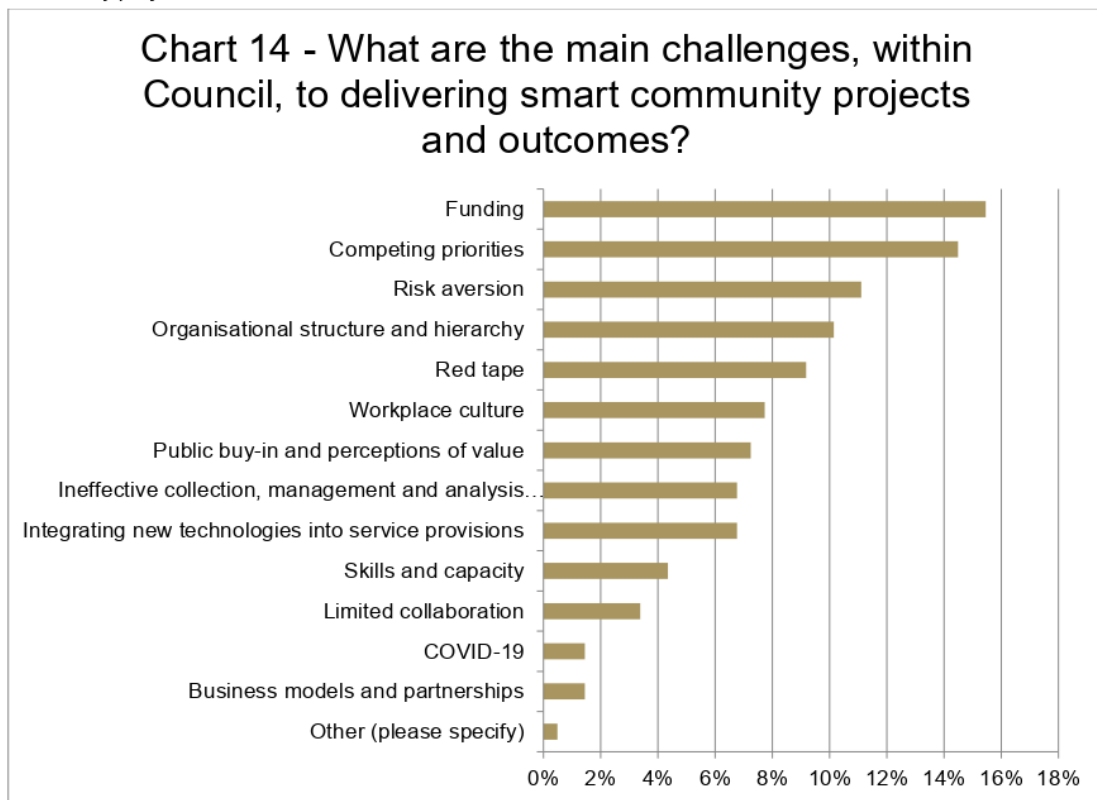
Staff were asked to select the top three ways they feel Council can best help to drive innovation and the smart community agenda.



Other Responses

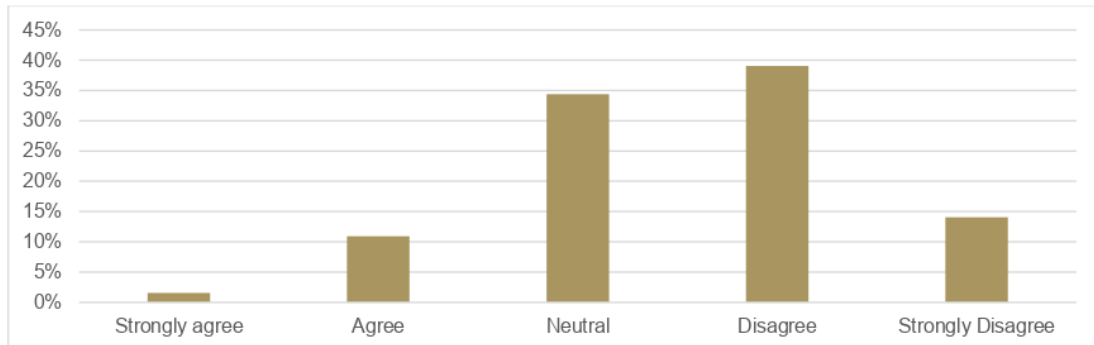
- Incorporating readiness into projects we're already planning and delivering.

Staff were asked to select what they feel the main three challenges are, within Council, to delivering smart community projects and outcomes.

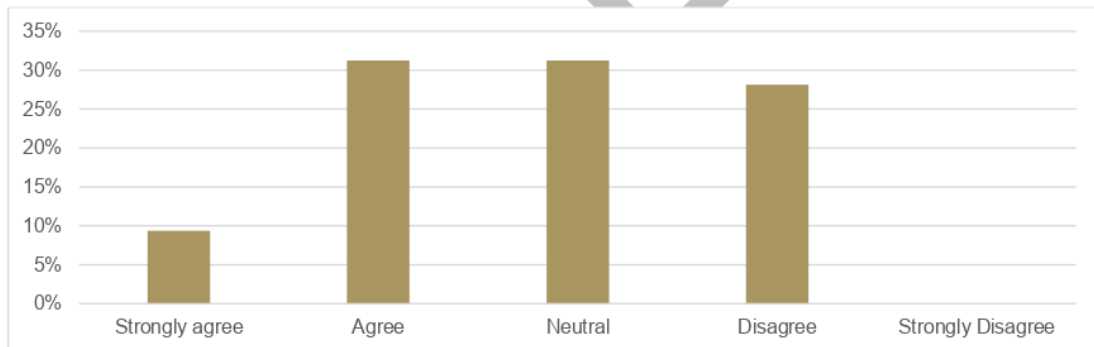


Council staff were asked to consider to what extent they agree with the following statements.

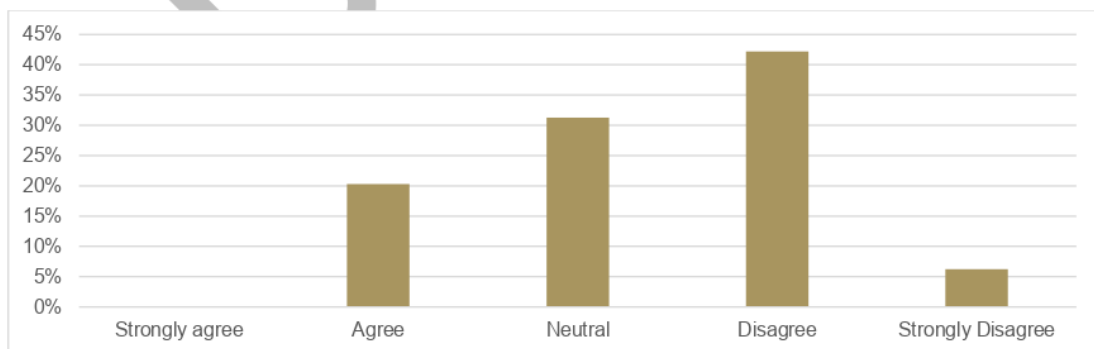
'All Council projects consider digital and smart community technology as a matter of course during design/procurement'



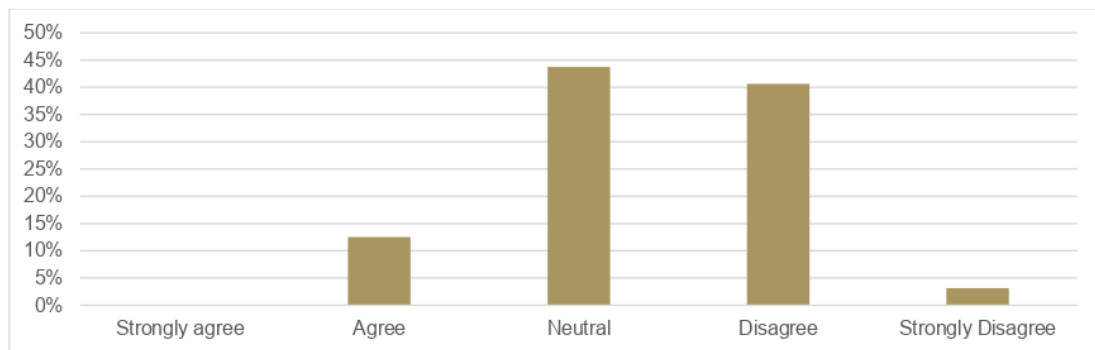
'I have the skills and experience to plan and deliver smart community projects and services'



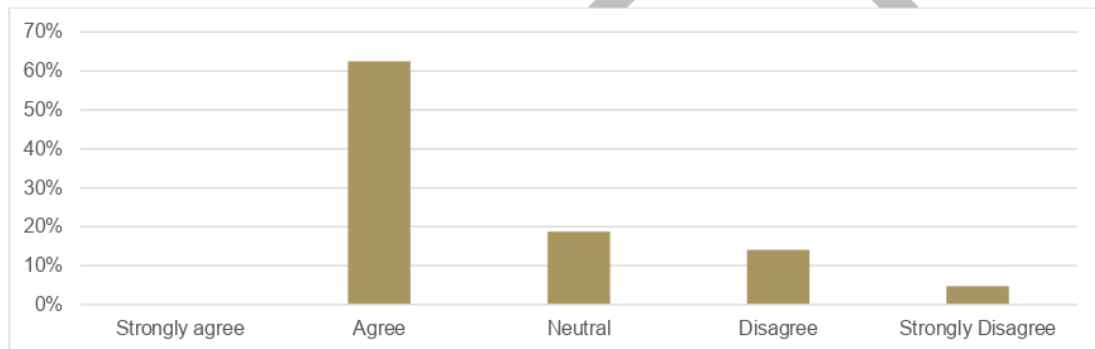
'Council has a culture of innovation and reform'



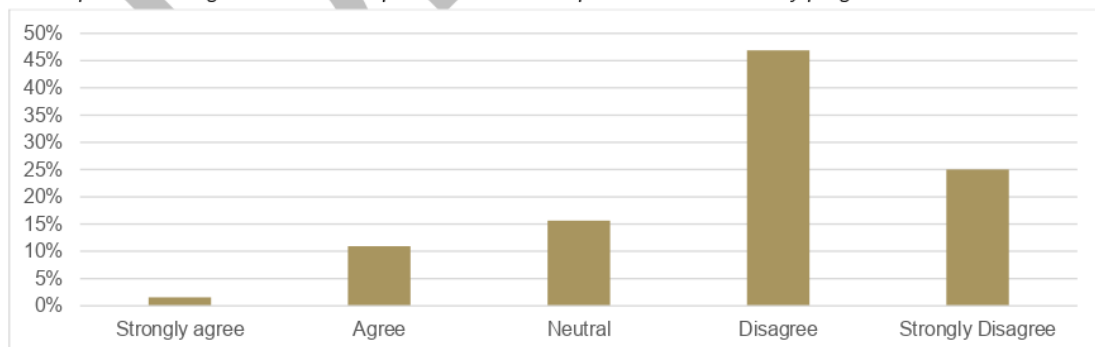
'Council has formal processes and pathways to progress digital technology and smart community projects and initiatives'



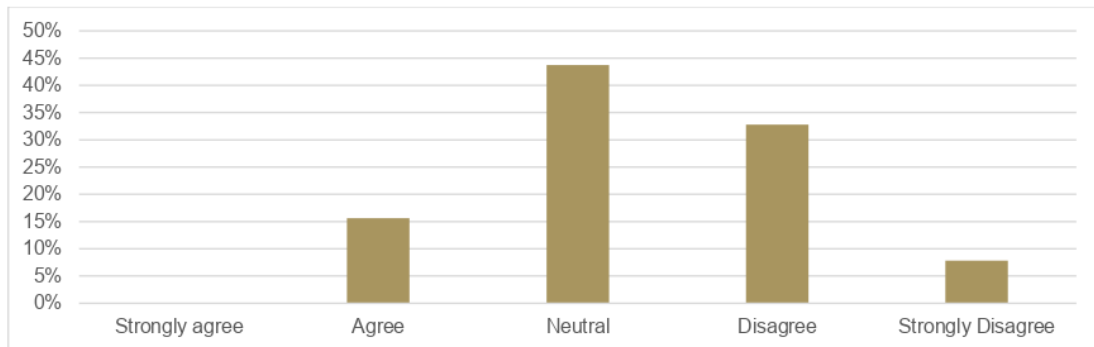
'Council uses digital technology to optimise community consultation, engagement and participation'



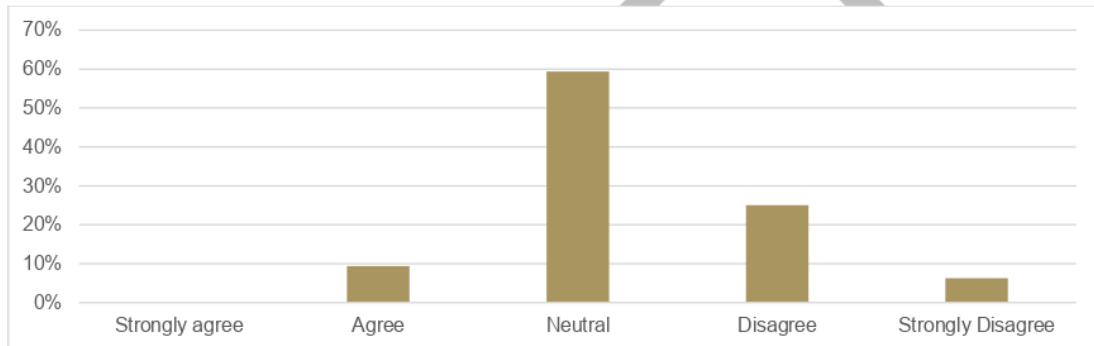
'Red tape and old regulation/business processes do not impede smart community progress'



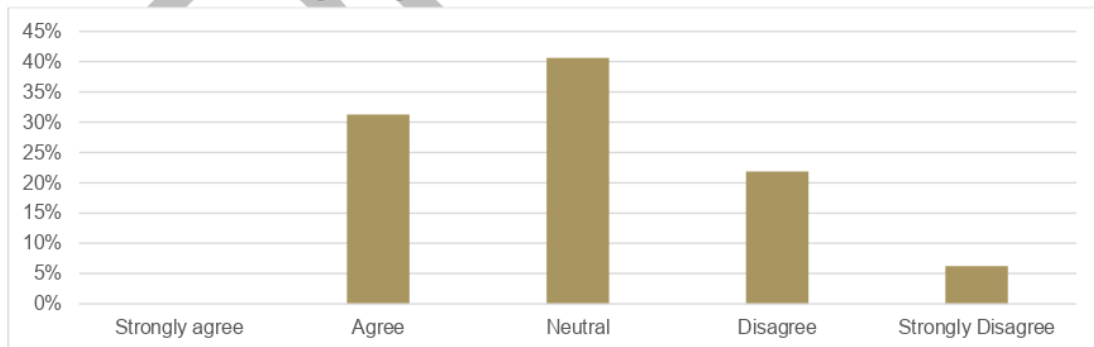
'Council has defined governance and organisational structures to drive smart community outcomes'



'Council uses rigorous methods and processes to assess and develop smart community partnerships'



'Council uses robust data management/governance standards and frameworks'



What Staff Said

Staff were asked to provide their great ideas for smart community opportunities to drive Port Macquarie-Hastings.

The responses are collated and summarised below.

Transport and Mobility

- ▶ Real time parking apps
- ▶ Battery powered bikes
- ▶ Electronic, driverless shuttles
- ▶ Electric vehicle charging stations
- ▶ Park and ride options
- ▶ Cycleways
- ▶ Dedicated bus lanes
- ▶ Driver education
- ▶ Live ferry tracking
- ▶ Solar integrated footpaths

Tourism

- ▶ Interactive visitor app
- ▶ Online portal to assist visitors find businesses and attractions relevant to their interests
- ▶ Digital coupons and discounts

Sustainability

- ▶ Smart meters monitoring water and energy consumption
- ▶ Self-sustaining satellite centres
- ▶ Investing in regional areas to reduce effects of urbanisation
- ▶ A 'Tool Library' for the community to share/borrow tools rather than buying new ones

Services

- ▶ Online application process for use of council assets
- ▶ Online open data platform
- ▶ Platform for businesses to share services, reducing the costs of commercial leases
- ▶ Vacuum garbage waste collection services
- ▶ Construction sector app with links to regulations and policies
- ▶ Snap Send Solve initiatives

Connectivity

- ▶ High speed internet
- ▶ Investment in IT services
- ▶ Train and upskill people to create online and web-based tools themselves rather than relying on third parties
- ▶ Provide access to software
- ▶ More reliable Wi-Fi in public spaces

Community

- ▶ Internet cafe event to assist elderly community members engage in community surveys and learn about technology
- ▶ Learning and development programs
- ▶ Co-design services with the community
- ▶ Podcasts to update the community

Key Insights from Council Staff Engagement



The following section presents a summary of the most common themes, insights comments and ideas from Council Staff engagement. A more detailed and holistic summary of the entire engagement process is presented in the following section.

Sustainability

- ▶ Waste management
- ▶ investigation of circular economy
- ▶ smart meters
- ▶ environmental sensors
- ▶ self-sustaining satellite towns
- ▶ investment regionally to reduce urbanisation

Connectivity

- ▶ Security, privacy and safety
- ▶ Speed quality and accessibility of internet
- ▶ Investment in IT services (Council and Community) to support smart technology integration

Innovation

- ▶ Local business collaboration
- ▶ Leverage unique local strengths

Tourism

- ▶ Interactive visitor app
- ▶ Digital marketing and promotion (e.g. discounts for tourists)
- ▶ Online portal for information

Council Services

- ▶ Service improvement through smart and digital technology
- ▶ Data management
- ▶ Reduced red tape
- ▶ Online open data platform
- ▶ 'snap, send, solve' initiatives

Governance and Resourcing

- ▶ Internal innovation culture
- ▶ Governance and policy
- ▶ Change management
- ▶ Resourcing and funding

Community Support

- ▶ Enhance community participation
- ▶ Education programs
- ▶ Training and upskilling people in digital literacy
- ▶ Internet café (or free public Wi-Fi) with structured programs for educating low-digital-literacy people
- ▶ Co-design of services
- ▶ Regular innovative updates on smart community progress (e.g. podcasts)

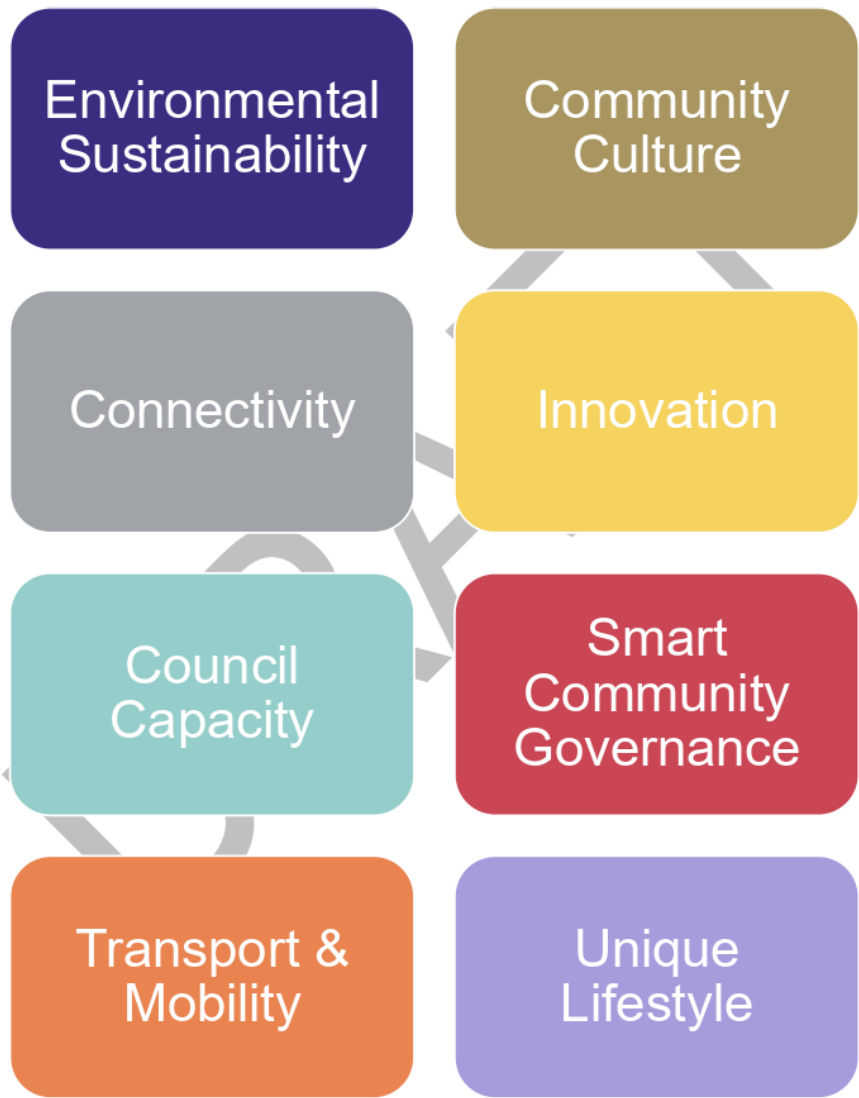
Transport & Mobility

- ▶ Pedestrian accessibility and mobility
- ▶ Micro mobility options (e.g. electric bicycles)
- ▶ EV charging infrastructure
- ▶ Smart technology integrated into pedestrian/bicycle transport

Overall Engagement Insights



Several key themes have emerged from Council and community engagement, as presented below.



Environmental Sustainability – Protecting our Natural Beauty

- Smart resource management, environmental sustainability and enhanced management of natural assets are high priorities for the people of Port Macquarie-Hastings. Smart technology, such as smart water meters, environmental sensors and smart lighting, can be integrated into the community to drive environmental sustainability awareness and help to protect the natural beauty of the Port Macquarie-Hastings region.

Community Culture – Embracing Change

- Enhanced community participation, collaboration, and co-design of smart projects/initiatives are central aspects of a successful smart community. A common theme from engagement was the drive for enhanced community input and involvement in smart community development, through innovative engagement, dedicated training and education programs, and regular progress updates.

Connectivity - Promoting Equity, Inclusion & Accessibility

- One of the most common themes from engagement was the desire for an inclusive, welcoming, and easily accessible smart community. Leveraging partnerships with education, delivering digital literacy programs, and utilising equitable connectivity to enhance digital inclusion and democracy is a key priority for the people of Port Macquarie-Hastings.

Innovation - Supporting Local Business

- Support for local business was a consistent theme from engagement, with the effects of the COVID-19 pandemic at the forefront of people's minds during the engagement process. Irrelevant of COVID-19, support for local business through commitment to innovation, economic diversification, and calculated smart technology deployment is a proven method for developing a resilient regional economy and achieving sustainable smart community success.

Council Capacity – Delivering Enhanced Services

- One of the most commonly suggested ways to advance the smart community agenda was through targeted enhancement and improvement of Council capacity to deliver smart services. Council service improvement through smart, online and digital technology, and increased data management capability go hand-in-hand when developing smart community capacity.

Smart Community Governance - Clarity in Change

- Targeted reform and dedication to facilitated change within Council is critical to smart community success. Engagement suggests that Council needs to investigate targeted reform, reduce red tape, and investigate dedicated funding and resourcing to ensure smart community projects are sustainable and provide direct, tangible benefit to the community. Additionally, smart community leadership is required from the community, particularly from business leaders and local smart community champions.

Transport & Mobility – Improving Regional Accessibility

- Mobility and accessibility are key priorities for the residents of Port Macquarie-Hastings. Frequently mentioned in engagement, enhanced/smart transport options such as smart parking, integrated public transport systems, and smart pedestrian/cycling wayfinding can be achieved through integration of smart technology. Gathering data from these smart initiatives will also allow for improved planning and decision-making about transport and mobility in the region.

Unique Lifestyle – Leveraging Regional Assets

- One of the key strengths of the Port Macquarie-Hastings region, as noted in engagement, is the unique natural environment and distinct lifestyle. The people of Port Macquarie-Hastings believe that smart technology, digital engagement and online software/dashboards can be used to leverage these unique strengths, particularly in relation to supporting and enhancing the visitor economy. Additionally, engagement revealed that there is a desire to establish Port Macquarie-Hastings as a unique, and distinctly liveable destination, that embraces smart community outcomes.

Next Steps



The outcomes of this engagement process will inform the design of a Smart Community Roadmap for Port Macquarie-Hastings, to be prepared through collaboration between Council and Delos Delta. A draft Roadmap will be presented to local Councillors and the community for further feedback and revision.

Following draft assessments, and any amendments to account for Councillor and community feedback, Council will launch the final Roadmap. This Roadmap will be supported by coordinated investment and implementation by Council.

The Roadmap will be released for public exhibition on XXX and will be available for 28 days before all comments are assessed internally, and a final version is presented to Councillors for endorsement in September.

DRAFT

Appendices



Appendix 1

Project Team Digital Workshop – Additional Notes

Other

- ▶ Sustainability and resilience
- ▶ Improving on the natural environment
- ▶ It's NOT all about technology – Addressing current issues with smart solutions!
 - Smart community is NOT standalone – its embedded in everything else that happens in PMHC
 - Its less “of that's smart community” and more “how can we do this thing more smartly”
- ▶ Community are interested in the outcomes, less so the HOW, so if we frame it as solutions rather than “using tech” for example
- ▶ Community Planning
- ▶ Small villages in PMHC are interested in using smart community development as a means for attracting investment and becoming leaders in small community centres
- ▶ Tapping into existing cohorts
- ▶ Using THINK 2050 ambassadors
- ▶ People are embracing this!!!
- ▶ People are 'ready' now in COVID

COVID Comments

- ▶ Balancing the need for mentioning but also it seems to be evident
- ▶ COVID has forced a lift in digital literacy
- ▶ How can smart community help when COVID happens?

Community engagement

- ▶ Packaging with think 2050
- ▶ People don't care about 'how smart this is'
- ▶ Be cognisant of – very rarely people have ideas and we say NO, it's more that ideas come up and people have challenging ideas
- ▶ How is this a better opportunity than other investments!
- ▶ We need to USE think 2050 because it is high profile

Website

- ▶ Packaging smart community in with the 2050 page on Council site

Engaging with young community

- ▶ Kids also bring together their parents
- ▶ Young demographic are key users and developers in the future
- ▶ EG Minecraft competition for developing "city of the future"
- ▶ Opportunity to add this on to work with schools

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Appendix 2 – External Stakeholder Workshop Notes

Smart Community Objectives

Looking to the future, say in 5 years, what does our 'smart community' look like?

- ▶ Leveraging useful data to make better-informed decisions
- ▶ Backing up decision making with clear, useful data
- ▶ Encourage small/medium businesses to embrace technology
- ▶ As a way of promoting business and the region generally
- ▶ Encouraging business to use tech to learn, make mistakes, develop businesses
- ▶ Digital leadership and embracing new digital standards
- ▶ Enhancing community engagement and learning, training, education
- ▶ Equity and accessibility for smart community
- ▶ Using villages/towns in PMH region as testbeds for smart technology
- ▶ Retrofitting existing infrastructure
- ▶ Using COVID as an opportunity for digital development in business
- ▶ Accessibility to new digital services and markets (digital inclusion)
- ▶ Inclusion of people of all ages, demographics, abilities, etc. (both physical and digital)
- ▶ Creating an environment and culture to attract and develop tech business
- ▶ Encouraging start-ups and entrepreneurship (building tech literacy of region)
- ▶ Innovation!

Priority Projects

What are some high-priority local issues, challenges or opportunities that might be addressed via 'smart community' initiatives?

- ▶ Tangible, visible changes to the PMH region
- ▶ Having data to better understand 'peak season' e.g. local Wi-Fi to log numbers of people
- ▶ Leveraging existing programs for IT training to support digital literacy development (particularly for seniors)
- ▶ Using digital capacity to take PMH to the rest of Australia
- ▶ Collaboration to provide digital tech to support local community to diversify economy
- ▶ Leveraging smart technology (e.g. Wi-Fi takes you to tourism landing page) to build awareness of local business + the smart initiatives in the region
- ▶ Cross sector collaboration, breaking down silos, leveraging successes to build a foundation for the region
- ▶ Connectivity (quality and accessibility) as a means for supporting regional business
- ▶ Investment in smart infrastructure
- ▶ E.g. to support health, education, SME, start-ups, entrepreneurs etc.
- ▶ *In progress* - Council and CSU collaboration for innovation hub on campus

Collaboration

Who can play a role in creating our smart community? How can we facilitate smart partnerships?

- ▶ E.g. health and education precinct
- ▶ Opportunity to make this a smart precinct, and include industry (research, tech, etc)
- ▶ Incorporating creative industries – e.g. design (multidisciplinary cooperation)
- ▶ Connecting schools and community college
- ▶ Educating students on career pathways through smart partnerships
- ▶ Camden haven chamber of commerce
- ▶ Airport business park

Profile

How might we use 'smart tech' to enhance our profile/brand/reputation? What can we do to build our digital economy?

- ▶ E.g. dedicated comms to promote our smart tech credentials and wins
- ▶ Fitting in with existing Council and community plans
- ▶ Tourism marketing (e.g. EV charging stations as a means for attracting people)
- ▶ Leveraging unique broadband capabilities
- ▶ Educating and encouraging community on basics of digital technology to eliminate some of the 'fear' of new technology
- ▶ E.g. a smart community 'help desk' (online or physical) to educate community
- ▶ Promotion, marketing and information sharing to attract business to region
- ▶ Understanding what businesses need to grow and develop in region
- ▶ Equality and inclusion (ensuring nobody gets left behind from using technology)
- ▶ Accessibility – ensuring people feel involved in the process and 'community'

Momentum

How can we coordinate leadership and action? How can we keep people engaged? What are you excited about?

- ▶ E.g. identifying local champions
- ▶ E.g. volunteers helping community to understand new technology (e.g. Zoom!)
- ▶ Also, youth volunteers – involved in civic engagement
- ▶ CoLab working space (and Council Hub)
- ▶ Community collaboration
- ▶ The CSU and Council collaboration for innovation hub
- ▶ Short courses for businesses and community to build digital literacy and capacity
- ▶ Entrepreneurs, tech experts, etc. *in residence* – to educate community

External Stakeholder Workshop – Additional Conversation Notes

- ▶ sustainability, especially climate change
- ▶ digital/cyber expansion
- ▶ innovation
- ▶ community engagement
- ▶ Useful data that can be used to make more informed decisions
- ▶ Encouraging Small to medium business to embrace Technology
- ▶ expand the successful lessons we have learnt with COVID 19 e.g. online markets
- ▶ Continuing broad community engagement across a range of technologies while helping bridge the digital divide for many of our residents and businesses
- ▶ utilising small towns for test sites for smart technology easier rollout, potential higher uptake and capacity to understand the results, also don't just look at new developments we need to look at how we can convert existing infrastructure not just build new
- ▶ assist our aging and community members with a disability to access the services and facilities across the town.
- ▶ The Covid shutdown has pushed some small businesses to engage with their customers via technology when face to face was removed. e.g.: online food ordering with payments and delivery business connections was a great outcome from the shutdown, and other businesses using video posts to show their customers what they were developing / had to offer. It's been great to see this happen, especially with local government and local businesses supporting other business operators to achieve this.
- ▶ Build digital capacity in the region and create an environment and culture to attract tech businesses to the region and encourage new/start-ups in this space . Position PMH region as a leader in tech.
- ▶ The Community College has a range of IT Training programs to support skills development to increase engagement for seniors
- ▶ in 5 years is it possible for people to drive into the Camden haven and notice a difference from the outside world? capacity to have augmented reality, evc, etc
- ▶ capacity to prepare and understand the impact of tourism volumes
- ▶ Local Wi-Fi also allows you to provide a landing page specific to the area e.g.: the Land Page for the Port Macquarie Wi-Fi lands on Council's Tourism Page to provide information instantly for our tourists.
- ▶ Build discussions around needs in different sectors
- ▶ Provide updated businesses information to encourage start-ups. What are we buying from outside the LGA that realistically be provide from within the LGA?
- ▶ Wi-Fi with Decent coverage, speed, and bandwidth limits across town is a high priority. As well as being able to gather metrics on traffic through town, it's more important for accessibility and usability in general.
- ▶ Regarding tourism, kiosks that show what people can see in a defined area in relation to where they are. If I am at the town centre what else can I see within a 15-minute walk and directions on getting there that can be sent to my mobile device.
- ▶ Invest in smart infrastructure that will also support Health/Aged care, Education (College town) and SME/Start-ups.
- ▶ Community College outreach those programs to the various local retirement communities

- ▶ Council is developing a Health & Education Precinct which encompasses the area around CSU / Base Hospital / Highfield Ct.
- ▶ Camden Haven Chamber of commerce is eager and then access our business community, we are also championing a suitable centre of excellence at the old tip site and are actively seeking support for initiatives such as a network of EVCs, a micro grid, alternate methods of power generation,
- ▶ Connecting Schools in some ways to Smart Community partnerships
- ▶ Council is also developing the Airport Business Park which is to be a high technology and campus style business park development over a 20-hectare area of land at the existing airport. I don't have direct involvement in this project, but this is another Council and local business project.
- ▶ How does it add value to a business looking to relocate or establish a business in the LGA? This is what I believe we need to be able to provide to assist in attracting businesses or establishing new businesses.
- ▶ I think there needs to be more education options locally for the general public to brush up on their tech skills. Just basic stuff like 'Getting Familiar with your Smartphone'. There is still a very large crowd out there who are 'scared' of technology because they don't know how to use it effectively. Of varying age demographics. This is just going to add friction to the adoption of smart plans.
- ▶ A community "help desk" to help users with all kinds of tech-related questions - could be physical and / or virtual.
- ▶ We need a pool of tech expert volunteers happy to donate their time to help community. Sign me up please.
- ▶ the Port Macquarie library has some fantastic technology support services, and this may be a good location for the services you are referring to. There has also been a discussion about the use of vacant shops (which have unfortunately arisen due to the economic impacts of bushfires and Covid) and these shops could be used for community items such as a technology information hub. Council also has two hubs - in Gore St (as mentioned) and also at Sovereign Hills, which would be a good location.
- ▶ The CoLab coworking space at Sovereign Hills is independent from council :)
- ▶ This company <https://www.solar-ses.com/technologies> has products available in Australia. Yet decision on purchase is challenging. The technology is there, the decisions to install them are lacking.

Appendix 3

General Public Workshop – Additional Conversation Notes

- ▶ Utilisation of smart technology to reduce car use -electric vehicles as increasing public transport use.
- ▶ Support a strong economy while enhancing the environmental assets that are enjoyed by locals and visitors.
- ▶ the future is not an easy task. But can easily say that technology will have a big impact in future.
- ▶ Council uses technology to speed up approvals of DA's
- ▶ Port Macquarie is a unique location, and we need to recognise it's features and benefits as a starting point to this discussion.
- ▶ In the short-term smart technology won't solve current infrastructure inadequacies. This is just being realistic.
- ▶ Smart technology should aim to improve interconnectedness in our community
- ▶ I think we should being Port Macquarie in thinking of the problem we are solving for, think with 2 lenses, how it supports our local community to live a better lifestyle and the second I how it will add to add to our image and reputation as a destination.
- ▶ A city-wide connectivity is going to rely upon new wireless technology, maybe 5G. Is a Council capable of that sort of technology roll out?
- ▶ Could our 'smart community' technology help many community and sporting groups as these groups rely on volunteers and some of their 'practices' are still quite traditional.
- ▶ A smart city should be shaped by solving identified problems. That is the easy part. The harder part is identifying opportunities that don't exist yet.
- ▶ Equitable access
- ▶ To be understood by all
- ▶ Broad Community inclusiveness
- ▶ Public Safety
- ▶ Accessibility for all abilities
- ▶ By increasing the opportunities for community members to contribute in this type of forums from our own homes is great. Identifying those who are less able to access these forums through our community spaces as well.
- ▶ Inexpensive where possible
- ▶ Don't expose public or private Infrastructure to cyber risk.
- ▶ Water management both in terms of storage and end user management
- ▶ Emergency management integration with the community.
- ▶ traffic management - synchronising of traffic lights
- ▶ Traffic congestion increased exponentially over the 33 years I've lived in PM. Solution in parking nodes and very efficient public transport to CBD's. Think 2050.
- ▶ One of the keys to improving sustainability is environmental monitoring... waste generation, water resources, pollution levels, koala numbers, energy production through rooftop solar etc
- ▶ Emergency situation communication. bushfire, hailstorms, road accident, etc

- ▶ Lack of investment around providing public transport in regional town like Port Macquarie, how technology can help
- ▶ Smarter Road condition monitoring... easy to call out it's been an issue in the local community for some time, but drones and other technology could better inform council on really where road resurfacing should occur...
- ▶ Can smart technology assist a better public transport system? We currently have large buses that largely run empty except twice a day, but we have to design road systems to accommodate these large vehicles, often with detrimental effects.
- ▶ Smoke monitoring - early warning system
- ▶ ongoing data collection for mapping, then for forward planning
- ▶ Other state agencies who gather data... e.g. health, EPA, Roads and Traffic etc
- ▶ All sectors and industries can play a vital role here
- ▶ The volunteer groups in our communities, e.g. RFS, community care organisations, environmental groups.
- ▶ This is probably the most important question. Public vs private. Council can't even get the parks mowed. With government you get the NBN. With private the job will get done but you lose control.
- ▶ High school students too as they are the community of tomorrow...
- ▶ Innovative Town Planners, Architects, Engineers, Social and Landscape Architects designing our future on the back of broad community and social inputs.
- ▶ Is there an opportunity to engage with those who are in forced volunteer participation sectors to engage and collect data using our smart tech already available i.e. iPads and data collector apps?
- ▶ Speak to them in simple language - KISS
- ▶ can empower community by making it relevant, affordable and trendy!
- ▶ You need to educate the community. Sell opportunities. Make sure they understand
- ▶ stress the benefits of smart technology
- ▶ find key contact and invite engagement, like has been raised. that's how PMHSN heard about tonight
- ▶ Involvement in the conversation at all levels

Appendix 4 – ‘Other’ Responses to Community Survey Questions

COMMUNITY SURVEY - CHART 1 - OTHER RESPONSES

- ▶ Faster time frames for processing of documents required for building and real estate markets. Delays with council processing of DA's, 10.7, Building Information Certificates all contributes to slowing down these markets
- ▶ Bringing some bigger shops in PMH, such as Costco
- ▶ Planning for and attracting more major events. Coffs Harbour seems to be going forward. They have the advantage of the highway and railway going through town. We have to be able to attract more 'things' to our area to make us grow
- ▶ Aiming to be an international showcase community on the provision of smart technology solutions to improve the environment while improving lifestyle - e.g. work from home is a catch phrase during COVID, but PMH residents should be able to work from a cafe or the park with community Wi-Fi
- ▶ Focusing on greater environmental protection and enhanced biodiversity outcomes
- ▶ Improving safety
- ▶ Removing all industry from residential areas (e.g. Bellbowrie area) with the exception of retail, professional and commercial businesses and relocate industry to outer suburbs specifically designed for this purpose - e.g. Sancro
- ▶ Focusing on providing subsidised activities for families with special needs children
- ▶ Engaging with the traditional owners
- ▶ Better, more stable internet and improved mobile reception in the greater Hastings region, outside of Port Macquarie. Both are very poor at Kendall, for example, and make running an online-based business very difficult.
- ▶ The protection of our natural environment - koala habitat, coastlines, waterways, forests...
- ▶ The best climate change and renewable energy policies local government can deliver!

COMMUNITY SURVEY - CHART 2 - OTHER RESPONSES

- ▶ a safe community is a happy community - video surveillance so women can walk in the CBD streets at night and a late bus service would be valuable
- ▶ Innovation, Global Centre of Excellence (Australia's Silicon Valley)
- ▶ Collection of community needs and wants from the general majority, not the noisy minority.
- ▶ Leadership, Town and country, e.g. Rollands Plains, Pappinbarra, Byabarra
- ▶ The Values and principles of this agenda should be purely based on the safety of the community Including environmental prioritisation.
- ▶ Innovation, Empowerment ,Inclusiveness
- ▶ Clean air and environment
- ▶ Prepared for climate change impacts

COMMUNITY SURVEY – CHART 3- OTHER RESPONSES

- ▶ Data collection, sharing and analysis , Other (please specify), council processing times. Far too much time is spent procrastinating. e.g. council dredging of the canals. the dredger just spent one week not doing anything while council and Birdon decided what to do next when it was obvious and cost effective to do the Scarborough/Cornwallis canal next. How much did the dredger sitting idle for over a week cost ?
- ▶ Council could enhance the future of the city by underwriting the cost of providing NBN to the premises along all major business corridors
- ▶ Move away from personal vehicles (cars) in the cities, replacing them with electric buses and even trams, build new and extend existing cycle and walking tracks. Set up a ring of car parks outside the city area and use smart public transport to take people to the CBD. Organise deliveries (to car parks or home) from stores and commercial outlets, electric buggy style shopping trolleys from supermarkets to car parks. Make it easy for people to move around the CBD without having to worry about cars... Commercial deliveries to be organised for selected times of the day.
Plenty of undercover pedestrian locations in case of rain.
- ▶ local energy trading and ev charging
- ▶ Keeping Port Macquarie as natural as possible. We need to maximise the nature and activities available to families and the elderly.

COMMUNITY SURVEY – CHART 4 - OTHER RESPONSES

- ▶ Low smart community culture ,More cohesive interaction between PMHC departments
- ▶ Mindset. Perpetual growth, development is inevitable, etc.
- ▶ Low digital inclusion and literacy , Low smart community culture ,I question the wholehearted involvement of many current Councillors
- ▶ Litigation from people who don't trust it or want it for the sake of their health. Your community is already quite aware of the effects of excessive radiation and are especially anxious for their children's health and safety.
- ▶ We should have our privacy
- ▶ and personal health and safety.
- ▶ Smart is not that as it affects everyone's health and privacy
- ▶ Low smart community culture , Low digital connectivity , Other (please specify), Low community "vision" / low appetite for change
- ▶ Inconsistent access to broadband and mobile networks - dropouts and low speeds still experienced in some areas

COMMUNITY SURVEY – CHART 5 - OTHER RESPONSES

- ▶ More security at the Bus Depot in Gordon Street. buses go through every night at 1.30am and our visitors and locals need a camera there and a security phone. there is neither security, nor any staff to ensure public safety. it's an isolated area.
- ▶ Waste management / education / reporting in recycling.
Digital access to climate change mitigation measures
- ▶ better choice making within Council about where our money is spent, more surveillance doesn't help anything.
- ▶ Local halls, e.g. Rollands Plains School of Arts Hall
- ▶ Strategic development of digital economies and the creative industries
- ▶ Port Mac Hastings can be a leader in sustainability and lifestyle. The Shire needs a complete overhaul as far as making it a liveable/desirable location. We need to move away from unnecessary property development (e.g. most of the waterfront high rise) towards a user-friendly smart location. Briefly, PMH has a beautiful natural environment but an ugly built environment.
- ▶ Fix the road conditions first
- ▶ More renewable energy, for Council and for the community. This needs up-skilling of council staff and the community.

COMMUNITY SURVEY – CHART 7 - OTHER RESPONSES

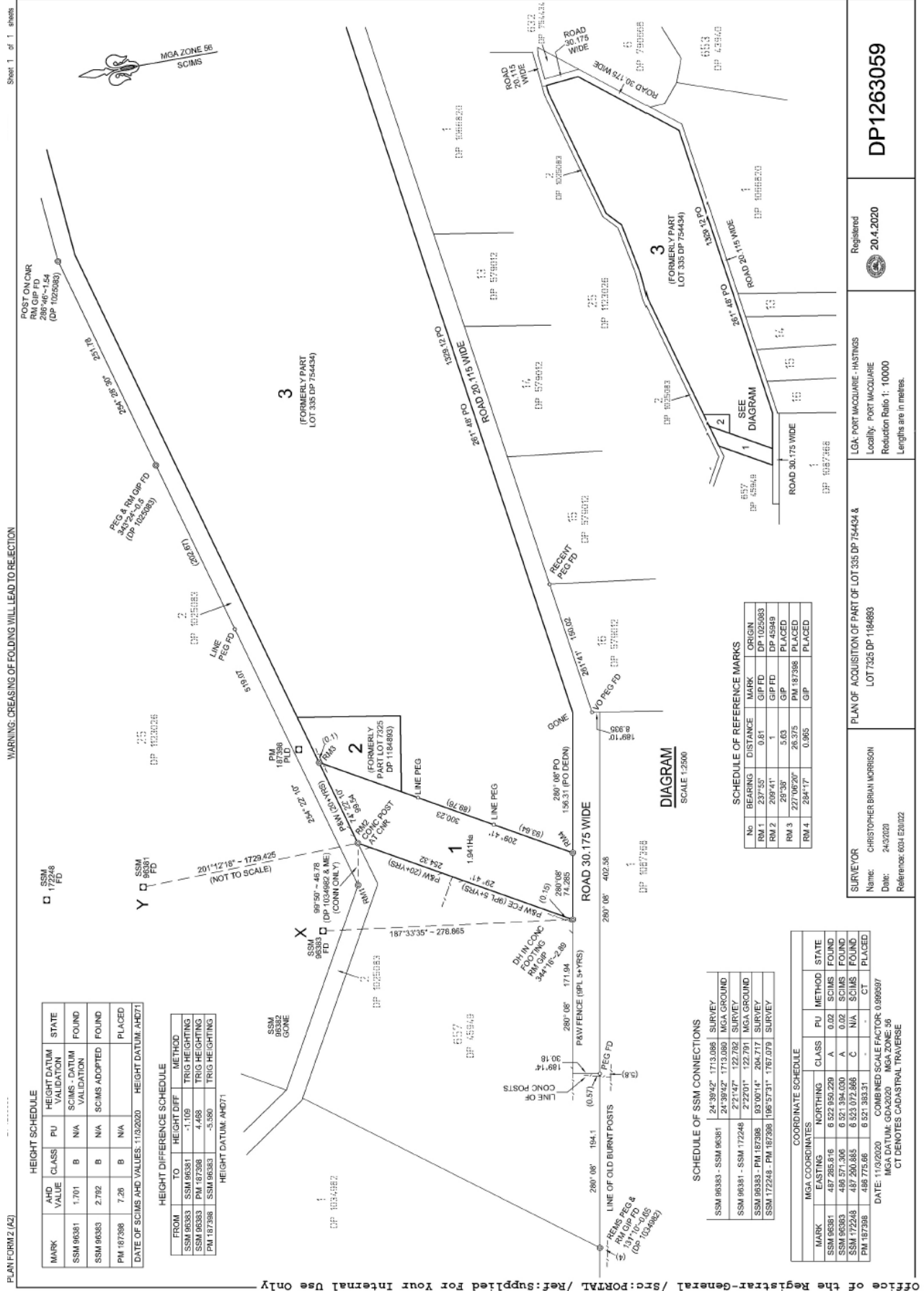
- ▶ Health facilities like a new aquatic centre and an ocean pool.
- ▶ Community based renewable energy schemes for low income residents
- ▶ Do we have solar lights?
- ▶ Back-up of grid only
- ▶ Access to free Wi-Fi at Rollands Plains Hall and Reserve, Canteen
- ▶ cycleways and walkways to link centres for reduced transport costs and health benefits
- ▶ Repair all road conditions. They are appalling.
- ▶ Social and community services
- ▶ Cycling safety - dedicated traffic lights, smart lighting of off-road paths
- ▶ better public transport, especially in the CBD. My crazy idea is free CBD public transport (e.g. Melbourne's CBD trams, City of Denver CO pedestrian mall busses (US) and so on. Since our CBD is much smaller it could possibly be achieved with just two or three electric (solar charged, obviously) minibuses.
(Maybe include free drop off / pick-ups in a few other key, more outlying points like the Private Hospital medical zone, Town Beach, the Library / Council Chambers / Olympic pool zone, and the Base Hospital and CSU...)
- ▶ Climate monitoring, mitigation and adaptation.

COMMUNITY SURVEY – CHART 8 - OTHER RESPONSES

- ▶ We have an ageing population many of whom are not willing to grasp this area. This is a problem
- ▶ Digital literacy
- ▶ Health risks of rolling out 5G network.
- ▶ Inequity of access for digitally challenged/aged/intellectually disadvantaged.
- ▶ Loss of connection to nature
- ▶ Hyper monitoring and loss of privacy.
- ▶ community consultation, or lack thereof around considerations and awareness of potential security and privacy implications when delivering some of the mentioned solutions in this survey.
- ▶ 5G roll out is of some concern
- ▶ Health and safety in the long term of the community concerns
- ▶ The capacity for increased online traffic. Congestion already exists at peak-usage times, especially in the Kendall area.
- ▶ The capacity for increased online traffic. Congestion already exists at peak-usage times, especially in the Kendall area.
- ▶ Potential job losses
- ▶ Impact of disasters and associated power losses on a region reliant on smart technology
- ▶ need to look at how data is used , shared and stored safety , look at technologies that benefit and bring community on journey
- ▶ All major programs need real community consultation.



Figure 5: Proposed extent of Crown Land partial acquisition



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

Memorandum of Understanding

Maria River Road Upgrade Project

Kempsey Shire Council and Port Macquarie-Hastings Council

August 2020



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Memorandum of Understanding

Date	August 2020
Parties	<p>Kempsey Shire Council, 22 Tozer Street, West Kempsey NSW 2440 (ABN 70 705 618 663) (KSC) and Port Macquarie-Hastings Council, 17 Burrawan Street, Port Macquarie (ABN 11 236 901 601) (PMHC)</p>
Recitals	
A.	The parties have agreed to enter into this Memorandum of Understanding (MOU) in order to record their partnership and cooperation in relation to the delivery of the NSW Government Grant funded Maria River Road upgrade project, announced in July of 2020.
B.	Except as otherwise specified, the agreement evidenced by this document is not intended by the parties to be binding on them. Rather, it represents the basis for partnership and cooperation for the delivery of this Project.

The parties agree, in consideration of, among other things, the mutual objectives contained in this agreement as follows:

1. Background

Maria River Road comprises a 30km length of road linking the NSW coastal towns of Crescent Head and Port Macquarie via the Settlement Point Ferry at Port Macquarie.

The existing 25km unsealed stretch of the road is well known to locals and tourists for its safety concerns and is characterised by numerous sharp bends and fluctuating condition of the unsealed road pavement, particularly after wet weather events.

Kempsey Shire Council (KSC) and Port Macquarie-Hastings Council (PMHC) consider the condition of the unsealed section of Maria River Road to be a major problem and a detractor to existing industry, future development and tourism in the area. The community have also expressed serious concerns for the safety of people travelling the road due to the number of crashes currently occurring.

Concept design work and preliminary investigations to upgrade the unsealed section of Maria River Road were undertaken in 2017 to support a Joint Funding application by KSC and PMHC under the State Governments Fixing Country Roads program. This joint application was unsuccessful. However in the lead up to the March 2019 State Election, a \$17 Million commitment was made by the Liberal/Nationals Coalition to upgrade Maria River Road if re-elected. Following the election, a joint funding application under the newly announced Fixing Local Roads funding program was made in December 2019 in order to access the committed funding. On 9 July 2020, it was announced that the joint funding application was successful in securing the \$17 Million for the upgrade.

2. Definitions and interpretation clauses

(a) Definitions

In this document:

Project is the upgrade and sealing of the Maria River Road generally in accordance with the Concept design Report, dated September 2017, including all associated planning, design, approvals and property adjustment works needed to facilitate the upgrades.

Council's Representative means the General Manager or their delegate;

Scope of Works means:

- Those works as contemplated in the Grant Funding submission of December 2019 required to initiate, investigate, plan, deliver, monitor, control and close out the **Project**.

(b) Interpretation

In this document unless a contrary intention is expressed:

- a reference to a document (including this document) includes all amendments or supplements to, or replacements or novations of, that document;
- a reference to a party to any document includes that party's successors and permitted assigns; and
- where the date (or last date) on which a party is required to (or may) do anything or issue any document is not a Business Day, that item may be done or that document may be issued on the next Business Day following.

3. Legal effect of this document

(a) **Not legally binding**

Whilst this document is not intended to be legally binding, there is agreement between the parties in relation to the delivery of the Maria River Road upgrade project.

Term of agreement: This agreement will commence on the date on which it has been signed by both parties and will dissolve at the finalisation of the closure phase of the project.

4. Agreement of the parties

(a) **KSC's role and responsibilities**

- Support and agree to PMHC providing Project Management for the delivery of this project as a single scope of works across both the PMHC and KSC segments of the Maria River Road.
- Agrees to PMHC acting exclusively on behalf of KSC in delivery of the Project as it relates to all works and activities required within the KSC Local Government Area.
- Actively participate in the Project Steering Group including Director of Operations and Planning - KSC to act as the project co-sponsor (with PMHC Director Infrastructure) for this road upgrade project.

(b) **PMHC's role and responsibilities**

- Utilise PMHC's Project Management Framework as the Governance framework for the delivery of this project.
- Convene, chair and administer a formal Project Steering Group including Director of Operations and Planning- KSC to act as the project co-sponsor for this road upgrade project.
- Utilising agreed project funding, provide the Project Management resourcing required to deliver the project as single scope of works across both the PMHC and KSC segments of the Maria River Road.
- Act as Principal for all external consultant/ contractor engagements required to deliver the whole of the Project.
- Provide KSC via the project Steering Group with timely and relevant information in relation to the delivery of the Project.

(c) **Joint responsibility for Project**

PMHC and the KSC agree that although they have different roles and responsibilities regarding the Project, both agencies are jointly responsible for the performance of this MOU and the delivery of the Project to the community in accordance with current and agreed project scope.

This joint responsibility will be acknowledged publicly by both parties in all announcements or releases issued and in the context of the resolutions of the Project Steering Group.

The parties agree that the project financial risks will be apportioned generally equally unless otherwise agreed by Steering Group including any project funding shortfalls.

(d) **Maria River Road Upgrade Project - Steering Group**

The Maria River Road Upgrade Project - Steering Group will be responsible for the project sponsorship, provision of guidance and direction on significant matters relating to the development of the project. The Steering Group will be chaired by the PMHC - Director Infrastructure or their delegate. Membership in the

Steering Group may vary with the agreement of the Steering Group, but shall not increase in the number represented.

The Steering Group will:

- Work in accordance with the PMHC adopted Project Management Framework as it relates to Major Projects.
- Provide guidance and direction on all communications associated with the project.
- Comprise the following:

KSC

Director Operations and Planning (Robert Fish)
Manager Infrastructure Delivery (Dylan Reeves)
Project Manager (Tony Green)

PMHC

Dan Bylsma, Director Infrastructure
Cameron Hawkins, Group Manager, Infrastructure Planning
Gary Randall, Group Manager Project Delivery
Project Manager (TBC)- Project Delivery Section

(e) **Meetings**

The Steering Group will meet monthly (or more/less frequently if required) commencing in August 2020.

Minutes of monthly meetings will be taken by PMHC and distributed to members of the group within 10 working days of the date of the meetings.

(f) **Reports**

All project reporting will be undertaken in accordance with PMHC's existing Project Management Framework (PMF) including monthly project status reporting to the Project Steering Group.

5. **Funding**

(a) **Funding of the Project**

It is expected that the delivery of the Project will be undertaken by PMHC project management resources supervising outsourced consultants and contractors, and utilising only the NSW Governments Grant funding of \$17 Million.

PMHC's initial project planning for the delivery and supervision of the project will include a more detailed budget summary and expected cost breakdown which will be presented for endorsement by the Steering Group to the first project Steering Group meeting.

6. **Government Sensitive Information**

(a) **Sensitive Information**

The parties acknowledge and agree that all initial information connected in any way to Project, in all mediums and however communicated or obtained, is classified as Government Sensitive Information, unless otherwise expressly stated in writing. Each party shall not disclose the information to any third party without the prior

written consent of the other party unless disclosure is required by law, necessary for the completion of the Project or the information is already in the public domain.

(b) **Announcements or releases**

A Community Engagement and Communications Plan will be developed as part of the initial project planning phase by PMHC and will be presented for endorsement to the Project Steering Group.

The Community Engagement and Communications Plan will include reference to significant events/milestones and engagement methods including use of the parties' websites, social media etc.

7. Communications Protocol

A Community Engagement and Communications Plan will be developed as part of the initial project planning phase by PMHC and will be presented for endorsement to the Project Steering Group.

8. Other

(a) **Variation**

A variation of any term of this MOU will be of no force or effect unless it is by way of document and signed by each of the parties.

(b) **Costs and expenses**

Each party must pay its own costs (including legal costs) and expenses in connection with the negotiation, preparation, execution and delivery of this MOU.

(c) **Further assurances**

Each party must, at its own expense, do all things and execute all further documents necessary to give full effect to this agreement and the transactions (if any) contemplated by it.

(d) **No reliance**

Neither party has relied on any statement by the other party which has not been expressly included in this agreement.

(e) **Entire agreement**

This agreement states all of the express terms agreed by the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.

(f) **Counterparts**

This agreement may be executed in any number of counterparts, each signed by one or more parties. Each counterpart when so executed is deemed to be an original and all such counterparts taken together constitute one document.

(g) **Relationship of parties**

The parties are not and are not to be taken to be in a partnership, joint venture, employment or fiduciary relationship to any extent beyond that which is required to facilitate the efficient delivery of the works as agreed within this MOU.

(h) **Dispute Resolution**

A mechanism to resolve disputes will be determined by the Steering Group. If a dispute cannot be resolved by the Steering Group, it will be escalated to the respective KSC and PMHC General Managers.

Executed as an agreement:

Kempsey Shire Council

Authorised Official:

Signature

Craig Milburn

General Manager

Address:

22 Tozer Street

West Kempsey NSW 2440

Port Macquarie-Hastings Council

Authorised Official:

Signature

Jeffery Sharp

Acting General Manager, Port Macquarie-Hastings Council

Address:

17 Burrawan Street

Port Macquarie, NSW 2444



The Hon. Paul Toole MP
Minister for Regional Transport and Roads

Councillor Peta Pinson
Mayor
Port Macquarie-Hastings Council
17 Burrawan Street
PORT MACQUARIE NSW 2444

Dear Cr Pinson

I write to you regarding the proposed duplication of Ocean Drive between Matthew Flinders Drive and Greenmeadows Drive.

As you are aware, the NSW Government committed \$60 million towards the project, together with the \$5.5 million that Port Macquarie-Hastings Council has committed. This funding is subject to the approval of the Final Business Case, which has now been completed.

As such, I write to you to confirm Council's intentions on this project.

The Member for Port Macquarie Leslie Williams has raised this project with me on multiple occasions, stressing that this project is of significant benefit to the local community, and will improve productivity and safety, and reduce congestion. Ms Williams has also highlighted the considerable economic benefit this will bring to Port Macquarie, both in job creation and local economic stimulus.

I understand that Transport for NSW has been working closely with Council staff to progress this project, and that Council has sufficient resources and workforce capability to undertake the project. As requested, Transport will continue the Joint Steering Group with Council to assist in managing the project delivery.

Given the difficult economic circumstances that many of our regional communities are experiencing as a result of bushfires and coronavirus, it is critical that shovel-ready projects such as these are commenced as soon as possible.

It is my understanding that Council has some concerns regarding whether additional funding may be required to mitigate project risks, and has stated that it will seek funding assistance from the Federal Government. I understand that these discussions have not commenced yet, and I therefore urge council to contact the Federal Government immediately to seek additional funding outside of the usual process.

As you may be aware, earlier this year the NSW Government announced a \$395 million economic stimulus package to safeguard council jobs, services and infrastructure. This package included a \$250 million increase in low-cost loans to eligible councils through the State's borrowing facility provided by TCorp to kick-

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start community infrastructure projects. I would be pleased to assist you in making representations on your behalf to my colleague, Minister for Local Government Shelley Hancock, regarding this project's importance.

It is critical that you finalise Council's funding position promptly in order that local jobs and investment are realised at a time when the community needs them most.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Toole', with a stylized, cursive script.

The Hon. Paul Toole MP
Minister for Regional Transport and Roads

Management of Koala Populations in PMHC Options Paper (2020)

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List of Abbreviations

cKPoM	Comprehensive Koala Plan of Management Covering whole of LGA under SEPP 44
C-KPoM	Coastal Koala Plan of Management
KPoM	Koala Plan of Management
LEP	Local Environment Plan
LGA	Local Government Area
PMHC	Port Macquarie-Hastings Council
SEPP	State Environmental Planning Policy
SEPP 44	State Environmental Planning Policy No 44 - Koala Habitat Protection

Executive Summary

On 1 March 2020 the *State Environmental Planning Policy (Koala Habitat Protection)* came in to force. Any **comprehensive Koala Plan of Management (cKPoM)** lodged prior to March 2020 will adhere to the conditions of the previous SEPP 44. Council was not in a position to lodge the draft PMHC **Coastal Koala Plan of Management (C-KPoM)** prior to 1 March 2020 and will now need to prepare a new KPoM if Council wants to pursue either a comprehensive or Coastal Koala Plan of Management for the LGA.

This report provides an analyses of alternative actions and measures that can be implemented to ensure consistency with the aims of the *SEPP Planning Policy (Koala Habitat Protection) 2019*. It is proposed that a review of the Koala Recovery Strategy is undertaken to include additional management actions as identified in this report. The actions are presented in a program proposed to be undertaken over 2020-2024 with inclusion of ongoing actions. This report includes recommendations to commence preparation of the Koala Plan of Management under the *SEPP Planning Policy (Koala Habitat Protection) 2019* after completing a review of the Koala Recovery Strategy.

Included are details of the changes required to the existing draft PMHC Coastal-Koala Plan of Management (**C-KPoM**) 2018 to align with the requirements of *State Environmental Planning Policy (Koala Habitat Protection) 2019* and draft Koala Habitat Protection Guidelines.

There are both advantages and disadvantages to a LGA wide cKPoM which are examined in more detail below. Overall it is the opinion of staff that the outcome of a cKPoM will be beneficial to the Council and the community. In determining whether a KPoM is to be developed consideration must be given to the cost and resources to produce the document as additional on ground ecological surveys must be conducted and additional resources will be required.

For clarity the PMHC draft Coastal Koala Plan of Management (**C-KPoM**) is the document that is being scrutinized. It is discussed in length in Table 1 - Gap analysis. There is also reference to a comprehensive Koala Plan of Management (**cKPoM**) when discussing what Council will need to do for overall alignment to the SEPP. Once the full requirements of a KPoM are known through the finalisation of the Koala Habitat Protection Guidelines a decision will need to be made regarding the area that is up for discussion, being the entire LGA (**cKPoM**), or coastal region only (**C-KPoM**), to help determine area, cost and consequences of the decision moving forward.

1. Introduction

The *State Environmental Planning Policy (SEPP) (Koala Habitat Protection) 2019* came in to force on 1st March 2020 replacing SEPP 44 - Koala Habitat Protection. This change in legislation has resulted in Council's draft Coastal KPoM being no longer acceptable as any KPoM developed must now align with the new SEPP (*Koala Habitat Protection) 2019*.

The aims of SEPP (*Koala Habitat Protection) 2019* are to protect koala habitat to conserve habitat and ensure a permanent free-living population over the present range and reverse the current trend of koala population decline.

- The purpose of KPoMs under the SEPP is to encourage and enable councils to take a strategic approach to the identification and protection of koala habitat.
- The SEPP is not about facilitating development in Core Koala Habitat it is about protecting it.
- Two Types of KPoMs are possible and can only be prepared by Local Government to cover:
 - The whole LGA or
 - Part of an LGA

Individual KPoMs for development proposals are not included in SEPP (*Koala Habitat Protection) 2019* and have been replaced with Koala Development Assessment Reports where there is no approved KPoM.

This report focusses on the C-KPoM and implications under the SEPP (*Koala Habitat Protection) 2019* with recommendations of a way forward.

2. Aims

There are two aims for this report:

1. Provide a detailed analysis of the draft C-KPoM against the requirements for a KPoM under SEPP (*Koala Habitat Protection) 2019*. This informs Council of the actions that are required if it is decided to proceed with a new KPoM under SEPP (*Koala Habitat Protection) 2019*.
2. Provide a recommended sequence of actions to undertake prior to commencing preparation of a KPoM to cover the whole, or part of the LGA under SEPP (*Koala Habitat Protection) 2019*.

3. Detailed Analysis of K-PoM

This section is a detailed analysis of koala plans of management. The information included in this section is:

- A list of key documents including legislation
- A gap analysis exemplifying the differences between the PMHC Draft CKPoM and SEPP Koala Habitat 2019
- The suggested steps involved in aligning the current draft PMHC Coastal koala plan of management to the new requirements of a koala plan of management as per the legislation.

3.1 Key documents

3.1.1 SEPP (Koala Habitat Protection) 2019

State Environmental Planning Policy (Koala Habitat Protection) 2019 (the SEPP) encourages the conservation and management of koala habitat to ensure populations remain in their present range and the trend of population decline is reversed. The SEPP is made under the *Environmental Planning and Assessment Act 1979* (EP&A Act) and replaces the previous State Environmental Planning Policy No 44 - Koala Habitat Protection.

Under the provision of SEPP (*Koala Habitat Protection*) 2019 a draft guideline has been developed to provide detailed guidance on how a KPoM must be developed.

3.1.2 Koala Habitat Protection Guideline

The draft Koala Habitat Protection Guideline is expected to be finalised during 2020 and the Department of Planning Industry and Environment have provided correspondence suggesting that minimal changes would be made to Appendix B of the guideline.

The draft Guideline has two key aims:

- To guide councils on how to prepare Koala Plans of Management
- To standardise the process that applicants are to follow and consent authorities to implement when preparing and assessing development applications

Appendix B of the Guideline outlines the detailed criteria and steps for preparing koala plans of management under *SEPP (Koala Habitat Protection) 2019*. Specifically, it provides guidance about the methodology for identifying and mapping koala habitat across the plan area and provides a standard structure for KPoMs that must be followed to ensure plans are robust and consistent across NSW.

Any PMHC KPoM developed must adhere to the criteria set out in Appendix B of the Koala Habitat Protection Guidelines, in order to be endorsed under the SEPP (Koala Habitat Protection) 2019.

In brief the requirements that need to be undertaken to align the existing draft PMHC C-KPoM or the creation a new PMHC cKPoM to the *SEPP (Koala Habitat Protection) 2019* are:

- Determining the area to be covered:
 - The whole LGA or
 - Part of an LGA
- Commissioning a suitably qualified and experienced person (as defined in the SEPP) to prepare the KPoM
- Undertaking surveys to identify core koala habitat only within the site investigation area (SIA) for KPoMs Map (blue), in accordance with the survey methodology in Appendix B of the Guidelines.
- Working with the Environment, Energy and Science Division (EES) and Local Land Services (LLS) throughout the development of the KPoM, and prior to its approval by the Secretary of Department of Planning Industry and Environment.
- Using the new definition of core koala habitat
- Undertaking a public exhibition period, including writing to all landholders in proposed core koala habitat.

3.2 Gap analysis

A gap analysis is outlined below in Table 1. This analysis compares the existing draft Coastal Koala Plan of Management for PMCH and the *SEPP (Koala Habitat Protection) 2019*. It identifies the gaps Council will need to address to ensure alignment and compliance if a new comprehensive KPoM is written for the PMHC LGA.

Table 1: Gap Analysis between PMHC Draft C-KPoM and SEPP (Koala Habitat Protection) 2019

Section	Action required for alignment	Draft C-KPoM	SEPP (Koala Habitat Protection 2019)
Purpose	The purpose requires re-writing with <i>SEPP (Koala Habitat Protection) 2019</i> and to ensure it address the six planning principles outlined in the Koala Habitat Protection Guideline.	<p>The purpose of this plan is to guide development assessment of proposals within the coastal area of the Port Macquarie-Hastings to help achieve a permanent free-living population of koalas and prevent koala population decline due to the key threatening processes of habitat loss, dog attack and vehicle strike arising from new development activity.</p> <p>Specifically:</p> <ul style="list-style-type: none"> To protect core koala habitat areas from any development that would compromise habitat quality or integrity. To ensure that any development within core koala habitat occurs in a manner responsive to the potential presence of koalas. To ensure that investigation is undertaken with scientific rigor. To encourage koala habitat restoration. To maintain connectivity between areas of core koala habitat and 	<p>Defines the purpose of the KPoM. In particular this must include meeting the aims of the SEPP which are to "encourage the conservation and management of areas of natural vegetation that provide habitat for koalas to support a permanent free-living population over their present range and reverse the current trend of koala population decline". The secondary purpose of a KPoM should be to address the six planning principles outlined in this Guideline.</p> <ol style="list-style-type: none"> Understand koala habitat Avoid impacts Minimise impacts Threat management Apply compensatory measures Adaptive management

	<p>minimise threats to safe koala movement between such areas.</p> <ul style="list-style-type: none"> To ensure suitable guidelines and standards are provided that minimise impacts on koalas during and after development, in conjunction with any monitoring requirements. <p>This plan will achieve its purpose by:</p> <ul style="list-style-type: none"> identifying core koala habitat identifying habitat link areas required to maintain connectivity between patches of core koala habitat setting out development criteria so as to ensure appropriate conservation and management of core koala habitat using an 'avoid – mitigate – offset' framework ensuring development proposals consider the broader context of nearby core koala habitat and habitat link areas and sites are designed to avoid or mitigate koala mortality due to key threatening processes such as dog attack and vehicle strike. 	

Objectives	Write objectives	<ul style="list-style-type: none"> ensuring any loss of core koala habitat is suitably compensated so as to result in no net loss of habitat available to the local koala population. 	
		No objectives included in draft C-KPoM	<p>The objectives must be written to ensure it is consistent with <i>SEPP (Koala Habitat Protection) 2019</i></p> <p>Defines the objectives of the KPoM.</p> <p>In the interests of consistency, the following objectives are recommended:</p> <ul style="list-style-type: none"> Manage the long-term sustainability and recovery of koalas and their habitat. Identify and list the preferred koala food tree species likely to be found in the plan area and map koala habitat. Ensure that there is no net loss of koala habitat and (where appropriate) create, manage and/or restore koala habitat linkages to allow for safe koala movement across the landscape. Minimise and manage threats affecting koalas and their habitat. Provide consistent assessment criteria for the processing of development applications, including guidelines for

			koala habitat assessment and food tree and koala habitat retention.
Legislation	The C-KPoM legislative context is not up to date and requires rewriting to ensure it addresses all the legislative context including relationship to up to date legislation.	Legislation considered in the C-KPoM: The Coastal Koala Plan of Management is proposed for adoption under the provisions of Clause 13 of the State Environmental Plan No. 44 – Koala Habitat Protection (SEPP 44)	Current legislative context includes: <ul style="list-style-type: none"> Commonwealth <i>Environment Protection and Biodiversity Act 1999</i> <i>Environmental Planning and Assessment Act 1979</i> <i>Biodiversity Conservation Act 2016</i> in particular the Biodiversity Offsets Scheme and that the requirements under the BC Act are in addition to those required under the SEPP. <i>Local Land Services Act 2013</i> <i>Vegetation in Non-Rural Areas SEPP</i>
Who is affected by the plan?	This section needs to be added.	The draft C-KPoM does not describe who is affected by the plan.	Clearly describes who is affected by the plan.
What is the status of koalas in the plan area?	The C-KPoM requires this critical data. It will require up dated koala populations surveys throughout the investigation area of the C-KPoM.	The draft C-KPoM does not provide a summary of the status of koalas in the plan area.	Up to date data regarding the current status of koalas in the plan area is required. Summarises the status of koalas in the plan area. Detailed technical information sitting behind this summary can be provided as appendices.

What are the threats to koala in the plan area?	The C-KPoM requires this critical data. This will require a detailed analyses of the threatening processes affecting koalas and koala habitat within the plan area. This will need to include such matters as	The draft C-KPoM does not adequately describe the key threats and threatening processes affecting koalas and koala habitat within the plan area	Data regarding the following categories: <ul style="list-style-type: none"> • habitat clearing (clearing associated with developments and for rural purposes) • fragmentation and degradation (resulting from habitat clearing and linear transport corridors) • feral predators (dogs), roads and traffic (impacting on fragmentation and road mortality) • disease and natural disasters (bush fires)
Land to which the plan applies	The draft PMHC C-KPoM does include mapping however the maps would need to be reviewed with a consideration to the new criteria set out in the SEPP. The land must also be contained within the mapping for the site investigation area (SIA). The SIA is mapped by the state government (Figure 1 and 2).	Currently 50ha of core koala habitat mapped in the draft PMHC C-KPoM is outside the <i>SEPP (Koala Habitat Protection) 2019</i> site investigation area mapping.	Site investigation maps (Figure 1 and Figure 2) provide the full extent of mapping for the core koala habitat in the PMHC LGA.
Land to which the plan does not apply.	A review of all mapping must be done to align the draft PMHC CKPoM and the new SEPP.	The draft PMHC C-KPoM mapping does show the land to which it does not apply.	All mapping must be shown clearly.

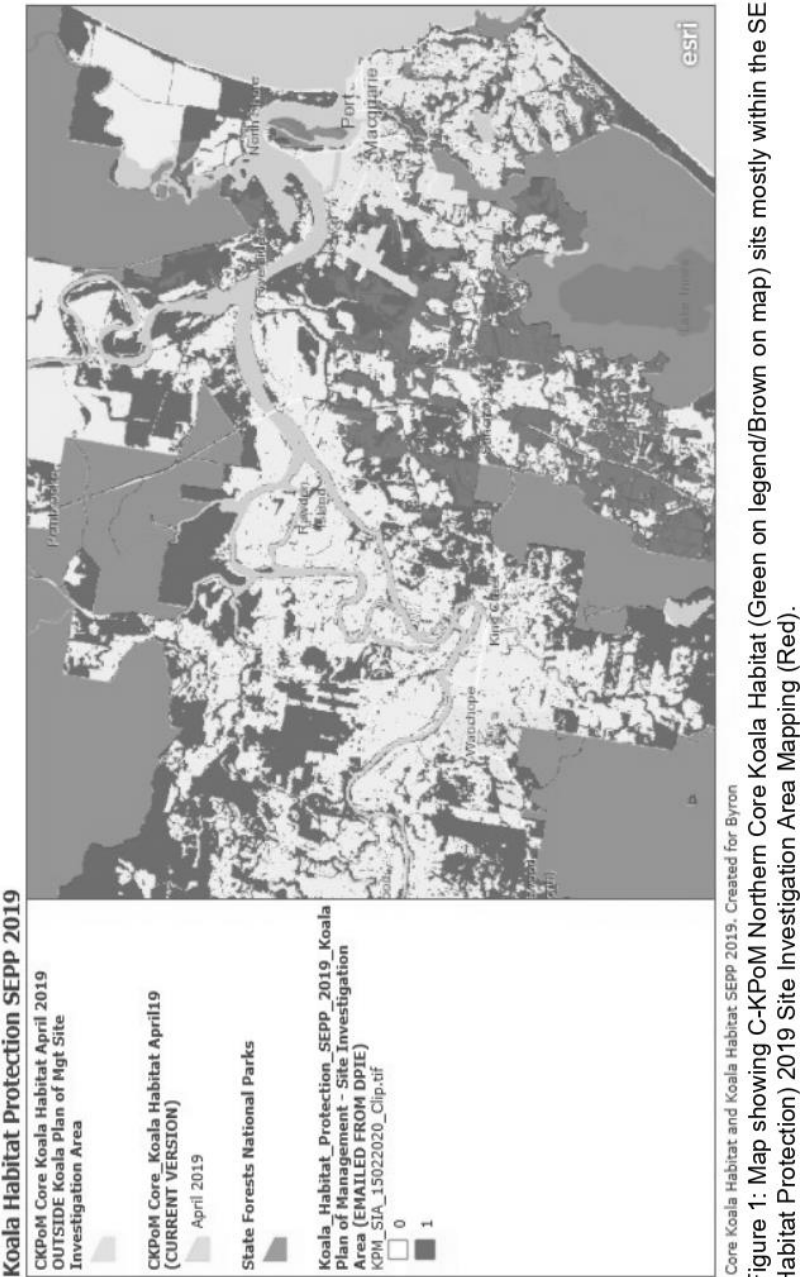
Koala habitat mapping	A comprehensive review of the methods against the requirements of the <i>SEPP (Koala Habitat Protection) 2019</i> Guidelines will need to be undertaken once the Guidelines are finalised.	The Core Koala Habitat mapping developed for the draft PMHC C-KPoM was undertaken under the requirements for <i>SEPP44</i> .	All koala habitat mapping must be done in accordance with the Koala Habitat SEPP and the new tree species list.
Relationship to other koala plans of management	A full list of all approved KPOMs that exist within the PMHC LGA will need to be listed in the document.	The draft PMHC C-KPoM does not describe any relationship to other KPOMs.	All approved KPOM's that exist within the PMHC LGA must be listed.
Duration of the plan	A review of this section will be required.	The draft PMHC C-KPoM has review provisions in section 7 requiring a review every 6 years with key performance measures. This is summarised as management of koala habitat, managing threats to koala mortality and habitat restoration and connectivity.	Defines the duration of the plan. Must include provisions for review as appropriate.
Management / monitoring activities and actions	A review of this section will be required.	The draft PMHC C-KPoM does have a section on monitoring and review in section 7.	Provides a non-regulatory framework for management activities that complement the development assessment framework presented in Section 4 of the Plan. These management activities help: <ul style="list-style-type: none"> □ minimise threats to koalas and their habitat that are not related to development activity.

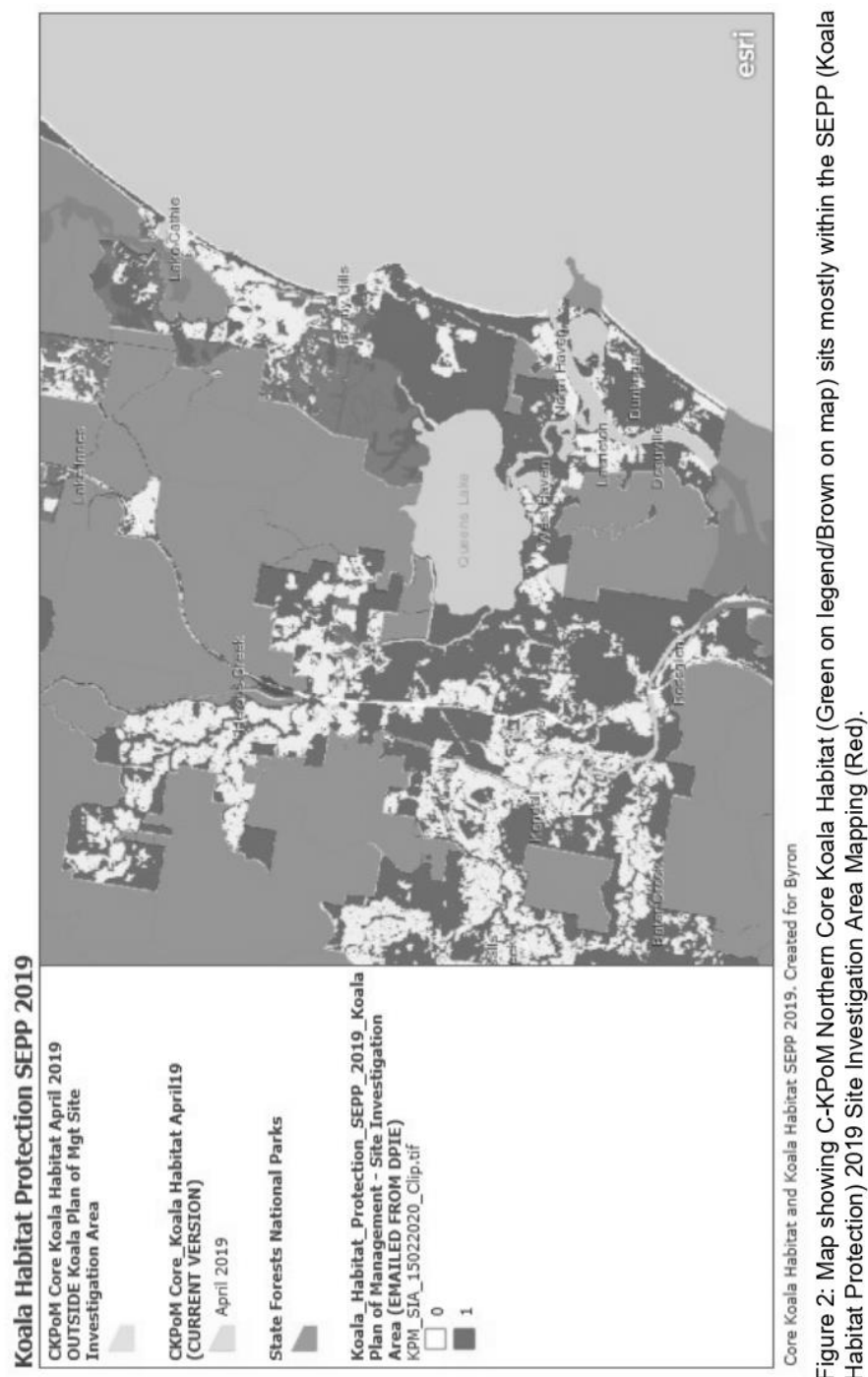
		<ul style="list-style-type: none"> • increase the amount of koala habitat in the koala planning area. • maintain and, where possible, improve the quality of koala habitat in the plan area. • ensure effective implementation and monitoring of the Plan. • community and landholders to manage and increase koala habitat corridors and habitat. <p>Koala management in the plan area should not be limited to forested areas but should extend over areas of fragmented habitat which support a koala population and identified links between koala habitats.</p> <p>Specific actions should be defined in table format across the following management activities:</p> <ul style="list-style-type: none"> • Implementation and monitoring • Regulatory processes • Restoration and management • Communication and education • Road and traffic management • Dog management • Koala health and welfare • Bushfire management • Funding • Research
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				For each specific action, the following information should be provided: <ul style="list-style-type: none">• Clear description of the action• Priority (high, medium, low)• Target start date• Indicative duration of the action• Indicative budget• Funding source
When is the development assessment framework triggered?	A review of this section will be required.	The draft PMHC C-KPoM has a koala friendly development code.		Defines when the development assessment framework is triggered. This must be for any areas identified as core koala habitat in the KPoM and is recommended for other koala habitat important for maintaining habitat connectivity and function.
Assessment pathways	A review of this section will be required along with more detailed information.	The draft PMHC C-KPoM has a koala friendly development code with an assessment table that provides minimal direction. This section is seen to be inadequate.		Defines the assessment pathways that are relevant to the development application. These may be different in different council areas. For development applications in mapped core koala habitat, the Biodiversity Offsets Scheme will automatically apply. Councils should also consider identifying assessment pathways for other categories of koala habitat to help meet the objectives of the KPoM.
Koala Habitat development applications	A review of this section will be required along with more detailed information.	The draft PMHC C-KPoM has a koala friendly development code with an assessment table that provides minimal		Describes the information that needs to be included with development applications.

		direction. This section is seen to be inadequate	
Development design measures for the protection of koalas	A review of this section will be required to ensure consistency with the best practice koala planning guideline (in development).	The draft PMHC C-KPoM has information on koala friendly fencing and a koala habitat compensation policy.	Describes the measures that can be put in place during the design of developments to protect koalas. Must include descriptions of measures to: <ul style="list-style-type: none"> • protect koalas from the impacts of development. • avoid direct impacts to koala habitat. • mitigate and manage potential indirect impacts to koala habitat. • offset any unavoidable, residual impacts. These measures should also be consistent with the best practice koala planning guideline being developed under the NSW Koala Strategy. <p>Criteria in section 3.2 of the Koala Habitat Protection Guideline includes:</p> <p>Defines requirements for planning proposals in core koala habitat and other koala habitat important for maintaining connectivity and function consistent with Ministerial Direction 2.6.</p> <p>To date there have been no Ministerial Direction published, therefore it is impossible to understand how it may be implemented.</p>
Assessment criteria	A review of this section will be required.	The draft PMHC C-KPoM has Schedule 2 koala habitat assessment requirements.	
Planning proposal in mapped koala habitat	A review of this section will be required to ensure it is consistent with Ministerial Direction 2.6 which currently does not exist.	The draft PMHC C-KPoM includes a Koala Habitat Compensation Policy that applies to development applications and planning proposals.	

Glossary	The glossary needs to be reviewed and updated to ensure it is consistent with the requirements of SEPP (Koala Habitat Protection) 2019.	The draft PMHC C-KPoM has a glossary.	A glossary is required.
Technical appendices	A review of all technical appendices must be done to align the draft PMHC C-KPoM and the SEPP (Koala Habitat Protection) 2019.	<p>The draft C-KPoM has the following technical appendices.</p> <ul style="list-style-type: none"> • Koala friendly development code • Koala habitat assessment criteria • koala friendly fencing guideline • koala habitat compensation policy • Koala Management Area maps 	Technical appendices should be included as appropriate. For example, the detailed methodology and results of the koala habitat mapping.
Identification of authors	This section will need to be rewritten to be consistent with the requirements of the SEPP (Koala Habitat Protection) 2019.	The draft PMHC C-KPoM authors are identified under version history. However, this only shows the Council officer who drafted the document and does not include a list of technical and field personal involved in developing the mapping etc.	The plan should list the authors of the plan as well as any field personnel that worked on the plan. The qualifications of these people should be stated in the document.





3.3 KPOM steps

This section will discuss in length the steps required for either an alignment of the draft Coastal Koala Plan of Management or creation of a new whole of LGA KPOM.

Step 1: Initial discussions with DPIE specifically with the Environment, Energy and Science Group (EES)

Status: Completed

Seek advice regarding the status of the draft PMHC C-KPOM after the new *SEPP (Koala Habitat Protection) 2019* comes in force.

On 2 April 2020 DPIE planning officers advised Council staff that the following tasks will need to be undertaken if a KPOM (Coastal or Comprehensive) were to take place:

Commission a suitably qualified and experienced person (as defined in the SEPP and expanded upon in the Guideline) to prepare the KPOM

Undertake new surveys to identify core koala habitat only within the Site Investigation Area (SIA) for KPOMs Map (blue), in accordance with the survey methodology in the Guideline (including using the new tree species list)*

Work with the EES Division and LLS throughout the development of the KPOM, and prior to its approval by the Secretary

Use the new definition of core koala habitat

Undertake a public exhibition period, including writing to all landholders in proposed core koala habitat (this process is detailed in the Guideline)

The guidelines for the new SEPP (Koala Habitat Protection) 2019 have not yet been finalised. It is the advice of Craig Diss (Team Leader, Northern Region NSW Department of Planning, Industry and Environment) (3 April 2020) that the regional team will work collaboratively with Council to work through the process of developing a new KPOM upon finalisation of the guidelines.

John Turbill (Threatened Species Officer North East – Biodiversity and Conservation, Department of Planning, Industry and Environment) clarified that core koala habitat mapping for the draft C-KPOM was prepared with consistent methodology that would have been considered suitable to the Department under *SEPP 44*.

The adopted core koala habitat mapping methodology was based on the best available Application Programming Interface (API) mapping (now at the Plant Community Type PCT) layer at the time. It was mapped as polygons of vegetation communities across the study area. The vegetation communities were then tagged as potential koala habitat where, on average, the community type was determined to have 15% or greater coverage of koala feed trees (as per those on Schedule 2 of the SEPP). Based on percentage of koala food trees and other criteria, such as soil fertility class, the potential habitat was classed as Primary, Secondary A or Secondary B. Vegetation communities that then demonstrated present and past koala records

(i.e. generational persistence) were considered to have met the core habitat definition. This methodology was the approved process for recent KPoM's in other LGAs, including Bellingen koala habitat study and Coffs Harbour koala habitat study.

Step 2: Determine if a KPoM is required for PMHC

Status: To be completed

Benefits of a KPoM for PMHC

The KPoM will provide certainty to proponents as follows:

Provide consistent and known management outcomes when assessing development on lands that are within the KPoM mapping area.

Provide certainty to proponents on how a development proposal will be assessed in a consistent manner.

Ecological surveys to identify and map core koala habitat will not be required for a DA as this would already have been determined in preparation of the KPoM.

A consistent methodology for mitigation measures that are acceptable to PMHC will be defined in the KPoM.

For context, the koala assessment report which is guided by the SEPP only lists suggested management measures to address key indirect impacts. As this list is suggested only it is possible the inconsistent approaches will be taken to manage the impact to koalas and their habitat.

It will provide additional ecological benefits such as:

Areas identified as core habitat in a KPoM also become sensitive regulated lands under *Local Land Service Act 2013* and therefore require consent from LLS to clear vegetation.

Private Native Forestry is not permitted in core koala habitat therefore providing better protection.

Core koala habitat is also included in the Biodiversity Values Map under the *Biodiversity Conservation Act 2016* and hence any impact triggers a Biodiversity Development Assessment Report.

Core koala habitat in an adopted plan turns off the 10/50 Rural Fire Service code.

Includes land under 1 hectare mapped as core koala habitat when assessing a development application.

If no KPoM exists for PMHC

An approved Koala Plan of Management replaces the SEPP (Koala Habitat Protection) 2019 therefore without a KPoM all DA's and planning proposals must adhere to the requirements of the SEPP (Koala Habitat Protection) 2019 and associated guidelines and Ministerial Directions.

Potentially more loss of koala habitat - The SEPP (Koala Habitat Protection) 2019 and the DA process in the Guideline do not apply to land under 1 hectare in areas with no approved KPoM. As such this could result in loss of more koala habitat. With a C-KPoM the areas less than 1 hectare that are mapped as core koala habitat will be subject to the DA process. This process will be outlined in the KPoM assessment criteria.

Additional reports required - Without a KPoM all DA's, that are mapped in the development assessment mapping as per the SEPP, will need to be assessed in

accordance with the guidelines. This will require a standardised koala assessment report to be prepared for all lands over 1 hectare.

Inconsistent mitigation measures - The koala assessment report will need to provide a plan to manage and protect koalas and their habitat using compensatory measures only where they can be shown to better promote the aim of the SEPP and using adaption management strategies to monitor, evaluate and deliver appropriate planning outcomes for koalas.

Step 3: Define the proposed plan area

Status: To be completed

The draft PMHC C-KPOM core koala habitat mapping will provide the basis for the proposed plan area. The area already mapped has been assessed as closely fitting* within the area identified under the Site Investigation Area for Koala Plans of Management Map (Figures 1 and 2).

The site investigation area mapped as part of the SEPP (Koala Habitat Protection) 2019 shows extensively more habitat mapped than the draft PMHC C-KPoM and as such provides an opportunity to expand the area covered by the PMHC C-KPoM. Examples of increased coverage opportunities include areas in Laurieton, Kew north of Sancroix and Wauchope. The benefit in including these areas will be a more realistic future view of urban growth pressures on the koala population.

* Currently 50ha of core koala habitat mapped in the draft PMHC C-KPoM is outside the *SEPP (Koala Habitat Protection) 2019* site investigation area mapping.

Step 4: Determine the available data/mapping to inform identification of core koala habitat

Status: To be completed

If a new KPOM is undertaken in the PMHC LGA there is a strong possibility that we be required to undertake new habit and presence surveys for the entire area covered. The reason we are unable to provide a definitive answer at this time is because the guidelines are not yet finalised. Further discussion and consultation with the Northern Region NSW Department of Planning, Industry and Environment will be undertaken to determine what steps will be required to verify and/or update the mapping as soon as possible.

Step 5 and beyond will have to wait until the finalization of the guidelines. When the guidelines are finalised consultation with the Northern Region NSW Department of Planning, Industry and Environment will be undertaken to determine:

What will be required to establish a koala working group

What will be required to re-draft the C-KPoM to update it or to write a new cKPOM to align it with the requirements of SEPP (Koala Habitat Protection) 2019 and the standard structure. This will identify any major legal or policy issues that can be resolved before public exhibition.

The Department will advise on public consultation on the draft plan which must be undertaken to provide an opportunity to gain community comments and input. Minimum public exhibition period of 28 days.

Step 5: Establishment of a working group

Status: To be completed

This is a group of key stakeholders including the community, researchers and other organisations. This is a critical part of the process and provides the opportunity to gather further information about koalas, and test and develop management approaches. Early engagement with landholders and land managers is encouraged since they may be able to advise on the presence of koalas and/or koala habitat on their land.

Step 6: Commissioning a suitably qualified and experienced person* to prepare the KPoM

*(as defined in the SEPP and expanded upon in the Guideline)

Status: To be completed

An RFQ would be written in order to understand the full breadth of work, risks, and costs associated with various options for the KPoM.

Step 7: Consult with DPIE

Status: To be completed

Consult with DPIE regarding the draft plan and its consistency with the SEPP so that any major legal or policy issues can be resolved before public exhibition.

Step 8: Undertake a public exhibition period, including writing to all landholders in proposed core koala habitat

Status: To be completed

Work with the Community Engagement team to design and implement an effective community engagement plan.

Upon close of public exhibition period of a minimum of 28 days, a submissions report detailing results of exhibition will need to be submitted to the Secretary with the final KPoM. Any comments will be collated and considered when drafting the final plan.

Step 9: Finalisation of the plan

Status: To be completed

Upon integration of comments the plan can be finalised with GIS data and a request of approval be sent to DPIE for endorsement by the Secretary of DPIE.

3.4 Identifying requirements for Land-use Planning

This section will identify the requirements a KPoM must outline for planning proposals, development applications and activities affecting koala habitat.

1. Planning proposals in core koala habitat and other koala habitat is important for maintaining connectivity and function.
2. There is a development assessment for any development application on land to which the plan applies. For development applications in mapped core koala habitat, the Biodiversity Offsets Scheme will automatically apply. For developments in other mapped koala habitat these requirements should consider the criteria in section 3.2 of the Guideline.

3.5 Pro's and Con's of KPoM's

3.5.1 Pro's

The preparation of a new KPoM will provide additional conservation benefits in the LGA.

In an approved KPoM:

- Core koala habitat requires consent from LLS to clear
- Private Native Forestry not permitted in Core koala habitat
- Core koala habitat included in the Biodiversity Values Map
- Core koala habitat turns off the 10/50 Rural Fire Service code.
- Vegetation Clearing Scheme allows people to clear certain vegetation near their homes to improve protection from bush fires without approval
- 1 hectare included when assessing DA
- Consistent management outcomes
- Certainty to proponents – consistent outcomes
- Ecological surveys to identify Core Koala Habitat will not be required for a DA
- Consistent management actions will be defined in the KPoM.

3.5.2 Constraints

Less protection is afforded to protection of koalas and their habitat when operating under the *SEPP (Koala Habitat Protection) 2019* without an approved KPoM.

- Not applied to under 1 hectare
- Private Native Forestry Does require a DA under LEP

- Results in cumulative impacts to loss of habitat
- All Vegetated Land is mapped
- Koala Development Assessment Report Prepared
- This replaces individual Koala Plans of Management
- The *SEPP (Koala Habitat Protection) 2019* Guidelines are in draft form and the Ministerial Direction 2.6 referred to in the Guidelines has not been written.

Therefore prior to commencing preparation of a KPoM under *SEPP (Koala Habitat Protection) 2019* it is recommended to wait for the SEPP Koala Habitat Protection Guideline and Ministerial Direction 2.6. stated in the Guidelines to be released and finalised before proceeding with the KPoM.

3.5.3 Recommendation

After undertaking the actions described above and evaluating it is recommended to commence preparation of a new KPoM under *SEPP (Koala Habitat Protection) 2019* for either:

- All of LGA – (Previously Called Comprehensive) or
- Part of LGA – (i.e Draft Coastal KPoM)

This project will require the engagement of a qualified and experienced person (as defined in *SEPP (Koala Habitat Protection) 2019*) to prepare the KPoM and will require the following actions:

- Surveys - core koala habitat within the site investigation areas (SIA) for KPoMs Map (blue), methodology as per Guidelines.
- Collaborate with DPIE (EES) and LLS in development of the KPoM, and prior to its approval by the Secretary.
- Prepare mapping using the new definition of core koala habitat (includes 42 tree species, evidence of koala in last 18 years = 3 lifecycles) and results from surveys
- Undertaking a public exhibition period, including writing to all landholders in proposed core koala habitat.

4. Review of Koala Recovery Strategy to include Additional Management Actions

The *SEPP (Koala Habitat Protection) 2019* aims to ensure a permanent free-living population continues to exist over its present range and to reverse the current trend of koala population decline through the conservation of habitat. In order to implement on-ground action to achieve this aim Council has to examine all possible solutions. The development and implementation of a KPoM has been explored in detail in this report and is a viable solution to assist in managing koala populations in the LGA. But it is not the only solution for management and as such other alternatives need to be explored to inform a more strategic approach. Therefore it is recommended to undertake a review and update of the Koala Recovery Strategy to include additional management actions and a more strategic approach.

To ensure a more strategic and comprehensive approach to management is delivered the following tasks are recommended, a detailed description of each is below and shown in Table 2:

- Review of all existing KPoM's in the PMHC LGA
- Annual KPoM audit program (Minimum 4 per year)
- No net loss policy
- Retrofit black spots to reduce road strike
- Community engagement and education on urban wildlife
- Review Koala Recovery Strategy
- Undertake targeted compliance of dangerous dog attacks
- DCP and LEP amendments

Table 2 - Suggested timeline for actions for Koala Management in PMHC LGA

Outcome	Koala Management Actions					
	Team	20/21	21/22	22/23	23/24	Ongoing
Review and Update Koala Recovery Strategy	Natural Resource Management Communications Community Engagement Education Team Development Assessment Project Delivery Team					
Annual KPoM Audit Program	Natural Resource Management Development Assessment					
Review all existing KPoM's in PMHC LGA	Strategic Land Use Planning					
No Net Loss Policy	Natural Resource Management Development Assessment Project Delivery Team					
Retrofit black spots to reduce road strike	Natural Resource Management Development Assessment Project Delivery Team					
Community education and engagement on urban wildlife	Natural Resource Management Communications Community Engagement Education Team					

Undertake targeted compliance on dangerous dog attacks	Compliance Team					
DCP and LEP Amendments	Strategic Land Use Planning					
CKPoM-PMHC (LGA or Coastal)	Strategic Land Use Planning					

4.1 Review all existing Council KPoMS

Timeframe: 21/22

Responsible Team: Strategic Land Use Planning Team

A review and evaluation of all PMHC KPoM's will provide Council with:

- A better understanding of what is outstanding and what has been completed to date to ensure on-ground mitigation measures are occurring.
- Increased understanding of what is an effective and achievable mitigation measure.
- Ensure Council is compliant with the legal obligations.
- Set an expectation in the community that Council is serious about ensuring the conservation of koala habitat.

The results of this action will provide valuable data in preparation for commencement of a new KPoM under *SEPP (Koala Habitat Protection) 2019* and intern ensure more effective outcomes and adherence to existing KPoMs.

Resourcing constraints: This action is proposed to be undertaken by the engagement of a suitably qualified and experienced independent consultancy. The contract is proposed to be delivered by the Strategic Land Use Planning Team during the 2020/2021 financial year.

4.2 Annual KPoM audit program (Minimum 4 per year)

Timeframe: Ongoing

Responsible Team: Natural Resource Management Team and Development Assessment

A program will be established that ensures there is annual auditing of approved individual KPoMS within the LGA. This may entail undertaking compliance measures to ensure existing KPoMs are compliant. In addition, there will be an evaluation of the effectiveness of mechanisms to ensure mitigation actions were undertaken to understand the effectiveness.

Recently several individual KPoMs have been audited with results indicating that management actions have not been implemented, the mitigation measure was not effective, reporting is not occurring and actions such as signage is often not actioned. The audit has also shown that the Section 88B instrument has not been an effective tool to ensure compliance with property restrictions such as keeping of dogs, fence requirements, or swimming pools requirements (stout ropes etc.)

The results of this action will provide valuable data in preparation for commencement of a new KPoM under *SEPP (Koala Habitat Protection) 2019* and ensure more effective outcomes and adherence to existing individual KPoMs.

This action is proposed to be delivered and will be ongoing until all individual KPoMs are finalised.

4.3 No Net Loss Policy

Timeframe: Commence July 2020 completed by December 2020

Responsible Teams: Natural Resource Management Team, Development Assessment Team, Project Delivery Team

Development of No Net Loss Policy to be used for Part 4 and 5 Development with avoid minimise, offset framework adopted from the Biodiversity Assessment Method under the *Biodiversity Conservation Act 2016*.

4.4 Retrofit black spots

Timeframe: 20/21 - 21/22

Responsible Team: Natural Resource Management Team and Project Delivery Team.

Retrofit black spots with measures to reduce the likelihood of roadkill. This is part of the koala Strategy and the 2020-2021 works program to identify black spots, the on- ground actions were planned for future years. Some may need to be brought forward and have already commenced.

4.5 Community wildlife education and awareness campaign

Timeframe: 20/21 - ongoing

Responsible Team: Communications, Education, Community Engagement and Natural Resource Management Team

Development of community wildlife education and awareness campaign to help address road strike and dog attacks through driver awareness and responsible pet ownership.

4.6 Targeted compliance on dog attacks

Timeframe: 21/22 -22/23

Responsible Team: Compliance Team and the Natural Resource Management Team

Undertake targeted compliance for dangerous dogs where dog attacks have been recorded in recent years – there are many known locations of records.

4.7 DCP amendments

Timeframe: 21/22

Responsible Teams: Land Use Planning Team and Natural Resource Management Team

Investigate the option for updates to the DCP to better manage koala habitat.

4.8 LEP Updates

Timeframe: 21/22

Responsible Teams: Land Use Planning Team and Natural Resource Management Team

Update the Port Macquarie-Hastings Local Environmental Plan 2011 (LEP) to include updated koala habitat mapping as the current koala habitat map contained in the LEP which is currently out of date.

5. Recommendations

Upon consideration of the options it is the recommendation of Council staff that a staged and multi-program approach be adopted with a review of required resources.

The following is recommended in order to protect koala habitat to conserve habitat and ensure a permanent free-living population over the present range and reverse the current trend of koala population decline:

1. Further investigate the feasibility of the strategic multi-program approach outlined in Figure 3 from a resource and staffing perspective.
2. Begin implementation of the outlined programs in Figure 3.
3. Plan for the development of a new KPOM under *SEPP (Koala Habitat Protection) 2019* upon completion of the programs outlined.

6. Conclusion

Upon review the following findings have been achieved:

1. There are inconsistencies with the draft C-KPoM and the requirements of the Koala Habitat Protection Guideline, Appendix B Detailed Criteria for preparing KPoMs.
2. Port Macquarie-Hastings Council did not lodge the C-KPoM for approval with the Department of Planning Industry and Environment prior to 1 March 2020 to enable it to be approved under the special provisions of the *SEPP (Koala Habitat Protection) 2019* (which allowed approval despite inconsistencies with the new *SEPP (Koala Habitat Protection) 2019* or the outgoing *SEPP 44*).
3. Focusing solely on rewriting the C-KPoM to align to the new *SEPP (Koala Habitat Protection) 2019* will not achieve the aim of protecting koala habitat to conserve habitat and ensure a permanent free-living population over the present range and reverse the current trend of koala population decline.
4. Neither the *SEPP (Koala Habitat Protection) 2019* or an approved KPoM will prevent development from taking place where there is koala habitat. The purpose will be to provide additional restrictions and require koala management mitigation actions to take place.
5. Threats including road strike, bushfire, dog attack and disease are also major issues in managing koala populations.

It is recognized that numerous actions need to be undertaken in order to actively protect koalas and their habitat in order to ensure a permanent free-living population over the present range and reverse the current trend of koala population decline. The staff recommendation is to implement the strategic multi-program approach outlined to for managing koala populations in PMHC through firstly reviewing the Koala Recovery Strategy and then considering the development of a KPoM. Recognizing this will be dependent on resourcing constraints.

Creating a Vibrant Future**Meeting Date:** 21/01/2020**Time:** 10am to 11am**Venue:** Skype**Distribution:**

Blayne West (BW) - Natural Resources Manager (PMHC) blayne.west@pmhc.nsw.gov.au,
 Byron Reynolds (BR) - Ecologist (PMHC) byron.reynolds@pmhc.nsw.gov.au,
 John Turbill (JT) - Threatened Species Officer (Biodiversity Conservation - DPIE), john.turbill@environment.nsw.gov.au
 Sally Whitlaw (SW) - Team Leader Biodiversity, Coastal & Flooding (CCHC) sally.whitlaw@chcc.nsw.gov.au,
 Jessica Arciuli (JA) - Senior Planning Officer Policy (Planning-DPIE) jessica.arciuli@planning.nsw.gov.au,
 Gina Davis (GD) - Senior Planning Officer Policy (Planning-DPIE) gina.davis@planning.nsw.gov.au

Abbreviations

BDAR: Biodiversity Development Assessment Report
 BOS: Biodiversity Offset Scheme
 CCHC: Coffs Harbour City Council
 DPIE: Department of Planning and Environment
 PMHC: Port Macquarie Hastings Council

Apologies: Jeremy Cray and Danijela Karac, Danijela Karac -Director, Environment and Policy (Planning-DPIE) daniela.karac@planning.nsw.gov.au
 Jeremy Gray - Director Northern Region Local and Regional Planning (Planning-DPIE) jeremy.gray@planning.nsw.gov.au
 Debbie Archer - Group Manager Environment and Regulatory Services (PMHC) debbie.archer@pmhc.nsw.gov.au,

Our meeting will be conducted as follows:

1. We start on time and finish on time
2. We all participate and contribute - everyone is given opportunity to voice their opinions
3. We actively listen to what others have to say, seeking first to understand, then to be understood
4. We follow up on the actions for which we are assigned responsibility and complete them on time
5. We give and receive open and honest feedback in a constructive manner
6. We use data to make decisions (whenever possible)
7. We strive to continually improve our meeting process and build time into each agenda for reflection.

Creating a Vibrant Future

Port Macquarie Hastings Council draft Coastal KPOM and SEPP (Koala Habitat Protection) 2019

File: DD032.2013.000000007.001
AGENDA/ACTIONS

No.	Agenda item	Actions/outcomes	Who	When
1.	<p>What are the benefits of a council having a KPOM that covers a significant area such as this proposed Coastal KPOM and having this approved prior to 1 March 2020?</p> <p>As opposed to complying with the new SEPP (Koala Habitat Protection) 2019 and associated guidelines?</p>	<ul style="list-style-type: none"> SW and JT - A CKPoM can provide additional information and incorporate other measures to compensate or provide a no net loss outcome. SW and JT - Provide consistent and known management outcomes when assessing development on lands that are within the CKPOM mapping area. JA - Areas identified as Core habitat in a KPOM also become sensitive regulated lands under <i>Local Land Service Act 2013</i> and therefore require consent from Local Land Service to clear vegetation. JA - Private Native Forestry is not permitted in Core koala habitat. JA and BW - Core koala habitat is also included in the Biodiversity Values Map under the <i>Biodiversity Conservation Act 2016</i> and hence any impact triggers a Biodiversity Development Assessment Report – JA - Core koala habitat in an adopted plan turns off the 10/50 Rural Fire Service code. <p>It was generally acknowledged that without the SEPP (Koala Habitat Protection) 2019 guidelines being released it would be difficult to determine if the draft CKPoM in its</p>	BR	6 Feb 2020

Values: *Communication, Accountability, Professionalism, Integrity & Teamwork*

Port Macquarie Hastings Council draft Coastal KPoM and SEPP (Koala Habitat Protection) 2019

		current format would provide equal or greater level of conservation for koala than the SEPP (Koala Habitat Protection) 2019 will.		
2.	<p>How will the hierarchy of legislation interact BC Act and new SEPP (Koala Habitat Protection) 2019.</p> <p>For example when a DA triggers the SEPP (Koala Habitat Protection) 2019 and the BOS will offsets be required under both?</p> <p>Will the DA require credits to be offset under the BOS and also plant KFT etc. locally?</p>	<p>Action: BR prepare report to advise PMHC executive</p> <ul style="list-style-type: none"> The Biodiversity Offset Scheme operates under the <i>Biodiversity Conservation Act 2016</i> and is a NSW State Government scheme for offsetting the residual impact that cannot be avoided by a development. The scheme is triggered when the either by the development being within or partially within an area mapped under the Biodiversity Values Map or exceeding the minimum lot size area clearing threshold. The offset credits may not be within the local area of impact and often the biodiversity is lost in the local area and offset elsewhere. The new SEPP (Koala Habitat Protection) 2019 is similar to the old SEPP 44 in that the impact will still need to be addressed locally. The impacts from a proposed development will be assessed under the SEPP (Koala Habitat Protection) 2019 and associated guidelines (in development). JA - However the guidelines will not provide prescriptive measures to address and manage the impacts to koala locally as this will be Proponents and consent authorities will need to comply with both the requirements under the BC Act and the requirements under SEPP (Koala Habitat 	BR	6 Feb 2020

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Port Macquarie Hastings Council draft Coastal KPOM and SEPP (Koala Habitat Protection) 2019

	<p>Protection) 2019. This would include the preparation of a Biodiversity Development Assessment Report (BDAR) to determine any required offsetting if required under the BC Act.</p> <ul style="list-style-type: none"> Proponents will also be required to prepare their development application in accordance with the criteria in the new Guideline, for council to consider when assessing the application. This will achieve a consistent approach across the state. <p>Action: BR prepare report to advise PMHC executive</p>		
3.	<p>Under SEPP 44 I have read that in order to be a KPOM it needs to have Core habitat otherwise is it not considered a KPOM. I understand that, one of the key concerns is when it is mapped as core this is picked up in the BV mapping and triggers a BDAR when it may not have otherwise. This could then result in many additional costs for ecological assessments etc. If the mapping was presented as Potential Core (indicative only) would, it still be a KPOM?</p> <p>This question leads to the new SEPP (Koala Habitat Protection) 2019</p>	<p>BR</p> <p>BR - the new SEPP (Koala Habitat Protection) 2019 allows for draft CKPoM to be developed and approved without being in accordance with the old SEPP 44 and therefore could potentially be aligned more closely with the SEPP (Koala Habitat Protection) 2019 and include a more comprehensive list of koala habitat trees. However to make any significant changes the draft CKPoM would likely require further public and community consultation and therefore meeting the deadline of 1 March 2020 highly unlikely. Hence, if the plan were approved prior to 1 March 2019 it would need to be relatively unchanged.</p>	6 Feb 2020

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Port Macquarie Hastings Council draft Coastal KPoM and SEPP (Koala Habitat Protection) 2019

		<p>JT- confirmed that a CKPoM Core habitat mapping could be challenged however, this is a provision that consultants are not generally aware of and therefore the Core mapping is not often challenged once a CKPOM is approved.</p> <p>BW - Suggested that if PMHC would consider the endorsement of the draft CKPoM prior to 1 March 2020 it could include an option to undertake koala habitat assessment in accordance with the methods in new SEPP (Koala Habitat Protection) 2019 to challenge the Core habitat. This would then remove the requirement to undertake the habitat assessment in the draft CKPoM even though it is already mapped as Core unless the proponent wanted to challenge the mapping.</p> <p>JT - confirmed that in most cases when an area is mapped as Core it is not challenged.</p> <p>Action: BR prepare report to advise PMHC executive</p>		
4.	PMHC received a letter from Jeremy Gray inviting (our ref D2020/009144) PMHC to finalise the Coastal KPoM prior to 1 st of March when the new SEPP comes into force and it could be considered outside the SEPP 44 requirements as per the provision of the new SEPP.	<p>JT and SW - suggested that the benefit of having the CKPoM approved in relatively unchanged format could provide benefits as follows:</p> <ul style="list-style-type: none"> • SW and JT - A CKPoM can provide additional information and incorporate other measures to compensate or provide a no net loss outcome. 	BR	6 Feb 2020

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Port Macquarie Hastings Council draft Coastal KPoM and SEPP (Koala Habitat Protection) 2019

<p>SEPP (Koala Habitat Protection) 2019 17 Transitional provision</p> <p><i>(3) To avoid doubt, the Planning Secretary may approve the document as a koala plan of management despite the document not having been prepared in accordance with the provisions of State Environmental Planning Policy No 44—Koala Habitat Protection.</i></p> <p>However in order to make any real changes to the draft CKPoM (inclusion of species list as per new SEPP etc.) it would likely be required to go through the public exhibition process again and I doubt we would have time for that.</p> <p>Given this what would be the benefit for PMHC to pursue the approval of the draft CKPoM in its current format or relatively unchanged prior to 1 March 2020 as perhaps the new SEPP (Koala Habitat Protection) 2019 would provide better protection for koala than the draft Coastal Koala Plan of Management?</p>	<ul style="list-style-type: none"> • SW and JT - Provide consistent and known management outcomes when assessing development on lands that are within the CKPoM mapping area. • SW - Areas identified as Core habitat in a KPoM also become sensitive lands on LLS data and therefore require consent from LLS to clear vegetation. • SW suggested that PMHC could pursue a Comprehensive KPoM under the new SEPP (Koala Habitat Protection) 2019 at a later date however having a Coastal KPoM over a significant area would provide benefits as above. • BT - Suggested that the Coastal KPoM in its current format may not be as good as new SEPP (Koala Habitat Protection) 2019 as the tree species list is significantly less and any offsetting or compensatory mitigation measures taken would only require measures involving the SEPP 44 species list, which is significantly less than the SEPP (Koala Habitat Protection) 2019. Also that the mapping in the CKPoM has been challenged whereas mapping developed by NSW Government would be more difficult to challenge and therefore comply with. • BT - advised that most of the bushland areas in PMHC appear to be covered by the Koala Development Application Map under SEPP (Koala Habitat Protection) 2019 with the exception of areas
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Port Macquarie Hastings Council draft Coastal KPoM and SEPP (Koala Habitat Protection) 2019

	<p>that mostly appear to be conservation estate or Crown lands, many of the area mapped under the Development Application Map area also mapped for Site Investigation Area for KPoM's. The new KPoMs under SEPP (Koala Habitat Protection) 2019 are for councils to investigate and develop if the individual councils choose to.</p> <ul style="list-style-type: none"> • SW - pointed out the development of KPoM under the SEPP (Koala Habitat Protection) 2019 requires consultation with all affected land holders. • BT - Changes the CKPoM to include the list of trees from SEPP (Koala Habitat Protection) 2019 (9 in SEPP 44 and 44 species from the North Coast Region under new SEPP) would likely require additional community consultation and this would be difficult to achieve prior to 1 March 2020. • JT - added that even though the new SEPP (Koala Habitat Protection) 2019 has additional tree species, they conducted a GIS assessment in Coffs Harbour LGA and found the Plant Community Types (PCT's) associated with the additional species would not result in any significant changes to the Core habitat mapping developed under the old SEPP 44 with reduced tree species. However, that PMHC would need to undertake analyses as this may be different in the PMHC LGA. <p>Action: BR prepare report to advise PMHC executive</p>	
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Port Macquarie Hastings Council draft Coastal KPOM and SEPP (Koala Habitat Protection) 2019

5.	<p>The new SEPP (Koala Habitat Protection) 2019 appears to be provide stronger protection for koala as it has a more comprehensive list of koala trees and mapping is included that requires koala development assessment for almost all areas of bushland in PMHC LGA that would be subject to development proposals. However, without the guideline it is not possible to make an informed decision so we can provide the appropriate advice to the Executive and Council so a determination can be made either way.</p>	<p>It was generally acknowledged that without the SEPP (Koala Habitat Protection) 2019 guidelines being released it would be difficult to determine if the draft CKPoM in its current format would provide equal or greater level of conservation for koala than the SEPP (Koala Habitat Protection) 2019 will.</p> <p>JA- Advised that she could not disclose the details of the SEPP (Koala Habitat Protection) 2019 guidelines as it is still in development. However, JA did advise the guidelines would have a very detailed methodology for undertaking koala surveys.</p> <p>JA also advised that the under SEPP 44 included in a KPOM for the development site will now be determined by councils using the SEPP (Koala Habitat Protection) 2019 guidelines. Although the measures in the guidelines would not be as prescriptive as the methodology to undertake koala surveys and it will be up to council to determine the best method to manage the impact.</p> <p>Action: BR prepare report to advice PMHC executive</p>	BR	6 Feb 2020
6.	<p>One of the issues with the draft Coastal Koala Plan of Management is the mapping and tree list has been questioned (originally proposed to have a greater list for trees but had to be reduced to the SEPP 44 list). Therefore the new SEPP (Koala Habitat Protection) 2019 appears to provide a higher level of koala protection than the draft Coastal Koala Plan of Management would</p>	<p>This is discussed in item 5 above</p>	BR	6 Feb 2020

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Port Macquarie Hastings Council draft Coastal KPoM and SEPP (Koala Habitat Protection) 2019

	<p>as it has a significant increase in trees and mapping that covers most bushland.</p> <p>If the CKPoM is adopted it seems to replace the State Environmental Planning Policy (Koala Habitat Protection) 2019 for the area it covers.</p> <p>SEPP (Koala Habitat Protection) 2019</p> <p>16 Savings provision relating to plans of management</p> <p><i>A plan of management approved under State Environmental Planning Policy No 44—Koala Habitat Protection before the commencement of this Policy in relation to the whole of a local government area or a part of a local government area continues to apply to that area as if this Policy had not commenced.</i></p> <p>Therefore, we need to be in position to provide informed advice on this.</p> <p>Considering we would be unlikely to be in a position to change the draft CKPoM as per the new SEPP (Koala Habitat Protection) 2019 it can be approved by the State even if it is not in accordance with the current SEPP 44.</p> <p>Would the new SEPP (Koala Habitat Protection) 2019 having mapping that appears to cover most bushland areas and a significant increase in koala habitat tree species list provide a better protection for koala conservation and a more workable method for assessing a DA than the draft CKPoM would in its current format?</p>		
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Port Macquarie Hastings Council draft Coastal KPoM and SEPP (Koala Habitat Protection) 2019

What will the avoidance measures be in the State Environmental Planning Policy (Koala Habitat Protection) 2019 guidelines?	JA - advised that she could not discuss the contents of the guidelines This is partially addressed in item 5			
What other measures will be in the State Environmental Planning Policy (Koala Habitat Protection) 2019 guidelines to manage impact (fauna fences, crossing structures etc.)?	JA - advised that she could not discuss the contents of the guidelines This is partially addressed in item 5			
What offsetting requirements will be in the State Environmental Planning Policy (Koala Habitat Protection) 2019 guidelines?	JA - advised that she could not discuss the contents of the guidelines This is partially addressed in item 5			

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Our Ref: PXV:131984

4 July 2019

The General Manager
Port Macquarie-Hastings Council
PO Box 84
PORT MACQUARIE NSW 2444

By Email: melissa.watkins@pmhc.nsw.gov.au

Dear Sirs

PORT MACQUARIE-HASTINGS COUNCIL DRAFT COASTAL KOALA PLAN OF MANAGEMENT**1. Introduction**

- 1.1 We act for Expressways Spares Pty Limited, the owner of lots 37, 38 and 39 in deposited plan 1191701 (**Land**) in relation to the Draft Coastal Koala Plan of Management version 4 dated September 2018 (**DCKPoM**) proposed by Port Macquarie-Hastings Council (**Council**).
- 1.2 In providing this submission we have considered the following documents:
- (a) *State Environmental Planning Policy No 44—Koala Habitat Protection* (**SEPP 44**);
 - (b) *Planning Circular No B35* issued by Department of Planning issued on 22 March 1995 (**Circular B35**);
 - (c) Port Macquarie-Hastings Council Koala Habitat Assessment Methodology: Comprehensive Koala Plan of Management 2017 (**Council Methodology Report**);
 - (d) DCKPoM;
 - (e) The minutes from Council's meeting on 19 September 2018 (**Minutes**);
 - (f) Email from Peter Cameron of Council dated 13 February 2019 (**Council's Email**);
 - (g) Report by Peter Parker of Environmental Consultants Pty Limited dated 3 July 2019 (**PP Report**), a copy of which is **enclosed**; and
 - (h) Letter from Gina Davis of the Department of Planning and Environment (**Department's Letter**) (a copy of which is included as Appendix 1 of the PP Report).
- 1.3 Our client objects to the inclusion of the Land in the DCKPoM for the reasons set out below.

2. Snapshot

- 2.1 There are significant flaws with DCKPoM and the Council Methodology Report with respect to its application to the Land, including:
- (a) Inaccurate mapping;
 - (b) Failure to use SEPP 44 definitions and follow the guidance provided in Circular B35;

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- (c) Introducing foreign concepts that are not consistent with SEPP 44 such as 'koala habitat linking areas', 'vegetation communities', 'generational persistence' and including trees that are not listed in Schedule 2 of SEPP 44; and
 - (d) Using inaccurate methodologies when assessing 'potential koala habitat' and 'core koala habitat' such as the scat spot assessment technique (SAT) methodology, outdated existing data and a failure to assess the Land.
- 2.2 For these reasons alone, the Land has been incorrectly mapped as 'core koala habitat'.
- 2.3 In contrast, the PP Report conducted testing on the Land in 2018 and 2019 using methods including SAT, an assessment of every tree in the upper canopy of the Land, spotlighting and scratch marks, which concluded the Land is not 'potential koala habitat' or 'core koala habitat'. In light of the inaccuracies of the Council's methodology and the availability of more accurate data in the PP Report, we submit the PP Report is to be preferred and on this basis, the Land must be removed from the DCKPoM.

3. Relevant Legislation & Policy

- 3.1 A plan of management for koala conservation must be made in accordance with SEPP 44. Circular B35 provides guidance for the implementation of SEPP 44. Section 2 of Circular B35 must be considered when exercising a function under SEPP 44.
- 3.2 SEPP 44 determines koala population by using the following three step process:

Step 1:

- (a) Determine whether the land is '*potential koala habitat*' by taking advice from a person who is qualified and experienced in tree identification: SEPP 44 cl 7.
- (b) SEPP 44 defines '*potential koala habitat*' as "*areas of native vegetation where the trees of the types listed in Schedule 2 constitute at least 15% of the total number of trees in the upper or lower strata of the tree component*".¹
- (c) Circular B35 states:

"If none of the species listed in Schedule 2 are present or if these species constitute less than 15% of the total number of species present, no further provisions of the policy apply to the DA"

Step 2:

- (d) If the land is '*potential koala habitat*', the next stage is to determine whether the land is '*core koala habitat*' by taking advice from a person who is qualified and has experience in biological science and fauna survey and management: SEPP 44 cl 8.
- (e) '*Core koala habitat*' is defined as "*an area of land with a resident population of koalas, evidenced by attributes such as breeding females (that is, females with young) and recent sightings of and historical records of a population*".²
- (f) Circular B35 states:

"If the results of such an investigation reveal that the area does not contain core koala habitat, no further provisions of the policy apply to the DA"

¹ SEPP 44, clause 4.

² Ibid.

Step 3:

- (g) If there is a 'core koala habitat' a plan of management must be put in place. Any development consent must be consistent with the plan of management³

4. Discussion*Mapping*

- 4.1 The scale of the mapping of 'potential koala habitat', 'resident population of koalas', 'koala management areas maps' and 'core koala habitat' maps in the DCKPoM and the Council Methodology Report (**Maps**) is extremely small to the extent that the boundaries of 'core koala habitat' cannot be depicted. The 'koala management areas' maps in the DCKPoM provide more detail to a certain degree, however, based on the Maps it is impossible to accurately determine whether the koala management area is applicable to the Land.
- 4.2 The Minutes show that Council acknowledges the inaccuracies inherent in the Maps:
- "The area identified as core koala habitat can be accurate but not precise. In other words, the area represented is close to the true value but precision is only attained by a survey."*
- 4.3 This is further outlined in the DCKPoM:
- "The map is not a precise representation of the extent of vegetation at any time after the base data was collected."*
- 4.4 Although the DCKPoM notes the maps are to be updated pending Council approval, the maps require updating before Council can approve the DCKPoM as Council and the Department of Planning and Public Spaces (the **Department**)⁴ need to be satisfied that the DCKPoM is consistent with SEPP 44. In making this determination Council and the Department need to be satisfied that the land applicable to the DCKPoM is in fact 'core koala habitat'.
- 4.5 In light of the acknowledged mapping limitations in conjunction with the inaccurate and generalised conclusions of the DCKPoM and Council Methodology Report (which is discussed further below), we submit it is implausible for Council to prefer their determination that the Land is 'core koala habitat' over than the repeated and detailed survey work included in the PP Report, which demonstrates the Land is neither 'potential koala habitat' or 'core koala habitat'.
- 4.6 The DCKPoM also maps 'koala habitat linking areas'. Figure 10 of the PP Report shows Council has mapped a 'koala habitat linking area' on the Land. Although the Minutes state a 'koala habitat linking area' is consistent with SEPP 44, there is no explanation as to how 'koala habitat linking areas' are consistent with SEPP 44. Further, there is no reference to 'koala habitat linking areas' in SEPP 44 or Circular B35. Accordingly, including a 'koala habitat linking area' in the DCKPoM is inconsistent with SEPP 44 and therefore the DCKPoM in its current form cannot be adopted pursuant to SEPP 44.

Is the Land 'Potential Koala Habitat'? – Council's Assessment

- 4.7 The Land cannot be described as being 'potential koala habitat' as there are issues with the existing data and the SAT methodology that Council relies on in the Council Methodology Report and DCKPoM. This is now explained:

³ Ibid clause 9.

⁴ Formerly known as the Department of Planning and Environment.

- (a) First, the Council Methodology Report does not limit the time period of the existing data it uses. Although Council attempts to verify its existing data through ensuring each 'vegetation community' has at least three replicates, there is no information as to when the replicates were recorded. Council acknowledges the limitations of its data, as evidenced by the quote taken from the DCKPoM outlined in paragraph 4.3 above. Council also acknowledges the koala population in the Port Macquarie-Hastings area has dramatically changed. In light of these acknowledgements, it is clear that Council is aware of the limitations and inaccuracies of its data.
 - (b) Secondly, calculating 'potential koala habitat' through SAT surveys is an imprecise and inaccurate methodology and has been criticised in various texts due to the bias in selecting focal trees.⁵ In light of the inaccuracies of the SAT methodology, some of which are outlined on pages 22-23 of the PP Report, it is noted that recent government guidelines such as *Draft 2004 Threatened Biodiversity Survey and Assessment Guidelines* do not recommend the use of the SAT methodology.
 - (c) Thirdly, the SAT surveys that Council relies on are over six years old and we refer to our criticism of using outdated data in paragraph 4.7(a) above.
 - (d) Fourthly, the Council Methodology Report shows that Council only use the SAT methodology when conducting additional surveys. Other direct methods of assessing koala population such as scratch marks, sighting koalas or detection dogs were not used. The DCKPoM endorses the use of detection dogs and spotlighting, yet, they were not used to determine the applicable land for the DCKPoM. In light of the inaccuracies discussed in paragraph 4.7(b) above, the failure to crosscheck the SAT data with other methodologies results in inaccurate data which cannot be relied on as it is inconsistent with SEPP 44 and Circular B35.
 - (e) Further to the comments on page 40 of the PP Report, as the trees on the Land have not been surveyed by Council, Council has presumed that a particular vegetative community applies to the Land and based on surveys of that particular vegetative community elsewhere, Council has assumed that the same percentage of trees listed in Schedule 2 of SEPP 44 are prevalent on the Land. The amount of assumptions made at various steps of Council's assessment prevents the finding of a logical conclusion that there is 'potential koala habitat' on the Land.
- 4.8 There is no reason to rely on assumptions that the Land is 'potential koala habitat' that are based on imprecise methodologies where there are more accurate methodologies that have actually been tested on the Land.
- 4.9 In determining whether 'potential koala habitat' is present' Council has not adopted the correct definitions as required by SEPP 44.
- (a) The DCKPoM and the Council Methodology Report rely on the concept of 'vegetation communities'. The Council Methodology Report lacks information as to how the constituents of each vegetation community is determined and which vegetation community (or multiple vegetative communities) applies to each parcel of land. Despite the comments in the Department's Letter that this information is required, the DCKPoM fails to provide such information. As discussed on page 30 of the PP Report, listing vegetative communities by its dominant species is a misleading categorisation as the dominant canopy species in a 'vegetation community' make up a relatively small proportion of the tree component on the Land.

⁵ Woosnam-Merchez, O. et al, *What faecal pellet surveys can and can't reveal about the ecology of koalas Phascolarctos cinereus* 'Australian Zoologist' 2012 36(2), pp. 192-200; Dique et al *Determining the Distribution and Abundance of a Regional Koala Population in South-East Queensland for Conservation Management 'Wildlife Research'* (2004) 31, pp. 109-117.

- (b) Further, the 'potential koala habitat' definition requires consideration of **trees** "listed in Schedule 2" not 'vegetation communities'. SEPP 44 requires a more specific review of each individual tree and its species, rather than multiple types of trees within a 'vegetation community'. As such, the Council's review lacks specificity and does not reflect the requirement in the 'potential koala habitat' definition.
- (c) There is a discrepancy between Schedule 2 of SEPP 44 and the 'koala food trees' listed in the DCKPoM as to which trees are counted when determining 'potential koala habitat'. Schedule 2 of SEPP 44 lists the following trees, (collectively referred to as **Schedule 2 Trees**):

***Eucalyptus tereticornis* (Forest red gum);**
***Eucalyptus microcorys* (Tallowwood)**
Eucalyptus punctata (Grey Gum)
Eucalyptus viminalis (Ribbon or manna gum)
Eucalyptus camaldulensis (River red gum)
Eucalyptus haemastoma (Broad leaved scribbly gum)
Eucalyptus signata (Scribbly gum)
Eucalyptus albens (White box)
Eucalyptus populnea (Bimble box or poplar box)
***Eucalyptus robusta* (Swamp mahogany)**

- (d) The DCKPoM states that 'koala feed trees' are the trees bolded in the list above as well as the following trees:

Small-fruited Grey Gum (Eucalyptus propinqua)
Bastard Tallowood (Eucalyptus planchoniana)
Orange Red Gum (Eucalyptus bancroftii)
Scribbly Gum (Eucalyptus racemosa)
Tallowwood hybrid (Eucalyptus patentinervis)
Flooded Gum (Eucalyptus grandis)
Blue Gum (Eucalyptus saligna)
Red Mahogany (Eucalyptus resinifera)

- (e) The definition of 'potential koala habitat' refers to the trees 'listed' in Schedule 2 of SEPP 44 and this schedule 'specifies' 10 eucalyptus species. Schedule 2 is an exhaustive list and therefore additional trees cannot be included as 'Schedule 2 trees'. This is confirmed by the Department's Letter. Including additional trees broadens the scope and is inconsistent with SEPP 44 and accordingly, the additional trees listed in the DCKPoM cannot be included when counting trees to determine whether 'potential koala habitat' is present.

Is the Land 'Potential Koala Habitat'? – PP Report

- 4.10 The PP Report includes data from targeted tree assessments conducted in November 2018 (**2018 Assessment**) and in April-May 2019 (**2019 Assessment**). The 2018 Assessment counted all trees in the upper and lower strata in 14 plots, each plot measuring 20m by 50m. The 2019 Assessment counted all trees in the upper strata on the Land. The combination of the 2018 Assessment and 2019 Assessment provide data on both the lower and upper strata, as required by clause 7 of SEPP 44.

- 4.11 The assessment of all of the upper strata trees on the Land was conducted to respond to Council's queries that the data from the 2018 Assessment should have been broken down into individual plots. The 2019 Assessment essentially becomes 'one plot' as every tree in the upper strata was counted.
- 4.12 The 2018 Assessment concluded there is not 'potential koala habitat' on the Land as only 1.6% of the upper and lower strata trees are Schedule 2 Trees. Breaking down this figure into the upper and lower strata does not alter this conclusion; 12.3% of the trees in the upper strata and 0.55% of the trees in the lower strata are Schedule 2 Trees.
- 4.13 The 2019 Assessment similarly concluded there is not 'potential koala habitat' on the Land. An assessment of all of the upper strata trees on the Land (which is a more detailed and accurate assessment) concludes there is 14.88% of the upper strata trees are Schedule 2 Trees. Although close to 15%, the Land is not 'potential koala habitat' as the figure cannot be rounded up because the 'potential koala habitat' definition requires **at least** 15%. In other words, the 'potential koala habitat' definition requires a minimum of 15% of Schedule 2 Trees, which is not present on the Land.
- 4.14 The results of the 2019 Assessment are provided for the total of the Land as well as the portion of land north of Frogs Road. This further assessment was provided to respond to Council's concerns that 'core koala habitat' may exist only on the land north of Frogs Road. The 2019 Assessment concluded that both the Land and the area north of Frogs Road do not contain 'potential koala habitat'.
- 4.15 Council's Email considers that *Callistemon Salignus* and *Glochidion Ferdinandii* var. *Ferdinandii* are 'shrubs' rather than trees and accordingly should be excluded from the targeted tree assessment. We refer to Table 2 of the PP Report that explains the difference between shrubs and trees. The species included in Tables 1, 3 and 4 of the PP Report only include trees. Should Council wish to maintain this objection with the PP Report, we invite Council to provide evidence to support its position.

Is the Land 'Core Koala Habitat'? - Council's Assessment

- 4.16 SEPP 44 does not specify what methods are to be used to determine 'core koala habitat' beyond general guidance in Circular B35 to:

"Examine the presence of koalas on the subject site and provide details on the extent and nature of identified populations,

...

Make use of other published or publicly available data relating to the fauna of the site....

Employ standard, reportable techniques of koala survey, such as a properly designed on site survey using standard techniques or...community-based survey to determine location of koala populations."

- 4.17 The Council Methodology Report and DCKPoM fail to implement this general guidance.
- (a) As discussed above, Council's assessment does not examine the "subject site" as no recent surveys have been conducted on the Land.
- (b) Although SEPP 44 and Circular B35 do not prescribe a particular methodology, 'generational persistence' is not a sound method to determine 'core koala habitat'. The accuracy of using 'generational persistence' to determine 'core koala habitat' is unknown as this term has not been discussed or endorsed in recent decisions of the Land and Environment Court. The definition included in the Council Methodology

Report is inadequate as there is no explanation as to the meaning of 'koala generation' or to which 'records' the definition refers. Although the Council Methodology Report states it includes more recent data from the Port Macquarie Koala Hospital and BioNet database, it is unclear what period these records include. Further, it is also unclear whether any instance of 'generational persistence' found relies on the more recent data. Reliance on outdated data is inaccurate and to this end, we refer to our comments in paragraph 4.7(a) above.

- (c) The figures in the Council Methodology Report do not provide a scale of the grid cells and accordingly it is impossible to determine with accuracy to which land it refers. Based on Council's 'generational persistence' methodology, if there is any record of koalas within a grid cell where 'potential koala habitat' purportedly exists, the entirety of the land covered in the 2.5km² grid cell is deemed to also have a koala population. The inaccuracies result in including land that does not necessarily have a koala population. Due to these inaccuracies, this methodology cannot be relied on, especially where there is more accurate data that demonstrates otherwise.

Is the Land 'Core Koala Habitat'? – PP Report

- 4.18 The PP Report concluded that the Land is not 'potential koala habitat' and in these circumstances, Circular B35 states "*no further provisions of [SEPP 44] apply*". Even though an assessment of 'core koala habitat' is strictly not required, for the sake of completeness, the PP Report considers whether there is 'core koala habitat' on the Land.
- 4.19 The PP Report has thoroughly assessed whether the Land is 'core koala habitat' by adopting multiple methodologies that Council endorses.⁶ The 2019 Assessment in the PP Report assessed every tree in the upper strata on the Land for scats. In addition, spotlighting was undertaken and all smooth bark tree grey gum were assessed for scratch marks. These assessments found there was no evidence of a resident koala population as there was no evidence of koalas on the Land nor has there been any recent sighting or historical records of koala population on the Land.
- 4.20 The SAT methodology is only included on pages 23-24 of the PP Report solely to provide a comparison to Council's assessment. In any event, the 2018 Assessment and 2019 Assessment should be preferred for the reasons discussed in paragraph 4.7(b) above.
- 4.21 In comparison to Council's assessment of 'core koala habitat', the conclusions of the PP Report should be preferred. The Council Methodology Report only uses one methodology to assess 'core koala habitat'. In light of the criticisms of Council's assessment outlined in paragraphs 4.7(b)-4.7(c) and 4.17-4.17(c) above and noting that Council has not conducted any assessment on the Land, Council's assessment and conclusions cannot be preferred over the PP Report.

5. Conclusion

- 5.1 The 2018 Assessment in the PP Report surveyed over 2,700 trees on the Land and concluded that Potential Koala Habitat does not exist on the Land. The 2019 Assessment in the PP Report surveyed over 5,000 upper strata trees and assessed all Schedule 2 Trees in the upper strata on the Land for scats. In addition, spotlighting was undertaken and all smooth bark tree grey gum were assessed for scratch marks. These assessments found there was no evidence of a resident koala population as there was no evidence of koalas on the Land nor has there been any recent sighting or historical records of koala population on the Land.
- 5.2 In contrast, the DCKPoM fails to satisfy the requirements of SEPP 44 due to its mapping inaccuracies; the deviation from established definitions and principles of SEPP 44; and relies on foreign concepts and inaccurate methodologies to determine koala population. These

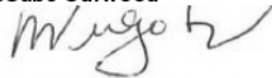
⁶ The DCKPoM endorses the SAT methodology and spotlighting.

limitations have been acknowledged by Council and in these circumstances, we submit the testing and resulting conclusions of the PP Report are to be preferred. Accordingly, the Land is not 'core koala habitat' and must to be removed from the DCKPoM.

- 5.3 Should you wish to discuss the issues outlined in this submission, please do not hesitate to contact Paul Vergotis or Belle McKinley via the contact details below.

Yours sincerely

McCabe Curwood



Paul Vergotis

Principal

+61 2 9265 3207

paul.vergotis@mccabecurwood.com.au

Belle McKinley

Lawyer

+61 2 9265 3269

belle.mckinley@mccabecurwood.com.au

Encl

CC: Jeremy Gray
Department of Planning and Public Spaces
Locked Bag 9022
Grafton NSW 2460
northern@planning.nsw.gov.au

Byron Reynolds

From: Jessica Arciuli <Jessica.Arciuli@planning.nsw.gov.au>
Sent: Thursday, 2 April 2020 4:11 PM
To: Byron Reynolds
Cc: Craig Diss; Daniel Cutler
Subject: RE: draft Coastal KPOM

Hi Byron,

My apologies – it's been a busy week!

According to my records, council did not lodge the KPOM for approval prior to 1 March to enable it to be approved under the special provisions of the new SEPP (which allowed approval despite inconsistencies with the new SEPP or SEPP 44).

This means the KPOM needs to be undertaken as a new KPOM consistent with all the requirements of the SEPP.

Some of these requirements would include:

- Commissioning a suitably qualified and experienced person (as defined in the SEPP and expanded upon in the Guideline) to prepare the KPOM
- Undertaking surveys to identify core koala habitat only within the SIA for KPOMs Map (blue), in accordance with the survey methodology in the Guideline (including using the new tree species list)
- Working with the Environment, Energy and Science Division and Local Land Services throughout the development of the KPOM, and prior to its approval by the Secretary
- Using the new definition of core koala habitat
- Undertaking a public exhibition period, including writing to all landholders in proposed core koala habitat (this process is detailed in the Guideline)

As I work in the policy division, my role has been to improve and update the Koala SEPP from a policy perspective. My team and I don't assess KPOMs – I would advise you work with the regional team on the process for assessment and approval. Craig Diss would be your contact, CC'd in here.

Happy to be a part of any future discussions if I can help.

Many thanks,

Jessica Arciuli
Senior Policy Officer

Environment Policy | Department of Planning, Industry and Environment
T 02 8837 6355 | E Jessica.arciuli@planning.nsw.gov.au
Level 16, 4 Parramatta Square, 12 Darcy Street, Parramatta, NSW 2150
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Planning,
Industry &
Environment

The Department of Planning, Industry and Environment acknowledges that it stands on Aboriginal land. We acknowledge the traditional custodians of the land and we show our respect for elders past, present and emerging through thoughtful and collaborative approaches to our

27 March 2020

Refers to: SF20/823

Department of Planning,
Industry and Environment
NSW Planning Portal

Submitted 30/03/2020 via <https://www.planningportal.nsw.gov.au/draftplans/exhibition/koala-habitat-protection-guideline>

Dear Sir/Madam,

RE: Submission for Koala Habitat Protection Guideline - Implementing State Environmental Planning Policy (Koala Habitat Protection) 2019

The comments have been prepared by officers at Port Macquarie-Hastings Council for lodgment with the NSW State Government, as a submission to the Koala Habitat Protection Guidelines as referenced in the *State Environmental Planning Policy (Koala Habitat Protection) 2019*. The Guidelines are open for consultation until 30 March 2020.

Comments:

1. Section 1.3 – The principles underpinning the guideline are supported.
2. Section 1.7 Legislative Framework:
 - a. Commonwealth *Environment Protection and Biodiversity Act 1999* (EPBC Act)- The guideline is potentially misleading. There are several examples of projects that were deemed significant impact under the EPBC Act without clearing 20ha of high-quality habitat critical to the survival of the species. Other impacts could include a barrier such as a road, housing estate or other that cut off or restrict movement through critical habitat. Suggest the guidelines state that assessment under the EPBC Act is a separate requirement and will still need to be undertaken regardless and not select segments of the EPBC referral guidelines that imply if you are clearing less than 20ha it is not likely to be significant.
 - b. Biodiversity Conservation Act 2016 (BC Act) - the guidelines state the requirements under the BC Act are in addition to those required under the SEPP. Suggest this is expanded to ensure that if offsetting is required under the BC Act through the Biodiversity Offset Scheme (BOS), measures must still be implemented locally for the DA in regards to the requirements of the SEPP (i.e. Table 1).

3. Section 3.1 (Table 1) - Where development is proposed on koala habitat, Council can rely on the guidelines or on a report submitted by the applicant. Koala Habitat Protection Guideline Table 1. The list of suggested management measures to address key indirect impacts are suggested actions. This will be open to interpretation and assessing officers will need to negotiate with proponents on what is reasonable and practical. Suggesting that councils include measures in another guideline (DCP) is inadequate as the DCP is a guideline also. Suggest the Koala Habitat Protection Guideline include more guidance with a minimum of what would be required to ensure development applications appropriately address the key impacts. Guideline to include an additional statement that the list is not exhaustive and final mitigation measures are at the discretion of Council.
4. Section 3.2 – The principles and criteria to guide development applications are supported as this will ensure a consistent approach for proponent when assessing for a DA submission.
5. Koala Development Application Map - requests that if there is nothing prescriptive for determining the area is core, please provide clear best practice guidance on opting out i.e. photo evidence or other. We are likely to see broad statements from proponents that suggest the area is not core koala habitat. What type of information if not a floristic assessment, would a proponent be required, to provide and prove the area is not core koala habitat?
6. The Guiding principles provide some advice about assessing koala habitat post bush fire as follows: *Given the unprecedented 2019-20 fire season and the impact to koala populations and their habitat across NSW, a precautionary approach should be taken in identifying koala habitat as: o post fire, occupied areas may not be re-occupied until the habitat recovers and provides suitable structure and browse, regardless of survey methods.* More detailed guidance should be provided to ensure development applications properly consider and assess habitat as it will likely take several years for habitat to recovery and may take longer for koala to re-occupy areas that have been severely impacted by fire.
7. Appendix B: Detailed Criteria for Preparing Koala Plans of Management (KPoMs) Appendix B provides a high level of detail on how to prepare a KPoM and will ensure consistency with KPoMs. PMHC has prepared a DRAFT Coastal – KPoM under SEPP44 however were not in a position to request council endorsement and request departmental approval prior to the 1 March 2020, therefore it is requested that there should be some flexibility to allow variations to a KPoM to accommodate approval of Draft KPoMS post 1 March. For example, the Draft Coastal KPoM should be able to be adjusted to mostly comply with the Criteria in Appendix B with some minor exceptions. This will assist PMHC and other councils to achieve a KPoM that covers a large area without having to start from the beginning or undertake a significant process to update the draft KPoM to adhere to the new SEPP.
8. The 'best practice koala planning guideline being developed under the NSW Koala Strategy' is quoted in Table 2: Standard structure for KPoMs. Will there be opportunity for review and feedback on this document and will the department provide guidance to councils currently preparing or adjusting a draft KPoM as this document is currently nonexistent.

9. Planning Proposals – the guidelines provide some detail for how a KPOM needs to consider a planning proposal. As KPOMS are now only able to be prepared by local governments to cover all or part of a local government area. How will planning proposals be assessed where there is no KPOM? More guidance on how to manage a planning proposal is required where there is no KPOM.

10. GIS Comments

- a. Site Investigation Area Map was developed using the NSW Native Vegetation Extent 5m Raster v1.2. According to SEED, '...the surface is built on the 2011 5m NSW Woody Vegetation Extent (Fisher et al., 2016), with updates up to 2018'. It is unclear whether 2018 updates were applied to the Port Macquarie area.
- b. A total of 6,620ha Core Koala Habitat has been mapped in the PMHC Draft CKPoM, of which 50ha currently sits outside the SEPP2019 Koala Plan of Management Site Investigation Area. In part, this may be due to the pixel size (4.83m x 5.6m), which has resulted in 'blocky' outlines of shapes. What is the error of the data set? I assume it is +/- 2.5m?
- c. How is the Site Investigation Area dataset to be applied on the ground? Is the line to be applied exactly as mapped? Error tolerance?

For further information please contact Byron Reynolds at byron.reynolds@pmhc.nsw.gov.au or phone 6581 8637.

Yours sincerely

Melissa Watkins
Director
Development and Environment

Unclassified



File Ref. No: BFS19/2107 (7959)
TRIM Ref. No: D20/14652
Contact: Edren Ravino

9 March 2020

General Manager
Port Macquarie-Hastings Council
PO Box 84
PORT MACQUARIE NSW 2444

Email: council@pmhc.nsw.gov.au

Attention: Manager Compliance/Fire Safety

Dear General Manager

**Re: INSPECTION REPORT
'LAKE CATHIE TAVERN'
1611 OCEAN DRIVE LAKE CATHIE ("the premises")**

Pursuant to the provisions of Section 9.32(1) of the *Environmental Planning and Assessment Act 1979* (EP&A Act), an inspection of 'the premises' on 22 June 2019 was conducted by Authorised Fire Officers from the Fire Safety Compliance Unit of Fire and Rescue NSW (FRNSW). The inspection was also conducted in the company of Officers from the NSW Police Force.

The inspection was limited to the following:

- A visual inspection of the essential Fire Safety Measures as identified in this report only.
- A conceptual overview of the building, where an inspection had been conducted without copies of the development consent or copies of the approved floor plans.

On behalf of the Commissioner of FRNSW, the following comments are provided for your information in accordance with Section 9.32(4) and Schedule 5, Part 8, Section 17(1) of the EP&A Act. Please be advised that Schedule 5, Part 8, Section 17(2) requires any report or recommendation from the Commissioner of FRNSW to be tabled at a Council meeting.

Fire and Rescue NSW

ABN 12 593 473 110

www.fire.nsw.gov.au

Community Safety Directorate
Fire Safety Compliance Unit

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COMMENTS

Please be advised that this report is not an exhaustive list of non-compliances however, the proceeding concerns also identifies deviations from the National Construction Code 2019, Volume 1 Building Code of Australia (NCC). Given the concerns are based on observations available at the time FRNSW acknowledges that the deviations may contradict development consent approval. In this regard, it would be at council's discretion as the appropriate regulatory authority to conduct its own investigation and consider the most appropriate action.

The following items were identified as concerns during the inspection:

1. Essential Fire Safety Measures
 - 1A. Hydrant System – Clause E1.3 of the NCC requires a fire hydrant system to be installed in accordance with Australian Standard AS2419.1 where buildings consist of a total floor area greater than 500m². The total floor area of the building appears to be greater than 500m². It is at council's discretion to determine whether a hydrant system was required or has historically been approved without the need for one.
2. Access & Egress
 - 2A. Paths of Travel to Fire Exits – It is at council's discretion to determine whether the paths of travel from 'the premises' to a fire exit, including the operation of the Fire Exit door are considered obstructed or impeded in contravention of Clause 184 & Clause 186 of the Environmental Planning and Assessment Regulation 2000 (EP&A Regulation), such items include but are not limited to:
 - A. The practice of placing a chair to jamb the panic bar in order to lock the door at the end of night trading. The door is located adjacent to fireplace / dance floor.
 - B. The barrel bolt attached to the exit door beside Fire Indicator Panel.
 - C. The final exit door via the "Outdoor / VIP lounge" that includes a snib lock to the door.
3. Compartmentation
 - 3A. Protection of Openings in External Walls – Clause C3.2 & Clause C3.4 of the NCC requires any openings in external walls that are required to have an FRL, that are less than the prescribed distance must be protected with an acceptable method of protection. A review of council's records may be required as there may be openings that are less than 3 metres from the allotment boundary, which may lack an acceptable method of protection.

Unclassified

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4. Generally

- 4A. Smoke Detection System – Table E2.2a of the NCC specifies requirements for specific classes of building, with a specific rise in storey (effective height) to include an automatic smoke detection and alarm system. As there was no Annual Fire Safety Statement displayed, it was difficult to determine the type of system installed at “the premises”. Council may need to review its’ records to confirm, whether a smoke detection and alarm system has been approved or is required for “the premises”.
- 4B. Annual Fire Safety Statement (AFSS) – Clause 177(3)(b) of the Environmental Planning and Assessment Regulation 2000 the statement must be prominently displayed in the building, at the time of the inspection the AFSS could not be located. For ease FRNSW prefers the statement be located beside the Fire Indicator Panel (FIP). An inspection and a review of council’s records may be required.

FRNSW is therefore of the opinion that there are inadequate provisions for fire safety within the building.

RECOMMENDATIONS

FRNSW recommends that Council:

- a. Inspect and address any other deficiencies identified on ‘the premises’, and require item no. 1 through to item no. 4 of this report be addressed appropriately.

This matter is referred to Council as the appropriate regulatory authority. FRNSW therefore awaits Council’s advice regarding its determination in accordance with Schedule 5, Part 8, Section 17(4) of the EP&A Act.

Should you have any enquiries regarding any of the above matters, please do not hesitate to contact Edren Ravino of FRNSW’s Fire Safety Compliance Unit on (02) 9742 7434. Please ensure that you refer to file reference BFS19/2107 (7959) for any future correspondence in relation to this matter.

Yours faithfully



Edren Ravino
Senior Building Surveyor
Fire Safety Compliance Unit

Unclassified



File Ref. No: BFS19/2111
TRIM Ref. No: D20/13175
Contact: Edren Ravino

9 March 2020

General Manager
Port Macquarie-Hastings Council
PO Box 84
PORT MACQUARIE NSW 2444

Email: council@pmhc.nsw.gov.au

Attention: Manager Compliance/Fire Safety

Dear General Manager

**Re: INSPECTION REPORT
'HASTINGS HOTEL'
12 HIGH STREET, WAUCHOPE ("the premises")**

Pursuant to the provisions of Section 9.32(1) of the *Environmental Planning and Assessment Act 1979* (EP&A Act), an inspection of 'the premises' on 22 June 2019 was conducted by Authorised Fire Officers from the Fire Safety Compliance Unit of Fire and Rescue NSW (FRNSW). The inspection was conducted at the request of the NSW Police Force.

The inspection was limited to the following:

- A visual inspection of the essential Fire Safety Measures as identified in this report only.
- A conceptual overview of the building, where an inspection had been conducted without copies of the development consent or copies of the approved floor plans.

On behalf of the Commissioner of FRNSW, the following comments are provided for your information in accordance with Section 9.32(4) and Schedule 5, Part 8, Section 17(1) of the EP&A Act. Please be advised that Schedule 5, Part 8, Section 17(2) requires any report or recommendation from the Commissioner of FRNSW to be tabled at a Council meeting.

Fire and Rescue NSW

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COMMENTS

Please be advised that this report is not an exhaustive list of non-compliances. The proceeding items are limited to observations of the building accessed at the time of the inspection and identifies possible deviations from the National Construction Code 2019, Volume 1 Building Code of Australia (NCC). FRNSW acknowledges that the deviations may contradict development consent approval or relate to the building's age. It is therefore council's discretion as the appropriate regulatory authority to consider the most appropriate action.

The following items were identified as concerns during the inspection:

1. Essential Fire Safety Measures

- 1A. Smoke Detection Systems – Clause 182 and Clause 186A of the EP&A Reg requires owners of existing buildings maintain the installed essential fire safety measures which includes smoke alarms to Sole Occupancy Units. Having regard to the NCC and the EP&A Reg the following items were noted:
 - A. The smoke detector in room 5 was observed with tape around it. However, a short time after notifying the manager, the tape was removed.
 - B. It is unclear whether room 1 was being used as sleeping accommodation, as a thermal detector was observed within the room. The manager asserted that no one would be sleeping in room 1. Council may need to review its records and confirm which rooms are approved for sleeping accommodation.
 - C. Exit signs – A number of exit signs that were either not operating when the test button was pressed or were not illuminated.
 - D. Portable Fire Extinguishers (PFEs) – The PFE located on the first floor was missing off its mount.
- 1B. Kitchen – Table E1.6 of the NCC details the risk class (as defined in AS 2444) for the selection of Portable Fire Extinguishers (PFEs) in specific areas of a building. A Class F and Class A:B(E) PFE could not be located within the kitchen.
- 1C. Floor Area – Clause E1.3 of the NCC requires buildings having a total floor area greater than 500m² be installed with a fire hydrant system in accordance with Australian Standard AS2419.1. The total floor area of the building appears to be greater than 500m². Council may need to review its records and make a determination regarding the floor area and hydrant system.

Unclassified

Unclassified

2. Access and Egress

- 2A. Travel Distance – Clause D1.4 of the NCC outlines the minimum distances to an exit, where a maximum of 6 metres to a required exit or point of choice to two exits from the entry door of a Sole Occupancy Unit (SOU) is required. Given the age of the building it unclear whether the rooms on the eastern side of the hotel meets the required distance.
- 2B. Paths of Travel to Fire Exits – Paths of travel from 'the premises' to a fire exit, including the operation of the Fire Exit door were either obstructed or impeded in contravention of Clause 184 & Clause 186 of the Environmental Planning and Assessment Regulation 2000 (EP&A Regulation), such items include but are not limited to:
- A. The following was observed within the Restaurant:
- i. There is a child safe gate to the children's play area in the path of egress to a required exit door.
 - ii. Both required exit doors from were locked and could not be opened without a key.
 - iii. The tables and chairs were placed in a way that appeared to obstruct the path of travel to the required exit doors.
- B. The exit doors to the main bar included barrel bolts to the two required exit doors on the western side.
- C. The panic bars to the required exit door to the sports bar (where the pool tables are located) were sticking and not working properly.
- 2C. Thresholds – Clause D2.15 of the NCC specifies that a doorway must not incorporate a step at any point closer to the doorway except under specific circumstances. It appears that the required exit door to the sports bar (where the pool tables are located) opens onto stairs.
- 2D. Handrails – Clause D2.17 of the NCC, specifies the requirements for the installation of handrails. The handrail from first floor to final exit leading to the western side of the building was missing.
- 2E. Swinging Doors – Clause D2.20 of the NCC requires swinging doors in a required exit, or forms part of a required exit to swing in a direction that does not impede the path or direction of egress. At the time of the inspection the door from the hotel final exit door opens inward against the path of egress.

Unclassified

Unclassified

3. Compartmentation

- 3A. Bounding Construction (Class 2, Class 3 & Class 4 parts) – Clause C3.11 of the NCC outlines that any sole occupancy unit (SOU) in a Class 3 building with a rise in storey of 2, of Type B construction is required to have specific compartmentation. The following anomalies were observed:
- A. It is unclear if all the SOU's included an operable self-closer as access could not be gained to the private residences.
 - B. It is unclear whether any of the doors to the SOUs are tight fitting, solid core, not less than 35 mm thick.
- 3B. Compartmentation – Performance Requirement CP1, CP2, CP4 and CP8 of the NCC, specifies the requirements for structural stability in a fire, to prevent the spread of fire to exits, SOUs, public corridors, openings and penetrations. Despite the heritage listing of the building, it may be in council's interest to review the compartmentation of the building as a result of the following observations as it appears that there is an attempt to separate the hotel from the pub:
- A. There is a door that includes a glass window adjoining the pub from the main stairwell of the hotel.
 - B. There is a roller shutter that does not appear to be a fire shutter directly adjoining the common stairs to the hotel.
- 3C. Stair Storage – The underside of the flight of stairs from the ground floor to the first floor contained a storage cupboard. A visual inspection could not confirm that the enclosure complies with the National Construction Code, Volume 1 (NCC), Clause D2.8 'Enclosure of space under stairs and ramps'.

4. Generally

- 4A. Annual Fire Safety Statement (AFSS) – Clause 177(3)(b) of the Environmental Planning and Assessment Regulation 2000 the statement must be prominently displayed in the building, at the time of the inspection the AFSS was not displayed. For ease FRNSW prefers the statement be located beside the Fire Indicator Panel. An inspection and a review of council's records may be required.
- 4B. Residential Use – There were rooms that were not accessible at the time, as the manager asserted that the rooms were for private use. It is unclear whether this is considered a full-time occupancy. Council may need to review its records to confirm if the use has been approved.

FRNSW is therefore of the opinion that there are inadequate provisions for fire safety within the building.

Unclassified

Unclassified

RECOMMENDATIONS

FRNSW recommends that Council:

- a. Inspect and address any other deficiencies identified on 'the premises', and require item no. 1 through to item no. 4 of this report be addressed appropriately.

This matter is referred to Council as the appropriate regulatory authority. FRNSW therefore awaits Council's advice regarding its determination in accordance with Schedule 5, Part 8, Section 17(4) of the EP&A Act.

Should you have any enquiries regarding any of the above matters, please do not hesitate to contact Edren Ravino of FRNSW's Fire Safety Compliance Unit on (02) 9742 7434. Please ensure that you refer to file reference BFS19/2111 for any future correspondence in relation to this matter.

Yours faithfully



Edren Ravino
Senior Building Surveyor
Fire Safety Compliance Unit

Unclassified



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PLAN FORM 1 (A3)

DP1262476

WARNING: CREATING OR FOLDING WILL LEAD TO REJECTION

ePlan

SHEET 1 OF 1 SHEETS

COORDINATE SCHEDULE				
MARK	M.G.A. CO-ORDINATES	CLASS	PU	METHOD
PM 34976	417317.024	6520167.987	B	SCIMS FOUND
PM 56132	473963.948	6520170.081	B	SCIMS FOUND
SSM 96394	473963.948	6520251.666	A	0.02 SCIMS FOUND

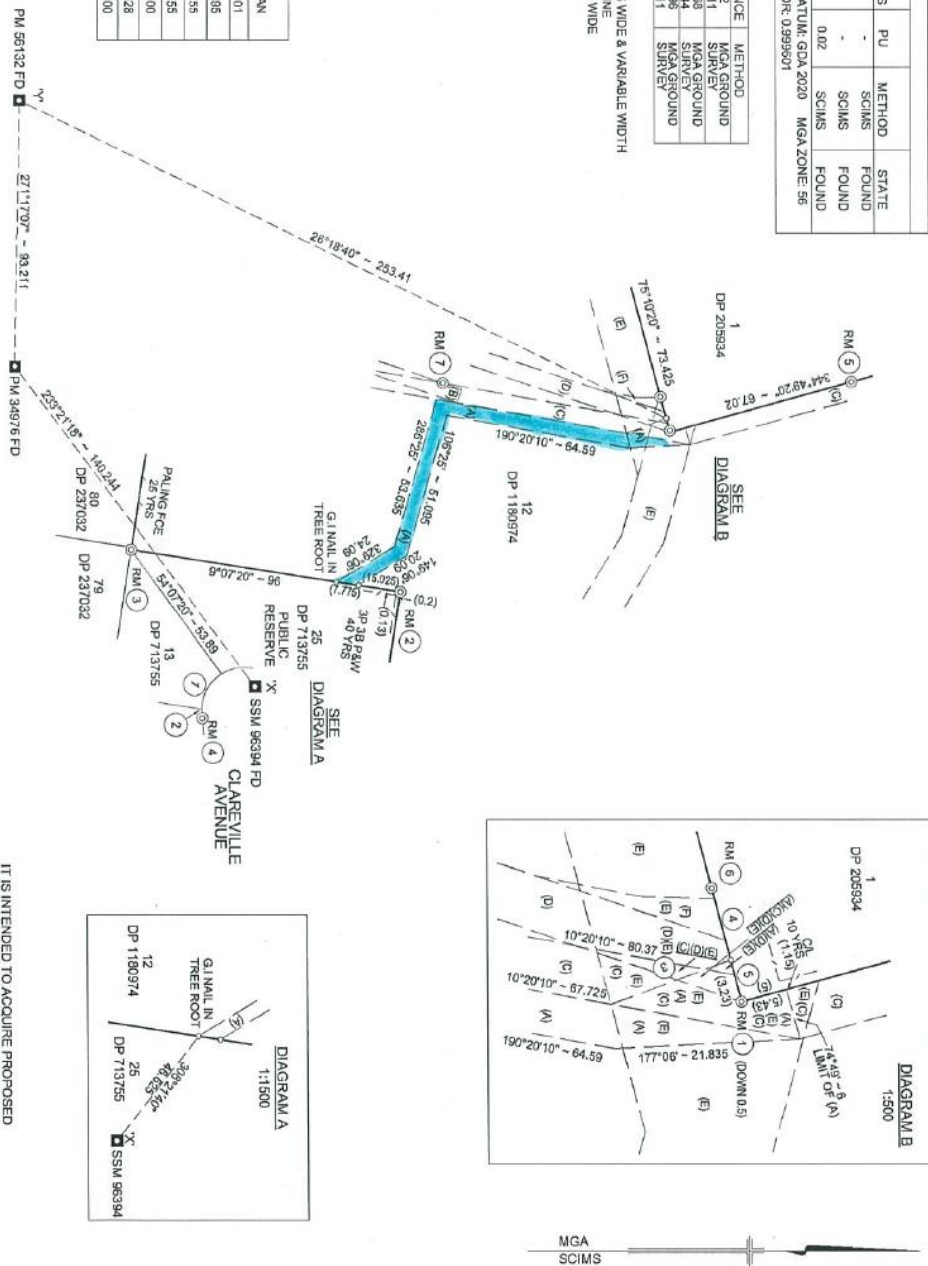
DATE OF SCIMS COORDINATES: 19-02-2020 MGA DATUM: GDA 2020 MGA ZONE: 56
 COMBINED SCALE FACTOR: 0.999507

FROM	TO	BEARING	DISTANCE	METHOD
SSM 96394	PM 56132	248°21'35"	221.311	SCIMS FOUND
SSM 96394	PM 34976	233°21'18"	140.244	SCIMS FOUND
PM 34976	PM 56132	271°17'17"	93.211	SCIMS FOUND

- (A) - PROPOSED EASEMENT FOR DRAINAGE OF SEWAGE 5 WIDE & VARIABLE WIDTH
 (B) - DP 648900 (0171474) - EASEMENT FOR SEWER PIPE LINE
 (C) - DP 641014 (272865) - EASEMENT TO DRAIN SEWAGE 6 WIDE
 (D) - H860226 - EASEMENT FOR ACCESS 6.066 WIDE
 (E) - DP 1180974 - EASEMENT TO DRAIN WATER 15 WIDE
 (F) - DP 267528 - RIGHT OF ACCESS VARIABLE WIDTH

REF	RADIUS	ARC	BEARING	DISTANCE
1	15	14.785	119°30'	14.195
2	15	1.82	87°56'	1.815
3	-	-	339°57'	15.065
4	-	-	75°10'	7.23
5	-	-	75°10'	5.02

REF	BEARING	FROM	DISTANCE	PLAN
1	90°04'	GIP FD	0.54	DP 611101
2	99°10'	GIP FD	1	DP 616385
3	156°58'	GIP FD	1.99	DP 713755
4	189°07'	DHW FD	6.175 & 22.92	DP 713755
5	344°48'	GIP FD	0.5	DP 646900
6	75°57'	GIP FD	0.49	DP 267528
7	189°22'	GIP FD	1	DP 646900



IT IS INTENDED TO ACQUIRE PROPOSED
 EASEMENT FOR DRAINAGE OF SEWAGE
 5 WIDE & VARIABLE WIDTH AFFECTING
 LOT 12 DP 1180974

SURVEYOR Name: MARK WILLIAM ROGERS Date: 19.2.2020 Reference: 17685DP01	PLAN OF PROPOSED EASEMENT FOR DRAINAGE OF SEWAGE 5 WIDE & VARIABLE WIDTH AFFECTING LOT 12 DP 1180974	LGA: PORT MACQUARIE-HASTINGS Locality: WAUCHOE Reduction Ratio 1 : 1500 Lengths are in metres.	REGISTERED 02.07.2020	DP1262476
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