



Ordinary Council

Business Paper

date of meeting: Thursday 8 December 2022

location: Council Chambers
Port Macquarie-Hastings Council
17 Burrawan Street
Port Macquarie

time: 10:00am

Community Vision	A sustainable high quality of life for all
Community Mission	Building the future together People Place Health Education Technology
Council's Corporate Values	<ul style="list-style-type: none"> ★ Sustainability ★ Excellence in Service Delivery ★ Consultation and Communication ★ Openness and Accountability ★ Community Advocacy
Community Themes	<ul style="list-style-type: none"> ★ Leadership and Governance ★ Your Community Life ★ Your Business and Industry ★ Your Natural and Built Environment

Under Clause 3.23 Statement of ethical Obligations in the Code of Meeting Practice as adopted by Council at the Extraordinary Meeting of Council held on 23 June 2022 (Item 6.04), business papers for all ordinary and extraordinary meetings of the council and committees of the council must contain a statement reminding councillors of their oath or affirmation of office made under section 233A of the Act and their obligations under the council's code of conduct to disclose and appropriately manage conflicts of interest.

Councillors are reminded of the oath or affirmation which was taken by each of them on 10 January 2022.

Oath Of Councillor

I swear that I will undertake the duties of the office of Councillor in the best interests of the people of Port Macquarie-Hastings local government area and the Port Macquarie-Hastings Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

Affirmation Of Councillor

I solemnly and sincerely declare and affirm that I will undertake the duties of the office of Councillor in the best interests of the people of Port Macquarie-Hastings local government area and the Port Macquarie-Hastings Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

Councillors have the opportunity to declare any interests in items on the agenda and inform the Council and public if they will be leaving the Chambers during the debate and voting on the item.

Ordinary Council Meeting

Thursday 8 December 2022

Items of Business

Item	Subject	Page
01	Acknowledgement of Country	1
02	Remote Attendance at Meeting.....	1
03	Local Government Prayer	1
04	Apologies.....	1
05	Confirmation of Minutes	1
06	Disclosures of Interest.....	25
07	Mayoral Minute	
08	Confidential Correspondence to Ordinary Council Meeting.....	29
09	Items To Be Dealt With By Exception	
10	Leadership and Governance.....	30
10.01	Mayoral Discretionary Fund Allocations - 3 to 23 November 2022	31
10.02	Status of Reports From Council Resolutions.....	33
10.03	Notice of Motion - Local Government Remuneration Annual Review 2023	42
10.04	Upcoming State Election Funding Priorities	44
10.05	Legislative Compliance 2021-2022.....	51
10.06	Code of Conduct Complaint Statistics	53
10.07	Policy Review - Community Leasing and Licensing Policy	57
10.08	Improvement Plan 2022-2026 - General Fund Operating Performance.	59
10.09	Business Rating Model - Independent Review.....	66
10.10	Monthly Budget Review - November 2022	74
10.11	Investments - November 2022.....	78
10.12	Payment of Water Fund and Sewer Fund Dividend for the Year 2021-2022	84
11	Your Community Life	87
11.01	Recommended Items from Mayor's Sporting Fund Sub-Committee Meeting November 2022	88
11.02	Draft Port Macquarie Hastings Council Interpretation Policy & Guidelines	90
11.03	Recreation Action Plan Report on Public Exhibition.....	93
12	Your Business and Industry	97
12.01	Notice of Motion - Alternative Routes in the Health and Education Precinct.....	98

12.02	Notice of Motion - Assets Roads, Bridges and Paths	<u>99</u>
12.03	Notice of Motion - Council's Long Term Energy Strategy	<u>101</u>
12.04	Port Macquarie Airport - Pilot Training and Aircraft Noise - Fly Neighbourly Agreement Trial - Six Month Review	<u>102</u>
13	Your Natural and Built Environment	<u>108</u>
13.01	Notice of Motion - Friends of Camden Haven Headland Volunteer Group	<u>109</u>
13.02	Notice of Motion - Significant Koala Habitat within Private Native Forestry	<u>111</u>
13.03	Notice of Motion - Southern Breakwall Upgrade Project	<u>112</u>
13.04	Lake Cathie Natural Resource Mangement Monthly Update December 2022	<u>113</u>
13.05	Post Exhibition Report - Planning Proposal PP-2022-981 11 and 33 Mumford Street, Port Macquarie	<u>118</u>
13.06	Post Exhibition Report - Planning Proposal PP-2021-6399 Blackwood Street, Port Macquarie.	<u>128</u>
13.07	Policy Review - Climate Change Response Policy - post public exhibition	<u>143</u>
13.08	Policy Review - Planning Proposal Policy	<u>153</u>
13.09	Policy Review of Conflict of Interest - Council-related Development Applications. Post Exhibition Report.	<u>157</u>
13.10	Environmental Land Rezoning - Council Owned Lands	<u>161</u>
13.11	Regional Integrated Transport Strategy	<u>175</u>
14	Confidential Matters	
	Motion to move into Confidential Session	<u>181</u>
14.01	Budget and Reporting Application	
14.02	Electricity Contracts	
14.03	Purchase of Tuffins Lane Sports Precinct Land, Port Macquarie	

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

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

Item: 02**Subject: REMOTE ATTENDANCE AT MEETING**

RECOMMENDATION

That Council accede to the request of Councillors to attend the meeting by remote means.

Item: 03**Subject: LOCAL GOVERNMENT PRAYER**

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

Item: 04**Subject: APOLOGIES**

RECOMMENDATION

That the apologies received be accepted.

Item: 05**Subject: CONFIRMATION OF PREVIOUS MINUTES**

RECOMMENDATION

That the Minutes of the Ordinary Council Meeting held on 17 November 2022 be confirmed.

PRESENT

Members:

Mayor Peta Pinson (Mayor)
Councillor Adam Roberts (Deputy Mayor)
Councillor Lauren Edwards
Councillor Sharon Griffiths
Councillor Lisa Intemann
Councillor Nik Lipovac
Councillor Danielle Maltman
Councillor Rachel Sheppard
Councillor Josh Slade

Other Attendees:

Chief Executive Officer (Dr Clare Allen)
Director Business and Performance (Keith Hentschke)
Director Community, Planning and Environment (Melissa Watkins)
Director Community Infrastructure (Robert Fish)
Director Community Utilities (Jeffery Sharp)
Group Manager Governance (Michael Ferguson)
Governance Officer (Tania Ellis)

The meeting opened at 10:00am

01 ACKNOWLEDGEMENT OF COUNTRY

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

02 REMOTE ATTENDANCE AT MEETING

Nil

03 LOCAL GOVERNMENT PRAYER

Captain Peter Gott from Salvation Army Church delivered the Local Government Prayer.

04 APOLOGIES

Nil.

05 CONFIRMATION OF MINUTES

RESOLVED: Sheppard/Roberts

That the Minutes of the Ordinary Council Meeting held on 20 October 2022 be confirmed with the inclusion of following amendment Item 12.05 that reflects Councillor Sheppard not voting on the matter due to her removing herself from the meeting due to a non-pecuniary, significant interest in Item 12.05

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts,
Sheppard and Slade
AGAINST: Nil

06 DISCLOSURES OF INTEREST

Councillor Maltman declared a Non-Pecuniary, Less Than Significant Interest in Item 14.03 Lake Cathie Natural Resource Management Monthly Update, the reason being that Councillor Maltman is a non-financial life member and former President of the community organisation Revive Lake Cathie Inc.

Councillor Sheppard declared a Non-Pecuniary, Significant Interest in Item 12.04 Port Macquarie Aquatic Facility, the reason being a 2021 Local Government Election Campaign running mate, is a convenor of the Port Macquarie-Hastings Aquatic Facility Committee, and Councillor Sheppard may be perceived to be unduly influenced in her decisions by the recent campaign relationship with him, of less than 12 months ago. Councillor Sheppard intends to leave the meeting and take no part in consideration of this item.

07 MAYORAL MINUTE

7.01 MAYORAL MINUTE - DISCLOSURE REGISTER - ANNUAL RETURNS 2021 - 2022

RESOLVED: Pinson

That Council accept the tabling of the Disclosure Register for 2021-2022.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts,
Sheppard and Slade
AGAINST: Nil

08 CONFIDENTIAL CORRESPONDENCE TO ORDINARY COUNCIL MEETING

RESOLVED: Roberts/Maltman

That Council determine that the attachments to Item Numbers 11.10 be considered as confidential, in accordance with section 11(3) of the Local Government Act.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts,
Sheppard and Slade
AGAINST: Nil

09 PUBLIC FORUM – MATTERS NOT ON THE AGENDA

The Mayor advised of requests to speak in the Public Forum - Matters Not On The Agenda from:

Mr Fenwick Snowdon - Multipurpose Squash and Indoor Sports Complex.

RESOLVED: Lipovac/Sheppard

That the above requests to speak in the Public Forum - Matters Not On The Agenda be acceded to.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts,
Sheppard and Slade
AGAINST: Nil

Mr Fenwick Snowdon addressed Council regarding Multipurpose Squash and Indoor Sports Complex and answered questions from Councillors

10 PUBLIC FORUM – MATTERS ON THE AGENDA

The Mayor advised of requests to speak in the Public Forum - Matters On The Agenda from:

1. Ms Narelle Thompson Item 12.06 Dunbogan Beach Recreational Enhancement Options
In opposition of the recommendation
-

-
2. Mr Wayne Hudson Item 14.02 supporting - Notice of Motion - Beachwatch Partnership program
In support of the recommendation
 3. Ms Kate Aston Item 14.02 Notice of Motion - Beachwatch Partnership Program
In support of the recommendation
 4. Ms Kate Aston Item 14.03 - Lake Cathie Natural Resource Management Monthly Update November 2022
In support of the recommendation

Councillor Intemann left the meeting, the time being 10:41am.
Councillor Slade left the meeting, the time being 10:42am.

Councillor Intemann returned to the meeting, the time being 10:43am.
Councillor Slade returned to the meeting, the time being 10:43am.

5. Mr Damian King Item 14.07 - Southern Breakwall Port Macquarie
In opposition of the recommendation

That the above requests to speak in the Public Forum - Matters On The Agenda be acceded to.

RESOLVED: Sheppard/Griffiths

FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade
AGAINST: Nil

CARRIED: 9/0

Ms Narelle Thompson addressed Council in Item 12.06 Dunbogan Beach Recreational Enhancement Options.

Mr Wayne Hudson addressed Council in Item 14.02 supporting - Notice of Motion - Beachwatch Partnership program and answered questions from Councillors

Ms Kate Aston addressed Council in Item 14.02 Notice of Motion - Beachwatch Partnership Program and answered questions from Councillors

Ms Kate Aston addressed Council in Item 14.03 - Lake Cathie Natural Resource Management Monthly Update November 2022 and answered questions from Councillors

Mr Damian King addressed Council in Item 14.07 - Southern Breakwall Port Macquarie and answered questions from Councillors

11 SUSPENSION OF STANDING ORDERS

RESOLVED: Intemann / Pinson

That Standing Orders be suspended to allow Items 14.07, 12.06, 14.02, 14.03, 11.03, 11.04, 11.05, 11.06, 11.07, 11.08, 11.14, 12.01, 12.02, 12.03, 12.04, 12.05 and 14.01 to be brought forward and considered next.

CARRIED: 9/0

FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade

AGAINST: Nil

14.07 SOUTHERN BREAKWALL PORT MACQUARIE

MOTION

MOVED: Roberts/Pinson

That Council:

1. Note the information provided in this report.
2. Request the Chief Executive Officer, write to the Hon Premier of New South Wales, Dominic Perrottet, advising of Councils significant concerns in relation to the Port Macquarie Southern Breakwall project, due to the need for further information and to address significant concerns expressed by the community, and request the NSW Government:
 - a. undertake a thorough independent review of the community engagement process and the engineering and arborist reports
 - b. comprehensively address in writing, the numerous questions raised by the Port Macquarie Hastings community, that have been previously provided to the State Member for Port Macquarie, Leslie Williams.
 - c. Request TfNSW to urgently provide to council the high resolution multi-beam hydro survey and point cloud-drone survey which was used to produce cross sectional 3d model of the southern breakwall.

AMENDMENT

MOVED: Sheppard/Lipovac

That Council note the information provided in this report.

LOST: 3/6

FOR: Griffiths, Lipovac and Sheppard

AGAINST: Edwards, Intemann, Maltman, Pinson, Roberts and Slade

THE AMENDMENT ON BEING PUT WAS LOST

AMENDMENT

MOVED: Edwards/Lipovac

That Council

1. Note the information provided in this report.
-

-
2. Request Transport for NSW to urgently provide to Council the high resolution multi-beam hydro survey and point cloud-drone survey which was used to produce cross sectional 3d model of the southern breakwall.
 3. Request the CEO arrange for Councillors to be provided an opportunity to meet with and discuss this project with Brad Crispin Regional and Outer Metropolitan for Transport for NSW as offered by Leslie Williams MP - Member for Port Macquarie.

LOST: 4/5

FOR: Edwards, Griffiths, Lipovac and Sheppard

AGAINST: Intemann, Maltman, Pinson, Roberts and Slade

THE AMENDMENT ON BEING PUT WAS LOST

THE MOTION ON BEING PUT WAS CARRIED

MOTION

RESOLVED: Roberts/Pinson

That Council:

1. Note the information provided in this report.
2. Request the Chief Executive Officer, write to the Hon Premier of New South Wales, Dominic Perrottet, advising of Councils significant concerns in relation to the Port Macquarie Southern Breakwall project, due to the need for further information and to address significant concerns expressed by the community, and request the NSW Government:
 - a. undertake a thorough independent review of the community engagement process and the engineering and arborist reports
 - b. comprehensively address in writing, the numerous questions raised by the Port Macquarie Hastings community, that have been previously provided to the State Member for Port Macquarie, Leslie Williams.
 - c. Request Transport for NSW to urgently provide to council the high resolution multi-beam hydro survey and point cloud-drone survey which was used to produce cross sectional 3d model of the southern breakwall.

CARRIED: 7/2

FOR: Edwards, Griffiths, Intemann, Maltman, Pinson, Roberts and Slade

AGAINST: Lipovac and Sheppard

12.06 DUNBOGAN BEACH RECREATIONAL ENHANCEMENT OPTIONS

MOTION

MOVED: Pinson/Roberts

That Council:

-
1. Note the submissions and feedback received from residents relating to enhancements at Dunbogan Beach.
 2. Proceed with broader community engagement on this topic.
 3. Following broader community consultation a report be presented to Council May 2023.

LOST: 4/5

FOR: Maltman, Pinson, Roberts and Slade

AGAINST: Edwards, Griffiths, Intemann, Lipovac and Sheppard

MOTION

RESOLVED: Sheppard/Griffiths

That Council:

1. Note the submissions and feedback received from residents relating to enhancements at Dunbogan Beach.
2. Not proceed with broader community engagement on this topic, and not progress this matter further, noting opposition of nearby residents to the proposal.

CARRIED: 5/4

FOR: Edwards, Griffiths, Intemann, Lipovac and Sheppard

AGAINST: Maltman, Pinson, Roberts and Slade

14.02 NOTICE OF MOTION - BEACHWATCH PARTNERSHIP PROGRAM

RESOLVED: Maltman/Griffiths

That Council:

1. Note the Beachwatch Partnership Program assists local councils to monitor and report recreational water quality along the NSW coast, monitoring a range of sites including ocean beaches, estuarine swimming areas, lake and lagoons swimming sites.
2. Consider the Beachwatch Partnership Program for inclusion in the draft 2023/2024 Operational Plan.

CARRIED: 9/0

FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade

AGAINST: Nil

14.03 LAKE CATHIE NATURAL RESOURCE MANAGEMENT MONTHLY UPDATE NOVEMBER 2022

Councillor Maltman declared a Non-Pecuniary, Less Than Significant Interest in Item 14.03 - Lake Cathie Natural Resource Management Monthly Update, the reason being that Councillor Maltman is a non-financial life member and former President of the community organisation Revive Lake Cathie Inc.

RESOLVED: *Maltman/Lipovac*

That Council note the progress of natural resource management projects / initiatives within the Lake Cathie, Lake Innes and Cathie Creek waterways and progression of the Coastal Management Program

CARRIED: 9/0
FOR: *Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade*
AGAINST: *Nil*

ADJOURN MEETING

RESOLVED: *Sheppard/Maltman*

The Ordinary Council Meeting adjourned at 12:14pm

The Ordinary Council Meeting resumed at 1.15pm

11.03 COUNCIL MEETINGS DATES FOR 2023

RESOLVED: *Lipovac/Griffiths*

That Council:

1. Set the Ordinary Council Meeting dates for the 2023 as the third Thursday of each month (with the exception an earlier meeting in December due to the proximity of Christmas) being:
 - 16 February
 - 16 March (Wauchope)
 - 20 April
 - 18 May
 - 15 June
 - 20 July
 - 17 August
 - 21 September
 - 19 October (Laurieton)
 - 16 November
 - 14 December
2. Set the Ordinary Council meetings to commence at 3:00pm on the dates as listed in 1 above.

CARRIED: 8/1
FOR: *Edwards, Griffiths, Intemann, Lipovac, Pinson, Roberts, Sheppard and Slade*
AGAINST: *Maltman*

11.04 CODE OF MEETING PRACTICE - POST PUBLIC EXHIBITION

MOTION

MOVED: Sheppard/Lipovac

That Council:

1. Adopt the draft Code of Meeting Practice by amending the following draft clauses to read to provide an opportunity for the public to address Council as part of public forum on matters not on the agenda:
 - 4.1A The Council may also hold a public forum for the purpose of hearing oral submissions from members of the public on items of business not on the agenda providing the subject of the request is the business of Council. Public forum requests for items not on the agenda will not be accepted in Extraordinary meetings of Council.
The public forum for items not on the agenda shall provide a maximum of two people an opportunity to speak on items not on the agenda.
 - 4.4 To speak at a public forum, a person must first make an application to the Council in the approved form. Applications to speak at the public forum must be received by 12.00noon on the last business day before the date on which the public forum is to be held, and must identify the item of business on the agenda of the Council meeting the person wishes to Port Macquarie-Hastings Council speak on, or the subject not on the agenda the person wishes to speak on, and whether they wish to speak 'for' or 'against' the item recommendation.
 - 4.5 A person may apply to speak on no more than two (2) items of business. These items may relate to items on the agenda, or items not on the agenda, however speakers may only apply to speak on a maximum of two (2) items in total.
 - 4.8 No more than two (2) speakers are to be permitted to speak 'for' or 'against' each item of business on the agenda, or on the same subject for matters not on the agenda, for the Council meeting. Approval to speak shall be granted on a first in basis with the first 2 applications to speak received being approved (subject to any other conditions) and additional applications not being successful. The CEO may permit additional speakers under exceptional circumstances.
- 18.1 Ordinary Meetings of the Council of the Council are to conclude no later than 7:30pm.
- 18.2 If the business of the meeting is unfinished at 7:30pm, the Council may, by resolution, extend the time of the meeting by one (1) hour only.
- 18.3 If the business of the meeting is unfinished at 7:30pm and the Council does not resolve to extend the meeting, the chairperson must either:
 - (a) defer consideration of the remaining items of business on the agenda to the next ordinary meeting of the Council, or
 - (b) adjourn the meeting to a time, date and place fixed by the chairperson.
2. Formally thank those who made submissions and advise them of Council's decision on this matter.

AMENDMENT

MOVED: Pinson/Roberts

That Council:

1. Adopt the draft Code of Meeting Practice by amending the following draft clauses to read:
 - 18.1 Ordinary Meetings of the Council of the Council are to conclude no later than 7:30pm.
 - 18.2 If the business of the meeting is unfinished at 7:30pm, the Council may, by resolution, extend the time of the meeting by one (1) hour only.
 - 18.3 If the business of the meeting is unfinished at 7:30pm and the Council does not resolve to extend the meeting, the chairperson must either:
 - (a) defer consideration of the remaining items of business on the agenda to the next ordinary meeting of the Council, or
 - (b) adjourn the meeting to a time, date and place fixed by the chairperson.
2. Formally thank those who made submissions and advise them of Council's decision on this matter.

LOST: 4/5

FOR: Maltman, Pinson, Roberts and Sheppard
AGAINST: Edwards, Griffiths, Intemann, Lipovac and Slade

THE AMENDMENT ON BEING PUT WAS LOST

Councillor Maltman left the meeting, the time being 1:42pm.

THE MOTION ON BEING PUT WAS CARRIED

MOTION

RESOLVED: Sheppard/Lipovac

That Council:

1. Adopt the draft Code of Meeting Practice by amending the following draft clauses to read to provide an opportunity for the public to address Council as part of public forum on matters not on the agenda:
 - 4.1A The Council may also hold a public forum for the purpose of hearing oral submissions from members of the public on items of business not on the agenda providing the subject of the request is the business of Council. Public forum requests for items not on the agenda will not be accepted in Extraordinary meetings of Council. The public forum for items not on the agenda shall provide a maximum of two (2) people an opportunity to speak on items not on the agenda.
 - 4.4 To speak at a public forum, a person must first make an application to the Council in the approved form. Applications to speak at the public forum must be received by 12.00noon on the last business day before the date on which the public forum is to be held, and must identify the item of business on the agenda of the Council meeting the person wishes to Port Macquarie-Hastings Council speak on, or the subject not on the agenda the person

-
- wishes to speak on, and whether they wish to speak 'for' or 'against' the item recommendation.
- 4.5 A person may apply to speak on no more than two (2) items of business. These items may relate to items on the agenda, or items not on the agenda, however speakers may only apply to speak on a maximum of two (2) items in total.
- 4.8 No more than two (2) speakers are to be permitted to speak 'for' or 'against' each item of business on the agenda, or on the same subject for matters not on the agenda, for the Council meeting. Approval to speak shall be granted on a first in basis with the first 2 applications to speak received being approved (subject to any other conditions) and additional applications not being successful. The CEO may permit additional speakers under exceptional circumstances.
- 18.1 Ordinary Meetings of the Council of the Council are to conclude no later than 7:30pm.
- 18.2 If the business of the meeting is unfinished at 7:30pm, the Council may, by resolution, extend the time of the meeting by one (1) hour only.
- 18.3 If the business of the meeting is unfinished at 7:30pm and the Council does not resolve to extend the meeting, the chairperson must either:
- (a) defer consideration of the remaining items of business on the agenda to the next ordinary meeting of the Council, or
 - (b) adjourn the meeting to a time, date and place fixed by the chairperson.
2. Formally thank those who made submissions and advise them of Council's decision on this matter.

CARRIED: 5/3
FOR: Edwards, Griffiths, Intemann, Lipovac and Sheppard
AGAINST: Pinson, Roberts and Slade

11.05 PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS POLICY - FOLLOWING EXHIBITION

RESOLVED: Pinson/Intemann

That Council adopt the draft Payment of Expenses and Provision of Facilities to Councillors Policy.

CARRIED: 8/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Pinson, Roberts, Sheppard and Slade
AGAINST: Nil

11.06 2021-2022 ANNUAL REPORT

Councillor Maltman returned to the meeting, the time being 1:44pm.

RESOLVED: Pinson/Roberts

That Council:

1. Adopt the 2021-2022 Annual Report.
2. Submit the adopted 2021-2022 Annual Report to the Minister for Local Government by 30 November 2022.
3. Publish the adopted 2021-2022 Annual Report on Council's website and make copies of the reports available at all Council offices and libraries.
4. Congratulate the Chief Executive Officer Dr Clare Allen, Directors and staff for their considerable achievement of such a strong result of positive delivery for our ratepayers and community.

CARRIED: 9/0

FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts,
Sheppard and Slade

AGAINST: Nil

11.07 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

MOTION

MOVED: Pinson/Griffiths

That Council:

1. Adopt the annual financial statements for the year ended 30 June 2022, as submitted together with the auditor's report.
2. Congratulate the Chief Executive Officer Dr Clare Allen, Directors and staff for the strong financial performance after what was a challenging year following the March 2021 extensive flood damage to our region.

AMENDMENT

MOVED: Intemann/Griffiths

That Council adopt the annual financial statements for the year ended 30 June 2022, as submitted, together with the auditor's report.

THE AMENDMENT WAS WITHDRAWN BY THE MOVER AND SECONDER.

THE MOTION ON BEING PUT WAS CARRIED.

RESOLVED: Pinson/Griffiths

That Council:

1. Adopt the annual financial statements for the year ended 30 June 2022, as submitted together with the auditor's report.
2. Congratulate the Chief Executive Officer Dr Clare Allen, Directors and staff for the strong financial performance after what was a challenging year following the March 2021 extensive flood damage to our region.

CARRIED: 8/1
FOR: Edwards, Griffiths, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade
AGAINST: Intemann

11.08 INVESTMENTS - OCTOBER 2022

RESOLVED: Edwards/Griffiths

That Council note the Investment Report for the month of October 2022.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade
AGAINST: Nil

11.14 DRAFT INFRASTRUCTURE STRATEGY

RESOLVED: Roberts/Sheppard

That Council:

1. Endorse the draft Infrastructure Strategy 2022-2042 and associated Initial Response document for the purpose of public exhibition.
2. Place the draft Infrastructure Strategy and Initial Response document on public exhibition for a period of not less than 28 days in accordance with an engagement program currently being finalised.
3. Note that a further report will be presented to the April 2023 Council meeting following the public exhibition period, detailing the submissions received and any recommended changes to the draft documents for consideration by Council.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade
AGAINST: Nil

12.01 NOTICE OF MOTION - HOUSING

RESOLVED: Griffiths/Lipovac

That the Chief Executive Officer be requested to provide a workshop to Council by March 2023 with options on how land could be identified to assist with housing availability.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts,
Sheppard and Slade
AGAINST: Nil

12.02 NOTICE OF MOTION - HISTORIC CEMETERY HORTON STREET PORT MACQUARIE

MOTION

MOVED: Pinson/Roberts

That Council:

1. Request the Chief Executive Officer arrange to undertake replanting of the Historic Cemetery in Horton Street, Port Macquarie to remove existing plantings and replace with suitable colourful plants and shrubs.
2. The funds for the rejuvenation/replanting works are to be funded from the existing Parks and Recreation Budget.
3. Undertake the works as soon as practicable before the end of 2022.

AMENDMENT

MOVED: Sheppard/Griffiths

That Council give consideration to including the replanting of the Historic Cemetery in Horton Street, Port Macquarie to remove existing plantings and replace with colourful annuals, perennials and shrubs as a project in the development of the draft 2023/2024 Operational Plan and Budget

LOST: 3/6
FOR: Edwards, Griffiths and Sheppard
AGAINST: Intemann, Lipovac, Maltman, Pinson, Roberts and Slade

THE AMENDMENT WAS PUT AND LOST.

AMENDMENT

MOVED: Sheppard/Griffiths

That Council:

1. Note the request to give consideration to undertake the replanting of the Historic Cemetery in Horton Street, Port Macquarie to remove existing plantings and replace with suitable colourful plants and shrubs as a project
2. Note the estimated cost of the above work as being \$50-\$75 thousand dollars.
3. Request a report outlining the estimated maintenance costs for the proposed work to be presented to the December 2022 Council meeting.

LOST: 3/6
FOR: Edwards, Lipovac and Sheppard
AGAINST: Griffiths, Intemann, Maltman, Pinson, Roberts and Slade

THE AMENDMENT WAS PUT AND LOST.

THE MOTION ON BEING PUT WAS CARRIED.

RESOLVED: Pinson/Roberts

That Council:

1. Request the Chief Executive Officer arrange to undertake replanting of the Historic Cemetery in Horton Street, Port Macquarie to remove existing plantings and replace with suitable colourful plants and shrubs.
2. The funds for the rejuvenation/replanting works are to be funded from the existing Parks and Recreation Budget.
3. Undertake the works as soon as practicable before the end of 2022.

CARRIED: 5/4
FOR: Lipovac, Maltman, Pinson, Roberts and Slade
AGAINST: Edwards, Griffiths, Intemann and Sheppard

12.03 PORT MACQUARIE HASTINGS BLUEPRINT 2022

RESOLVED: Roberts/Griffiths

That Council:

1. Endorse the draft "Blueprint for Generational Equity" for the purpose of public exhibition.
2. Place the draft "Blueprint for Generational Equity" on public exhibition, for a period of not less than 28 days to allow the community to review and provide feedback on the draft Blueprint.
3. Note that following community consultation, a further report will be presented to Council, outlining key themes from community consultation and any suggested changes for incorporation into the draft Blueprint.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade
AGAINST: Nil

12.04 PORT MACQUARIE AQUATIC FACILITY

Councillor Sheppard declared a Non-Pecuniary, Significant Interest in Item 12.04 Port Macquarie Aquatic Facility. The reason being a 2021 Local Government Election Campaign running mate, is a convenor of the Port Macquarie-Hastings Aquatic Facility Committee, and Councillor Sheppard may be perceived to be unduly influenced in her decisions by the recent campaign relationship with him, of less than 12 months ago. It is noted that Councillor Sheppard does not have ongoing regular contact with this person, and Councillor Sheppard is seeking further advice on the nature of her interest into the future. Councillor Sheppard intends to leave the meeting and take no part in consideration of this item.

RESOLVED: Roberts/Intemann

That Council:

1. Note the information contained within the Port Macquarie Aquatic Facility report
2. Note that a further report will be presented to Council in February 2023 outlining staging options and impacts to the Business Case
3. Provide an information update to the community on the progress of this project and the next stages.

CARRIED: 8/0

FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts and Slade

AGAINST: Nil

12.05 HOMELESSNESS IN THE PORT MACQUARIE-HASTINGS LOCAL GOVERNMENT AREA

RESOLVED: Lipovac/Griffiths

That Council:

1. Note the data provided on the prevalence of homelessness in the Port Macquarie-Hastings Local Government Area (LGA).
2. Note the information provided on the various roles that Council may wish to take and examples of options that may be available to help address the issue of homelessness.
3. Request the Chief Executive Officer to make an appeal via the next Rates Notice to Ratepayers who own properties that are currently used as a short-term rental, consider making those homes available for long-term rental to assist with the shortage of rental accommodation in the Hastings LGA.
4. That the information provided in this report be considered within the Local Housing Strategy
5. Request the CEO provide workshop to consider homelessness options in conjunction with the housing strategy, UGMS or other strategy which could be considered, relating to housing affordability and availability.

CARRIED: 9/0

FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade

AGAINST: Nil

14.01 NOTICE OF MOTION - SUMMER HOLIDAY 2022-2023 RESOURCING AND MAINTENANCE ACROSS OUR LOCAL GOVERNMENT AREA

RESOLVED: Roberts/Slade

That Council:

1. Request the Chief Executive Officer, to ensure priority is given to adequately maintaining our significant parks, gardens, public facilities and recreation/open space areas over the upcoming Summer holiday period.
2. Proactively and broadly communicate with our community members how they can report or support an issue with regards to overflowing bins, lack of maintenance or cleanliness, overgrown vegetation or grass that may need priority attention.

CARRIED: 9/0

FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade

AGAINST: Nil

15 ITEMS TO BE DEALT WITH BY EXCEPTION

MOVED: Sheppard/Lipovac

That Items 11.01, 11.02, 11.09, 11.10, 11.11, 11.12, 11.13, 11.15, 11.16, 14.04, 14.05 and 14.06 be considered as a block resolution.

CARRIED: 9/0

FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard and Slade

AGAINST: Nil

11.01 MAYORAL DISCRETIONARY FUND ALLOCATIONS - 6 OCTOBER TO 2 NOVEMBER 2022

BLOCK RESOLVED: Sheppard/Lipovac

That Council note the Mayoral Discretionary Fund allocations for the period 6 October to 2 November 2022 inclusive.

11.02 STATUS OF REPORTS FROM COUNCIL RESOLUTIONS

BLOCK RESOLVED: Sheppard/Lipovac

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

Item 11.03 Council Meetings Dates For 2023 has been addressed previously within the meeting.

Item 11.04 Code Of Meeting Practice - Post Public Exhibition has been addressed previously within the meeting.

Item 11.05 Payment Of Expenses And Provision Of Facilities To Councillors Policy - Following Exhibition has been addressed previously within the meeting.

Item 11.06 2021-2022 Annual Report has been addressed previously within the meeting.

Item 11.07 Annual Financial Statements For The Year Ended 30 June 2022 has been addressed previously within the meeting.

Item 11.08 Investments - October 2022 has been addressed previously within the meeting.

11.09 MONTHLY BUDGET REVIEW - OCTOBER 2022

BLOCK RESOLVED: Sheppard/Lipovac

That Council:

1. Adopt the adjustments in the "October 2022 Adjustments" section of the Monthly Budget Review – October 2022 report and associated attachment.
2. Amend the 2022-2023 Operational Plan to include all budget adjustments approved in this report.

11.10 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2022

BLOCK RESOLVED: Sheppard/Lipovac

That Council note the Quarterly Budget Review Statement for the September 2022 Quarter.

11.11 PROPERTY INVESTMENT REPORT - 2022 ANNUAL UPDATE

BLOCK RESOLVED: Sheppard/Lipovac

That Council note the update provided on the Property Investment Portfolio as provided in this 2022 Annual Update report.

11.12 2022-2023 OPERATIONAL PLAN - QUARTERLY PROGRESS REPORT AS AT 30 SEPTEMBER 2022

BLOCK RESOLVED: Sheppard/Lipovac

That Council note the 2022-2023 Operational Plan Quarterly Progress Report as at 30 September 2022.

11.13 DEVELOPMENT ACTIVITY AND ASSESSMENT SYSTEM PERFORMANCE

BLOCK RESOLVED: Sheppard/Lipovac

That Council:

1. Note the Development Activity and Assessment System Performance report for the first quarter of 2022-2023.
2. Note the determinations made by staff under Clause 4.6 of the Port Macquarie-Hastings Local Environmental Plan 2011 for the quarter.

Item 11.14 Draft Infrastructure Strategy has been addressed previously within the meeting

11.15 ENTERPRISE RESOURCE PLANNING - ANNUAL LICENSING

BLOCK RESOLVED: Sheppard/Lipovac

That Council:

1. Note resolution 2 of Item 16.01 presented at the 20 October 2022 Ordinary Council meeting should have read, "Accept the invoice from Civica Pty Ltd for an annual licence to the Civica Authority platform for \$446,858.04 (excluding GST) commencing 1 July 2022 and expiring 30 June 2023 with the option for a further 12-month renewal at council's discretion.
 2. Maintain the confidentiality of the consideration in respect of the Enterprise Resource Planning system procurement matter outlined in the report at the 20 October 2022 Ordinary Council meeting.
-

11.16 LEGAL FEES

BLOCK RESOLVED: Sheppard/Lipovac

That Council note the information in the Legal Fees report.

Item 14.01 Notice Of Motion - Summer Holiday 2022-2023 Resourcing and Maintenance Across Our Local Government has been addressed previously within the meeting

Item 14.02 Notice Of Motion - Beachwatch Partnership Program has been addressed previously within the meeting

Item 14.03 Lake Cathie Natural Resource Management Monthly Update November 2022 has been addressed previously within the meeting

14.04 KOALA RECOVERY STRATEGY UPDATE

BLOCK RESOLVED: Sheppard/Lipovac

That Council:

1. Note the Koala Road Strike Report and endorse the associated Koala Road Strike Guidance document for consideration on all future roads and any upgrades to existing roads as a result of development and Council activities.
2. Commit in writing to NSW Department Planning and Environment that if mapping is funded it will be utilised in the local planning instrument (Local Environmental Plan) for strategic and local planning decisions.
3. Note that the remaining outstanding actions within the PMHC Koala Recovery Strategy are complete and the above resolutions will allow the Koala Recovery Strategy Action Plan to be finalised.

14.05 LAND ACQUISITION - KENDALL ROAD, KENDALL

BLOCK RESOLVED: Sheppard/Lipovac

That Council:

1. Pay compensation in the amount of \$30,000 (GST Exclusive) to the owner of Lot 7 Deposited Plan 1115744, T K Hockey, for the acquisition of that part of Lot 7 Deposited Plan 1115744 more particularly described as Lot 1 in Plan of Acquisition Deposited Plan 1288625.
2. Pursuant to Section 59 of the Land Acquisition (Just Terms Compensation) Act 1991, pay the landowner's legal (property conveyancing) expenses reasonably incurred arising from the land acquisition.
3. Pursuant to Section 34 of the Local Government Act 1993 commence the process to classify Lot 1 Deposited Plan 1288625 as 'operational land' by placing on public exhibition for a minimum period of 28 days the proposed resolution "It is intended to classify Lot 1 Deposited Plan 1288625, land situated at 40 Kendall Road, Kendall as operational land."
4. That a further report be tabled at a future Ordinary Council Meeting detailing any submissions received during the exhibition period.

14.06 PLANNING PROPOSAL ASSESSMENTS - WASTEWATER TREATMENT PLANT CAPACITIES UPDATE

BLOCK RESOLVED: Sheppard/Lipovac

That Council note the information in this update.

CONFIDENTIAL SESSION

RESOLVED: Sheppard/Roberts

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

Item 16.01 RFQ-21-57 Design and Construction of Valve Pits

This item is considered confidential under Section 10A(2)(d(ii)) of the Local Government Act 1993, as it contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.

Item 16.02 Review of Organisation Structure

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

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

16.01 RFQ-21-57 DESIGN AND CONSTRUCTION OF VALVE PITS

RESOLVED: Intemann/Pinson

That Council:

1. In accordance with section 178(1)(b) of the Local Government (General) Regulation 2021, decline to accept any quotations submitted for RFQ-21-57 Design and Construction of Valve Pits.
2. In accordance with section 178(3)(e) enter into negotiations with the Contractors recognised by Council, or any other person whether or not they submitted a quote for RFQ-21-57 Design and Construction of Valve Pits, with a view to entering into a contract in relation to the subject matter of the contract.
3. In accordance with section 178(4)(a) and (b) of the Local Government (General) Regulation 2021 decline to invite fresh tenders for the reasons that: the evaluation panel considers that the contractors recognised by council have the demonstrated the experience, capacity and capability to meet the requirements of the project; inviting fresh tenders likely will not achieve a superior outcome; and, inviting fresh tenders will delay the project.

-
4. Note the Chief Executive Officer, under existing delegation to the General Manager, may accept a tender for RFQ-21-57 Design and Construction of Valve Pits following successful negotiations, and present a further report to a future meeting of Council after contract award for Council's information.
 5. Re-allocate funding from the Renewals and Minor Works annual allocation as detailed in the Financial and Economic Implications section of this report to the cover the value of the identified works.
 6. Maintain the confidentiality of the documents and consideration in respect of RFQ-21-57 Design and Construction of Valve Pits.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts,
Sheppard and Slade
AGAINST: Nil

16.02 REVIEW OF ORGANISATION STRUCTURE

RESOLVED: Sheppard/Roberts

That Council:

1. In accordance Section 333 of the Local Government Act, re-determine the organisation structure as detailed in this report.
2. Maintain the confidentiality of the documents and consideration in respect of 2022 Review of Organisation Structure report.

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts,
Sheppard and Slade
AGAINST: Nil

RESOLVED: Sheppard/Lipovac

That the Council Meeting be re-opened to the public

CARRIED: 9/0
FOR: Edwards, Griffiths, Intemann, Lipovac, Maltman, Pinson, Roberts, Sheppard
and Slade
AGAINST: Nil

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

The meeting closed at 3:36pm

.....
Peta Pinson
Mayor

UNCONFIRMED

Item: 06
Subject: DISCLOSURES OF INTEREST

RECOMMENDATION

That Disclosures of Interest be presented

DISCLOSURE OF INTEREST DECLARATION

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

(Refer to next page and the Code of Conduct)

Pecuniary Interest

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

Non-Pecuniary

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

Managing non-pecuniary conflicts of interest

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

SPECIAL DISCLOSURE OF PECUNIARY INTEREST DECLARATION

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

By <i>[insert full name of councillor]</i>	
In the matter of <i>[insert name of environmental planning instrument]</i>	
Which is to be considered at a meeting of the <i>[insert name of meeting]</i>	
Held on <i>[insert date of meeting]</i>	
PECUNIARY INTEREST	
Address of the affected principal place of residence of the councillor or an associated person, company or body <i>(the identified land)</i>	
Relationship of identified land to councillor <i>[Tick or cross one box.]</i>	<input type="checkbox"/> The councillor has interest in the land (e.g. is owner or has other interest arising out of a mortgage, lease, trust, option or contract, or otherwise). <input type="checkbox"/> An associated person of the councillor has an interest in the land. <input type="checkbox"/> An associated company or body of the councillor has interest in the land.
MATTER GIVING RISE TO PECUNIARY INTEREST¹	
Nature of land that is subject to a change in zone/planning control by proposed LEP <i>(the subject land²)</i> <i>[Tick or cross one box]</i>	<input type="checkbox"/> The identified land. <input type="checkbox"/> Land that adjoins or is adjacent to or is in proximity to the identified land.
Current zone/planning control <i>[Insert name of current planning instrument and identify relevant zone/planning control applying to the subject land]</i>	
Proposed change of zone/planning control <i>[Insert name of proposed LEP and identify proposed change of zone/planning control applying to the subject land]</i>	
Effect of proposed change of zone/planning control on councillor or associated person <i>[Tick or cross one box]</i>	<input type="checkbox"/> Appreciable financial gain. <input type="checkbox"/> Appreciable financial loss.

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

Councillor's Signature: **Date:**

This form is to be retained by the council's Chief Executive Officer and included in full in the minutes of the meeting

Last Updated: 3 June 2019

Important Information

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

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

Clause 4.3 of the Model Code of Conduct states that you will have a pecuniary interest in a matter because of the pecuniary interest of your spouse or your de facto partner or your relative or because your business partner or employer has a pecuniary interest. You will also have a pecuniary interest in a matter because you, your nominee, your business partner or your employer is a member of a company or other body that has a pecuniary interest in the matter.

"Relative" is defined by clause 4.4 of the Model Code of Conduct as meaning your, your spouse's or your de facto partner's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child and the spouse or de facto partner of any of those persons.

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

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

¹ Clause 4.1 of the Model Code of Conduct provides that a pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person. A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to the matter, or if the interest is of a kind specified in clause 4.6 of the Model Code of Conduct.

² A pecuniary interest may arise by way of a change of permissible use of land adjoining, adjacent to or in proximity to land in which a councillor or a person, company or body referred to in clause 4.3 of the Model Code of Conduct has a proprietary interest

Item: 08

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

Presented by: Chief Executive Officer, Dr Clare Allen

Alignment with Delivery Program

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

Discussion

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

1 Leadership and Governance

What we are trying to achieve

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

What the result will be

We will have:

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

How we will get there

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

Item: 10.01

**Subject: MAYORAL DISCRETIONARY FUND ALLOCATIONS - 3 TO 23
NOVEMBER 2022**

Presented by: Chief Executive Officer, Dr Clare Allen

Alignment with Delivery Program

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

RECOMMENDATION

That Council note that there have been no Mayoral Discretionary Fund allocations for the period 3 to 23 November 2022 inclusive.

Executive Summary

To advise of the Mayoral Discretionary Fund allocations for the period 3 to 23 November 2022 inclusive.

Discussion

The Mayor has not made any allocations from Mayoral Discretionary Fund during this reporting period.

Options

This report is for noting only.

Community Engagement & Internal Consultation

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

Planning & Policy Implications

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

Financial & Economic Implications

There are no economic implications in relation to this report.

Had any allocations been made during this reporting period, they would have been funded from the Mayoral Discretionary Fund as included in the 2022-2023 Operational budget.

Attachments

Nil

Item: 10.02

Subject: STATUS OF REPORTS FROM COUNCIL RESOLUTIONS

Presented by: Chief Executive Officer, Dr Clare Allen

Alignment with Delivery Program

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

RECOMMENDATION

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

Discussion

DECEMBER 2022 REPORTS					
Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Independent Review Funding Options and Rating Structure for Development and Maintenance of the Port Macquarie CBD	29/6/2022 Item 6.02		DCPE	1/10/2022 Nov 22	Dec-22
Implementation of Fly Neighbourly Agreement 6 Month Update	19/05/2022 Item 13.01		DBP		Dec-22
PP2014 - 10.1 - Planning Proposal Assessment Report 11 and 33 Mumford Street, Port Macquarie Post Public Exhibition	17/03/2022 Item 14.04		DCPE		Dec-22
Improvement Plan General Fund Operating Performance	15/09/2022 Item 11.12		CEO		Dec-22

Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Policy Review Climate Change Response Policy Post Public Exhibition	20/10/2022 Item 11.07		DCPE		Dec-22
Policy Review Conflict of Interest Draft Amended Policy Following Exhibition	15/09/2022 Item 11.06	During exhibition new changes were introduced.	DCPE	Nov-22	Dec-22
FEBRUARY 2023 REPORTS					
Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Port Macquarie-Hastings Tree Management Policies and Procedures Budget required to fast track backlog Process Improvements Options to reduce risk and provide for residents to prune trees without Council approval	19/05/2022 Item 12.01	Councillor Briefing to be held in December 22 prior to report to Council Report.	DPCE	Jun-22 Sep-22 Nov-22 Dec -22	Feb-23
Integrated Transport Plan Milestone Events	18/8/2022 Item 14.05		DCI		Feb-23
Port Macquarie Aquatic Facility Further report to Feb 23 Council Meeting outlining staging options and impacts.	17/11/2022 12.04		DCPE		Feb-23
Prioritisation of Sporting Infrastructure Projects Outcome of Discussions with Federal and State members	21/07/2022 Item 12.05	Discussions to take place with Federal and State members prior to report to Council	DCPE	Oct-22 Nov-22	Feb-23

Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Ferry Operations Vehicle Movements & Vehicles Left on Bank Monitoring	19/05/2021 Item 12.03	Ferry Operations - Mar 2023 The trial period for amended ferry operations was superseded via resolution in August 2021 to continue indefinitely. Ferry data is currently being reviewed with a further update on ferry operations and associated data planned for early 2023 via a briefing as time permits within the Councillor schedule and report.	DCI	Oct-21 Nov-21 Feb-22 Jun-22 Dec-22	Feb-23
Port Macquarie Works Depot	16/06/2022 Item 11.16	Project plan is being established, focusing on needs/location, including consideration of the recently purchased land at Koala Street. Stakeholder engagement and requirements are currently being determined.	CEO	Oct-22	Feb-23
COVID-19 Recovery and Stimulus Projects Update	18/8/2022 Item 13.01		DCPE		Feb-23
Material Public Benefit Developer Delivered Sewer Works Kendall completion of works	17/03/2022 Item 14.07		DCU		Feb-23
Tacking Point Surf Life Saving Club	21/07/2022 Item 14.05	Awaiting information from Crown Land	DBP		Feb-23

Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Recreation Action Plan	20/10/2022 Item 12.07	Recreation working group to be established	DCPE		Feb-23
Policy Review Management of Public Spaces Outlining Success of Method Dealing with these Issues	16/06/2022 Item 12.03	Policy only published online late November	GMC	Dec-22	Feb-23
Community Satisfaction Survey	20/10/2022 Item 11.11		DCPE		Feb-23

FUTURE REPORTS

Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Delivery of Camden Haven Surf Life Saving Club	21/07/2022	Awaiting information from Crown Land	DCPE	Dec-22	Mar-23
Tendering and purchasing process Council's commitment and support to local business for previous 12 months	17/03/2022 Item 11.20		DBP		Mar-23
Draft Port Macquarie-Hastings Local Housing Strategy 2021 / 2041 Post Exhibition	19/05/2021 Item 12.06	Consultation with industry to take place	DCPE	Oct-21 Mar-22 Jun-22 Nov 22	Mar-23

Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Draft Infrastructure Strategy Report detailing submissions and recommendations	17/11/2022 Item 11.14		DCPE		Apr-23
Classification as "Operational" Land 52 John Oxley Drive, Port Macquarie Post Exhibition.	20/06/18 Item 14.05	To be incorporated in strategic property portfolio review to be undertaken in 2022/2023	DBP	Mar-20 Nov-20 Mar-21 Apr-21 Jun-21 Sep-21 Feb-22 Jun-22	Jun-23
Implementation of Fly Neighbourly Agreement 12 month Update	19/05/2022 Item 13.01		DBP		Jun-23
Draft s9.11 Airport Business Park Roads Contribution Plan	20/05/2020 Item 13.05	To be considered as part of wider development contribution framework review and proposed development yet to be assessed.	DCPE	Dec-20 Jun-21 Oct-21 Jun-22 Dec-22	Jun-23
Kempsey Shire Council at Cairncross Landfill. Details of Waste Accepted During 2022-2023	18/8/2022 Item 16.05		DCU		Aug-23
Draft MR538 and MR600 Corridor Strategy Following Public Exhibition	19/05/2022 Item 14.04		DCI		Oct-23
Biodiversity Certification Assessment and Strategy. Port Macquarie Airport and Surrounding Land viability and implications of the options for securing the required Blackbutt Tallowood dry grassy open forest and Koala habitat credits, prior to the clearing that creates the demand for those credits.	10/08/16 Item 12.01		DCPE		2024 (estimate)

Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Policy Review Volunteer Policy	21/04/2022 Item 11.09	Resolved by Council in July 2022 Ordinary Council meeting to defer policy pending a workshop being undertaken	DCPE	Jul-2022 Oct-22 Dec 22	TBA
Council owned lots at North Shore. Progress of Sale	19/09/18 Item 09.24	Subject to strategic property portfolio review to be undertaken in 2022.	DBP	Dec-19 Feb-20 Sep-20 Mar-21 Apr-21 Jun-21 Sep-21 Feb-22 Aug-22	TBA
Sale of Surplus Land. 178 Nancy Bird Walton Drive, Kew	16/02/2022 Item 09.23	Subject to strategic property portfolio review to be undertaken in 2022.	DBP	Dec-22	TBA
Lots 101 and 102 DP 1244390 Pacific Drive, Port Macquarie. Options for operational land	07/03/2022 Item 10.01	Subject to strategic property portfolio review to be undertaken in 2022.	DBP		TBA
T-22-51 Water and Sewer Process Membrane Replacement Program Following Negotiations	21/07/2022 Item 16.02		DCU		TBA
T-21-27 Supply and Delivery of Water Treatment Chemicals Following Negotiations	21/07/2022 Item 16.03		DCU		TBA
Response to Notice of Motion. Southern Breakwall, Port Macquarie	18/8/2022 Item 14.01		DCPE		TBA
Wastewater Treatment Plant Capacities Finalising Planning Proposals Port Macquarie /Thrumster Sewerage Scheme Catchment	18/8/2022 Item 14.04		DCU/DCPE		TBA

Report	Date and Item of Resolution	Status	Reporting Officer	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Endorsement of Membership to Mayor's Sporting Fund Sub-Committee	18/8/2022 Item 11.02		DCPE		TBA
Hastings Youth Voice - Future report to be tabled	15/09/2022 Item 12.02		DCPE		TBA
Blueprint for Generational Equity further report to Councillors following consultation with community	17/11/2022 Item 12.03		CEO		TBA
Land Acquisition Kendall Road, Kendall Following Exhibition	17/11/2022 Item 14.05		DCPE		TBA
RFQ-21-57 Design and Construction of Valve Pits	17/11/2022 Item 16.01		DBP		TBA

CYCLIC REPORTS

Report	Reporting Officer	Reporting Cycle	Month	Altered Report Date	Reason for Altered Date
Mayoral Discretionary Fund Allocations	CEO	Monthly	Every		
Monthly Financial Update	DBP	Monthly	Every (except July)		
Investments	DBP	Monthly	Every		
Recommendations by the Mayor's Sporting Fund Sub-Committee	DCPE	Monthly	Every		
Opening Lake Cathie (13/01/2022 Item 05.01)	DCPE	Monthly	Every		
Legal Fees - Update Report (19/09/18 - Item 09.16)	CEO	Quarterly	Feb, May, Aug, Nov		
Development Activity and Assessment System Performance	DCPE	Quarterly	Feb, May, Aug, Nov		
Community Inclusion Plan Update of Tasks, Measures and Actions	DCPE	Quarterly	Sep, Dec, Mar, Jun		

Report	Reporting Officer	Reporting Cycle	Month	Altered Report Date	Reason for Altered Date
Operational Plan – Quarterly Progress	DBP	Quarterly	May, Nov (other 2 quarters reported with DP 6 monthly progress report)		
Grant Application Status Report (21/08/19 - Item 11.02)	DCPE	Biannual	Feb, Aug		
Glasshouse Strategic Plan Update	DBP	Biannual	Feb, Aug		
Delivery Program – Six Monthly Progress	DBP	Biannual	Feb, Sep		
Update on Site Specific Planning Proposal Requests	DCPE	Biannual	Jun, Dec		
Mayoral and Councillor Fees (Setting of)	CEO	Annually	May		
Port Macquarie-Hastings Destination Management Plan 2020-2024 (20/05/2020 - Item 12.01)	DCPE	Annually	Jun		
Kooloonbung Creek Flying Fox Camp Management Plan - Annual Update (16/06/2021 - Item 12.03)	DCPE	Annually	Jun		
Council Policy - Status	CEO	Annually	Jul		
Recreation Action Plan – Status	DCPE	Annually	Jul		
UGMS - Annual Progress Report on Implementation and Status of Actions (20/06/18 - Item 12.07)	DCPE	Annually	Jul		
Local Preference Policy Outcomes	DBP	Annually	Aug		
Cultural Plan 2021 - 2025: Implementation and evaluation of actions undertaken (04/08/2021 - Item 10.01)	DCPE	Annually	Aug		
Council Meeting Dates	CEO	Annually	Nov		

Report	Reporting Officer	Reporting Cycle	Month	Altered Report Date	Reason for Altered Date
Audit Committee Annual Report	CEO	Annually	Dec		
Legislative Compliance Register	CEO	Annually	Sep	Dec-22	
Koala Recovery Strategy Annual Report (19/09/18 - Item 12.05)	DCPE	Annually	Sep	Nov-22	
Annual Disclosure of Interest Returns	CEO	Annually	Oct		
Professional Development of Councillors (15/09/2021 - Item 09.07)	CEO	Annually	Oct	Dec-22	To be considered in Feb 2023 following consultation with Councillors
Council's Annual Report	DBP	Annually	Nov		
Performance of Property Investment Portfolio (20/11/19 - Item 10.17)	DBP	Annually	Nov		
Local Strategic Planning Statement (03/11/2021 - Item 12.05)	DCPE	Annually	Nov		
Strategic Planning Statement - Implementation of Actions (03/11/2021 - Item 12.05)	DCPE	Annually	Nov		
Code of Conduct Complaints Annual Report	CEO	Annually	Dec		
General Fund Operating Performance	CEO	Biannual	Dec June		

Attachments

Nil

Item: 10.03

**Subject: NOTICE OF MOTION - LOCAL GOVERNMENT REMUNERATION
ANNUAL REVIEW 2023**

Mayor Pinson has given notice of her intention to move the following motion:

RECOMMENDATION

That Council:

- 1. Request the Chief Executive Officer make a submission to the Local Government Remuneration Tribunal requesting that amendments be made to the criteria regarding the Regional Strategic Area that include:**
 - a) Removal of criteria that the residential population will typically have a residential population above 200,000.**
 - b) Removal of criteria that there be a proximity to Sydney which generates economic opportunities.**
- 2. Request the Chief Executive Officer make a submission to the Local Government Remuneration Tribunal requesting that Port Macquarie-Hastings Council be reclassified as a Regional Strategic Area.**

Comments by Mayor Pinson

The criteria for Local Government Areas to be considered as a Regional Strategic Area are severely restrictive and will only apply to a very small number of local government areas. Regional Strategic Areas need not have a population in excess of 200,000 to be regarded strategic importance, nor should they be required to be in close proximity to Sydney. For these reasons Council requests that the criteria of population in excess of 200,000 and proximity to Sydney be removed from the criteria for Regional Strategic Areas.

Further to this Council meets all other criteria to be regarded as a Regional Strategic Area being:

- health services, tertiary education services and major regional airports which service the surrounding and wider regional community;
- a full range of high-order services including business, office and retail uses with arts, culture, recreation and entertainment centres;
- total operating revenue exceeding \$250M per annum;
- significant visitor numbers to established tourism ventures and major events that attract state and national attention;

The Chief Executive Officer is requested to make a submission to the Local Government Remuneration Tribunal to amend the criteria for Regional Strategic Areas and to request that Port Macquarie-Hastings Council be reclassified as a Regional Strategic Area.

AGENDA

ORDINARY COUNCIL
08/12/2022

Attachments

Nil

LEADERSHIP AND
GOVERNANCE

Item: 10.04**Subject: UPCOMING STATE ELECTION FUNDING PRIORITIES****Presented by: Community, Planning and Environment, Melissa Watkins**

Alignment with Delivery Program

1.2.1 Promote Council participation and build linkages in local, state and federal initiatives, forums and opportunities to support Council's continued planning for the growth of the region.

RECOMMENDATION**That Council:**

1. **Endorse the priority projects that are recommended for external funding through potential State Government election commitments.**
2. **That the list of priority projects be made available to all Port Macquarie and Oxley electorate State election candidates.**

Executive Summary

The 2023 NSW State election is scheduled for Saturday 25 March 2023. This presents an opportunity for candidates in the Port Macquarie and Oxley electorates to declare funding commitments. It will be critical that Council communicates to the candidates our key project priorities in order to make the Port Macquarie - Hastings community's infrastructure priorities known and secure grant funding or a commitment to future funding by the Government.

Discussion

In light of the March 2023 NSW State election, there is need to give consideration to what election commitments Council would recommend. The following list identifies specific projects that would be suitable for gaining an election commitment. These projects need to be 'shovel-ready' and all such projects would of course be subject to the final funding agreements from State government.

Projects for consideration could be one-off projects with or without a Council financial co-contribution. Listing a project for consideration as an election commitments does not preclude the projects from being considered under any other relevant State or Federal funding program.

Table 1: Priority List - Shovel Ready Projects

Priority	Electorate	Township	Project	Cost Estimate	Details
1A	Oxley	Wauchope	Hastings Regional Sports Fields	\$42million	Construction of: <ul style="list-style-type: none"> • Touch football fields. • Cricket fields - with both turf and synthetic pitches. • Multi-purpose sports fields. • Field lighting, irrigation and sports field drainage. • A grandstand facility including change rooms, accessible amenities, canteen and storerooms. • Multiple car park areas for up to 500 vehicles. • Bus access and pick-up/drop-off zones.
Or 1B	Oxley	Wauchope	Hastings Regional Sports Fields Stage 1	\$20million	Construction of: <ul style="list-style-type: none"> • Cricket fields, including a junior cricket oval. • 1 car park. • Shared footpath.
2	Port Macquarie	Port Macquarie	Lake Road Upgrades (Jindalee to Fernhill)	\$10million	Progressing approvals presently with TfNSW. Multi Year delivery required to facilitate TfNSW approval, NPWS acquisitions, tendering and construction delivery - approximately 12 months expected before being in a position to tender construction works should funding be available, acquisition complete and scope confirmed.

Priority	Electorate	Township	Project	Cost Estimate	Details
3	Oxley /Port Macquarie	Comboyne	Lorne Road - sealing	\$30m to \$35m	Sealing of approximately 2km of this 13.5km stretch. 2019 \$5m Fed grant used to complete strategic designs. • Have applied for \$26.7m NSW Fixing Country Roads grant (awaiting outcome).
4	Port Macquarie	Thrumster	Thrumster Sporting Complex	\$15million	• Construction new premier multi-use sporting field. • Construction six x 5-a-side synthetic soccer pitches. • Clubhouse, toilets, change rooms, canteen, storerooms • car parking, access road, footpath. • Have applied for \$15m via NSW Accelerated Infrastructure Fund (awaiting outcome) • \$5.5m PMHC co-contribution.

Priority	Electorate	Township	Project	Cost Estimate	Details
5	Port Macquarie	Port Macquarie	Boundary Street Upgrades	\$25million	Improved access, reduced maintenance costs, improved accessibility, increased amenity and connectivity.
6	Port Macquarie	Lake Cathie	Ocean Drive Corridor Upgrades	\$16m for Stage A \$17m for Stage B	Lake Cathie Township Stages 1 & 2. Concept designs complete. Detailed designs and environmental assessments would be required to progress to a point of being construction ready. Multi-year delivery.

Priority	Electorate	Township	Project	Cost Estimate	Details
7	Oxley	Yippin Creek (Wauchope)	Beechwood Road flood free access	\$6million	<p>Upgrade of Beechwood Road between Yippin Creek Road to Waugh Street. Enables flood free access and unlocks area for housing development.</p> <p>\$11.4m needed:</p> <ul style="list-style-type: none"> • Have applied for \$6m NSW Accelerated Infrastructure Fund (awaiting outcome) • Received \$5m Aust Govt Bridges Renewal Program. • \$400k PMHC co-contribution.

Priority	Electorate	Township	Project	Cost Estimate	Details
8	Port Macquarie	Port Macquarie	Ocean Drive Duplication	\$10million	<ul style="list-style-type: none"> • Duplication of Ocean Drive from 2 to 4 lanes between Matthew Flinders Drive and Greenmeadows Drive, including five intersection upgrades. \$111M total project cost estimate. \$60M State Government grant, \$8.24M Council water reserve & \$5.5M Council reserves committed to date.
9	Port Macquarie	Port Macquarie	Port Macquarie Aquatic Centre	\$30million	Possible elements to include in the final design: <ul style="list-style-type: none"> • Outdoor 50m pool with 10 lanes. • A heated indoor 25m pool. • Outdoor splash pad, leisure pool and slide. • Café or kiosk, amenities, administration building and plant rooms.
10	Port Macquarie	Lake Cathie / Bonny Hills	Rainbow Beach Sporting Fields Stage 2	\$3million	Construction of amenities, change rooms, toilets and additional courts.

Options

Council may choose to:

1. Endorse the list of priority projects as recommended; or
2. Amend the list of priority projects; or
3. Request additional information.

This report recommends that the above list be adopted.

Community Engagement and Internal Consultation

Internal consultation:

- The Executive Group
- Executive Manager Strategy
- Group Manager, Community
- Recreation and Facilities Manager
- Group Manager, Community Infrastructure Planning
- Group Manager Utilities Planning & design
- Group Manager, Community Infrastructure & Recreation Operations
-

Planning and Policy Implications

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

Financial and Economic Implications

There are no direct financial and economic implications in relation to this report. It is noted that if successful in receiving a funding allocation, further resources are required to not only implement the delivery of the project but also to coordinate the Agreement, milestone reporting and acquittal.

Funding allocations from the NSW government is an important source of revenue for a wide variety of Council activities. Many grant-funded projects result in the use of local suppliers and contractors, which contributes significantly to local economic activity.

Attachments

Nil

Item: 10.05

Subject: LEGISLATIVE COMPLIANCE 2021-2022

Presented by: Chief Executive Officer, Dr Clare Allen

RECOMMENDATION

That Council note the Legislative Compliance 2021 - 2022 report.

Alignment with Key Functions

2.1 Compliance

- Review the effectiveness of the system for monitoring compliance with relevant laws, regulations and associated government policies.

Discussion

Council, through the Audit, Risk and Improvement Committee has previously supported the mechanisms to monitor legislative compliance. Unfortunately due to resourcing challenges, this report has been delayed for 2021-2022 reporting period.

Attachment 1 to this report is the annual legislative compliance report for 2021-2022 for recommendation to Council for noting.

Included below are material changes to legislation that have occurred in the 2021-2022 financial year that may affect Council. These material changes are set out below:

Local Government Act 1993

- Sections 428A and 428B of the Local Government Act 1993 (the Act) have been commenced. Under section 428A, all councils (including county councils) and joint organisations are required to have an audit risk and improvement committee (ARIC). Councils and joint organisations are permitted under section 428B to enter into arrangements with other councils or joint organisations to share ARICs.

Local Government (General) Regulation 2021

- The Local Government (General) Regulation 2021 has been amended to prescribe a tendering threshold of \$500k for contracts entered into by councils for the purpose of responding to, or recovering from, a declared natural disaster within 12 months of the declaration of the natural disaster.

Public Spaces (Unattended Property) Act 2021

- The Public Spaces (Unattended Property) Act 2021 (the new Act) was passed by Parliament on 19 November 2021.
- The new Act is outcomes focused and puts the onus on those responsible to manage their items and animals within risk-based timeframes or face strong regulatory action. It will:
 - require a broader range of people to take responsibility for leaving items or animals unattended
 - provide clearer expectations and grounds for compliance action, including by enabling specific, risk-based timeframes for action
 - provide for the efficient and effective management of different classes of items, including shared devices (such as share bikes and shopping trolleys); unattended motor vehicles (including boat trailers) and animals
 - provide for special arrangements for emergencies involving animals on roads where that involves unacceptable risk
 - provide more flexible, modern arrangements for the storage of items and places of care of animals
 - provide for stronger regulatory action to be taken, including through higher penalties for certain offences and bodies corporates
 - provide more flexible, modern compliance and enforcement arrangements, including to enable better collaboration between councils and other authorities
 - enable further duties, standards, and offences to be prescribed by regulation and in Codes of Practice, and
 - amend road transport laws so that registered operators may be fined for parking unregistered class A cars and trailers on public roads from 15 days after the registration has lapsed, and to enable councils to issue penalty infringement notices for these offences for class A cars (in addition to trailers).

Companion Animals Act 2018

- The need for councils to give written notice to at least 2 rehoming organisations that the animal is available for rehoming and will remain available for at least 7 days from the date the notice is given.
- The need to take reasonable steps to advertise on a webpage or through a social media platform that the animal is available for rehoming.
- New record-keeping requirements in relation to:
 - the identification of animals either rehomed or destroyed, and
 - in the case of animals that are destroyed, the actions a council took to rehome that animal.

Attachments

1.  Legislative Compliance Report 2021-2022

Item: 10.06

Subject: CODE OF CONDUCT COMPLAINT STATISTICS

Presented by: Chief Executive Officer, Dr Clare Allen

Alignment with Delivery Program

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

RECOMMENDATION

That Council note the Code of Conduct Complaint Statistics for the period 1 September 2021 to 31 August 2022.

Executive Summary

The "*Procedures for the administration of the Model Code of Conduct*" state that Council's Complaints Coordinator is to report certain statistics pertaining to Code of Conduct complaints to Council each year.

Council's Group Manager Governance, has prepared the required statistics for Council. The statistics pertain to the period 1 September 2021 to 31 August 2022.

Discussion

Clause 12.1 of the "*Procedures for the administration of the Model Code of Conduct*" state that the Council's Complaints Coordinator is to report certain statistics pertaining to Code of Conduct complaints to Council within three (3) months of the end of September each year.

Additionally, clause 12.2 of the "*Procedures for the administration of the Model Code of Conduct*" states that Council is to provide the Office of Local Government a report containing the statistics detailed in clause 12.1 within three (3) months of the end of September each year.

Council's Group Manager Governance, has prepared the required statistics for Council.

Code of Conduct Statistics

1	a)	The total number of complaints received in the period about Councillors and the Chief Executive Officer under the Code of Conduct	6
	b)	The total number of complaints finalised in the period about councillors and the Chief Executive Officer under the code of conduct	5

2	a) The number of complaints finalised at the outset by alternative means by the Chief Executive Officer or Mayor	1
	b) The number of complaints referred to the Office of Local Government under a special complaints management arrangement	0
	c) The number of code of conduct complaints referred to a conduct reviewer	0
	d) The number of code of conduct complaints finalised at preliminary assessment by conduct reviewer	0
	e) The number of code of conduct complaints referred back to the Chief Executive Officer or Mayor for resolution after preliminary assessment by conduct reviewer	0
	f) The number of finalised code of conduct complaints investigated by a conduct reviewer	0
	g) Number of finalised complaints investigated where there was found to be no breach	3
	h) Number of finalised complaints investigated where there was found to be a breach	1
	i) Number of complaints referred by the Chief Executive Officer or Mayor to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police	4
	j) Number of complaints being investigated that are not yet finalised	1
	k) The total cost of dealing with Code of Conduct complaints within the period made about Councillors and the Chief Executive Officer including staff costs	\$4,219
3	The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:	
	a) To take no action	1
	b) To resolve the complaint by alternative and appropriate strategies	1
	c) To refer the matter back to the Chief Executive Officer or the Mayor, for resolution by alternative and appropriate strategies	0
	d) To refer the matter to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police	4
	e) To investigate the matter	0
4	The number of investigated complaints resulting in a determination that there was no breach, in which the following recommendations were made:	
	a) That the Council revise its Policies or procedures	0
	b) That a person or persons undertake training or other education	0

5	The number of investigated complaints resulting in a determination that there was a breach in which the following recommendations were made:	
	a) That the Council revise any of its Policies or procedures	0
	b) In the case of a breach by the Chief Executive Officer, that action be taken under the Chief Executive Officer's contract for the breach	0
	c) In the case of a breach by a Councillor, that the Councillor be formally censured for the breach under section 440G of the Local Government Act 1993	0
	d) In the case of a breach by a Councillor, that the matter be referred to the Office for further action	0
6	Matter referred or resolved after commencement of an investigation under clause 8.20 of the Procedures	0
7	The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct:	
	a) General conduct (Part 3)	0
	b) Conflict of interest (Part 4)	0
	c) Personal benefit (Part 5)	0
	d) Relationship between council officials (Part 6)	0
	e) Access to information and resources (Part 7)	0
8	The number of investigated complaints resulting in a determination that there was a breach in which the Council failed to adopt the conduct reviewers recommendation	0
9	The number of investigated complaints resulting in a determination that there was a breach in which the Council's decision was overturned following a review by the Office	0

The statistics pertain to the period 1 September 2021 to 31 August 2022.

Options

No other options.

Community Engagement & Internal Consultation

Community Engagement

The Office of Local Government has been consulted with relating to reporting requirements.

Internal Consultation

- Chief Executive Officer.
- Director Corporate Performance.
- Complaints Coordinator (Group Manager Governance).

- Governance and Legal Officer.

Planning & Policy Implications

This report satisfies the requirement of Clause 12.1 of the *“Procedures for the administration of the Model Code of Conduct”*. This section states that the Council's Complaints Coordinator is to report certain statistics pertaining to Code of Conduct complaints to Council within three (3) months of the end of September each year.

Financial & Economic Implications

No financial or economic implications.

Attachments

Nil

Item: 10.07

**Subject: POLICY REVIEW - COMMUNITY LEASING AND LICENSING
POLICY**

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Endorse the draft Community Leasing and Licensing Policy Place for the purpose of public exhibition from 12 December 2022 to 28 February 2023**
- 2. Note that a further report will be brought to the March 2023 Council meeting, detailing the submissions received from the public during the exhibition period.**

Executive Summary

An important component of public sector governance is establishing key policies and ensuring they are clear, available, regularly updated and monitored for compliance.

The draft Community Leasing and Licensing Policy has been developed for consideration by Council and is an overarching policy with a supporting Procedure. The Policy provides a framework to ensure that Council has a transparent, equitable, consistent and thorough approach to the leasing and licensing of Council owned and Council managed Crown Land properties for community use, whilst maximising the benefit to the community.

Discussion

Council aims to maximise the occupation and use of our community facilities, noting the increasing demand for premises for use by community groups. Council encourages tenancies to be shared between groups wherever possible. Groups are encouraged to be inclusive and to provide a range of services to the community, whilst meeting their obligations under the relevant legislation.

Many community groups are comprised of volunteers, are not for profit and provide physical, cultural, social and intellectual services to the public. The Policy provides criteria for assessing applications for the leasing and licensing of community facilities and for determining the appropriate rent, fees, and responsibilities, whilst also providing for transparency on terms and greater equity between similar types of tenancies.

Options

Council has the option to adopt or not to adopt the draft Leasing and Licensing Policy for exhibition.

Community Engagement and Internal Consultation

If the draft Policy is adopted it will be the subject of community consultation. Internally, there has been consultation within the Community Group as the managers of these important community facilities.



Planning and Policy Implications

If the Policy is adopted it will be a Policy of Council.

Financial and Economic Implications

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

Attachments

1.  Draft Community Leasing and Licensing Policy
2.  Draft Community Leasing and Licensing Procedure

Item: 10.08

Subject: IMPROVEMENT PLAN 2022-2026 - GENERAL FUND OPERATING PERFORMANCE.

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

Note the update provided in this Improvement Plan 2022-2026 - General Fund Operating Performance report.

Executive Summary

This report provides an update on progress against the Improvement Plan 2022-2026 adopted by Council at the Ordinary Council Meeting held on 15 September 2022.

The Improvement Plan outlines a range of actions proposed to address Council's financial sustainability, in particular the General Fund operating performance ratio and infrastructure backlog over the coming years.

This is the first biannual update report on the Improvement Plan 2022-2026.

Discussion

At the Ordinary Council Meeting held on 15 September 2022, Council considered a report on the Improvement Plan - General Fund Operating Performance and resolved as follows:

11.12 IMPROVEMENT PLAN - GENERAL FUND OPERATING PERFORMANCE

RESOLVED: Sheppard/Edwards

That Council:

- 1. Note the importance of the key financial and asset ratios, and in particular the Operating Performance ratio as indicators of Councils long term financial sustainability.*
- 2. Note the improvement plan as outlined in this report to address the general fund operating performance ratio over the coming years.*
- 3. Request the Chief Executive Officer provide an initial progress report to Council at the December 2022 Ordinary Meeting of Council, detailing progress made against the Improvement Plan, with biannual reporting in June and December annually thereafter.*

In accordance with Resolution 3, this report provides an initial progress report against the Improvement Plan 2022-2026, with further biannual reporting in June and December annually thereafter.

This report provides updates against each of the following key components outlined as part of the adopted Improvement Plan:

- a) Long Term Financial Plan (LTFP) including business rating model review;
- b) Asset Management;
- c) Workforce Management;
- d) Transformation Program;
- e) Technology Improvements (DT Roadmap); and
- f) Service Reviews.

a) Long Term Financial Plan

a. Status Update / Achievements to date

An external review of Council's LTFP has now been completed. A report detailing a number of initiatives has been provided, with the initiatives covering a range of areas such as systems, reporting and accountability. The initiatives are broadly split into 'quick wins' and medium to longer term horizon improvements, the latter of which include a number which are aligned to Council's wider review of its Enterprise Resource Planning systems, as well as other projects such as the Asset Management Framework and Developer Contribution Plan reviews.

An independent external review of the business rating model has also been completed. The report outlining the review, outcomes, (including outcomes of detailed consultation), and recommendations has been included in the agenda of this meeting.

b. Next steps

A number of the 'quick wins' identified in the LTFP review are already underway or incorporated into the current LTFP cycle. These include things such as:

- i. Building and implementing new formal budget packs at an organisational, divisional and group level to facilitate increased budget transparency and accountability
- ii. Implementation of a budget risk register that identifies risks and opportunities
- iii. Key leadership training in financial management which has been scheduled for early 2023
- iv. Finalisation of a Financial Reporting framework
- v. Finalisation of governance, operating procedure and user guide documentation

In relation to the medium to longer term horizon improvements, Management is currently working through the initiatives to determine an implementation plan. Management will also work through an implementation plan for the business rating model recommendations once Council has resolved a position.

b) Asset Management Framework**a. Status Update / Achievements to date**

- Improvements to Council's Asset Management Framework were identified as a part of the Improvement Plan 2022 - 2026 to support improved service delivery and long term financial planning.
- The Business and Performance team is managing this improvement plan, noting that the AM Framework improvements involve and impact all sectors of Council operations. Increased resourcing has been allocated to manage these AM Framework improvements.
- A Request for Tender (RFT) process for a consultant to review and improve the AM Framework is progressing well. Council received a strong response to this RFT, the tender evaluation process is complete, and the preferred tenderer has been identified. The tender was awarded on 22/11/2022, and a project initiation meeting will be held in early December 2022.
- Council's Asset Management Coordinator will manage the Consultant's service delivery as part of a broader Asset Management Improvement Project - AMIP. The AM Coordinator position has recently been filled, and the new staff member started with Council on 07/11/2022.

b. Next steps

- General communication about the Asset Management Improvement Project (AMIP) will be sent to all Council staff in early December. Managers and staff who work directly in asset management will receive more detailed project information.
- The first phase of the AMIP will be completed in March 2023 and includes a review of Council's current AM Framework, and workshops and interviews with staff. Gaps in the existing AM Framework will be identified with corresponding improvement recommendations.
- The second phase of the AMIP will include putting together a fully revised AM Framework, including policies and strategies, and will be completed in May 2023. The second phase includes a continuous improvement plan and staff training on the revised AM Framework. In the third and final phase to be completed in November 2023, detailed 10-year asset management plans and programs, including expenditure estimates, will be developed. The updated asset management plans will help inform further improvements to Council's Long Term Financial Plan.

c) Workforce Management Strategy**a. Status Update / Achievements to date**

The Workforce Management Strategy (WMS) was adopted in June 2022 as part of our IP&R suite of documents for the period 2022-2026.

The SLT and Executive teams were engaged through workshops in June to verify the identified actions prior to adoption of the Strategy.

Achievements to date:

- Succession Planning and the Leadership Program commenced
- Purchase Leave Policy now adopted and Flexible Working under review
- Human Resources Information System (HRIS) Project commenced
- Recruitment and selection training for hiring managers
- Recognition Site Visits to thank employees for work in 21/22 Financial Year.
- Summit Awards recognising high performance and service.

Other actions such as safety risk reporting and health and wellbeing programs are on track.

b. Next steps

Continue to deliver against the identified actions, key activities planned include:

- Safety training for supervisors
- Review impact of hybrid arrangements on usage of physical office space
- Recruitment programs targeted at graduates, apprenticeships and trainees.

d) Transformation Program

a. Status Update / Achievements to date

- **PROCUREMENT TRANSFORMATION INITIATIVE:** We have matured our Procurement capability, our roadmap demonstrates our next stages in further advancing procurement practices, so we continue to strengthen alignment to compliance and Council's strategic objectives.
- **PEOPLE, SAFETY AND PERFORMANCE:** We are well on our way in evolving a contemporary people agenda, now led by a contemporary HR function as planned from early 2022. A new structure is in place and we are about to embark on a major tech uplift - HRIS for PMHC.
- **LTFP REVIEW COMPLETE** - A review is complete to provide a pathway ensuring our LTFP is underpinned by sufficient capabilities, processes, systems and governance, ensures long-term financial sustainability and robust financial planning.
- **FIELD FORCE 4| EFFICIENCY REVIEW COMPLETE:** A Consolidated Works program has now been developed and work is underway to strengthen accountability for our maintenance requirements.
- **EXECUTIVE AMBITION: OUR VISION|** November 2022 Executive validated our Executive Ambition Statement. This ambition provides a clear, strong organisational vision and supporting strategic objectives to enable development and implementation of transformation, enabling the Council to deliver outcomes aligned to community goals. The transformation vision supports the **mission for the Community** Strategic Plan "Imagine 2050".

b. Next steps

- We will see a strengthened approach to Transformation Strategy incorporating the strategic objectives for PMHC's transformation and roadmap of strategic initiatives to implement and further strengthen CX, technology and operational challenges.

e) Technology Improvements**a. Status Update / Achievements to date**

- An internal review of the DT roadmap and delivery program has been completed and has identified several short-term initiatives that will bring improvements to user and customer experience across many Council systems which should be actioned immediately.
- A Program Management team has been created with recruitment of the Program Manager underway. This team includes resources including Business Analysts, Project Managers and developers. The team will be responsible for delivery of these smaller projects, alongside larger and more complex deliveries such as the review of Councils ERP and CRM solutions.

A number of projects (including): -

- Websites for Council, the Glasshouse and Airport;
- On-line payment capabilities for Tree Pruning & Removal Applications, and Bulky Goods collection bookings;
- Procure 2 Pay; and
- Digitisation of forms have been delivered to date with a full program being reported to the SLT and Executive team on a monthly basis.

A Data Management review was undertaken in October. The purpose of this project is to better understand the key data issues within PMHC, develop migration mitigation strategies to address those issues and formulate a roadmap.

This work will support:

- Business reporting;
- Data insights via higher quality analytics; and
- The ability to trust and rely on data to make informed decisions

b. Next steps

The DT Team are currently working on a simplified, yet powerful, Digital Technology Strategy which will set out the strategic direction, next steps and timeframes for delivery of projects. This strategy, and the deliverables, will be aligned with Council's transformation goals and be focussed on Customer Experience, use of Data and Cyber Security, with a "cloud first" focus.

Additional 'quick win' projects underway include:

- Contact Centre phone system

- Digitisation of Risk Assessments at worksites
- Diligent
- Field project team technology and connectivity
- Trapeze upgrade
- Actus CRM roll out to field staff
- P Card solution.

The Human Resources Information System (HRIS) project kicked off this month after an extensive tender process, and the review of Knowledge Management, ERP and CRM solutions and subsequent procurement processes will be undertaken in the new year.

f) Service Reviews

a. Status Update / Achievements to date

- FIELD FORCE 4| EFFICIENCY REVIEW COMPLETE: FieldForce4
- undertook a best practice FIND review to identify opportunities for
- improvements and efficiency gains for Port Macquarie-Hastings Council
- across operational teams. A Consolidated Works program commenced, and
- work is underway to strengthen accountability for our maintenance and other
- operational requirements.

b. Next steps

- Annual Works Program to be finalised for each Directorate outlining current and forecast resource supply. Formalise the Annual Works Program for 2023 commencement
- Develop a works program tool (will require tech uplift)
- Resource Delivery Plans to be initiated
- Change and Project management resources to be understood

In addition to the service reviews identified above, a review was conducted on the current LTFP process to develop recommendations to improve how people, process and systems can deliver robust financial forecasts.

In accordance with the adopted Operational Plan 2022-2023, a review of the Port Macquarie Airport service will be conducted, commencing early 2023. A Request for Quotation (RFQ) was issued in November to engage a suitably qualified and experienced consultant to undertake the review, aimed at ensuring Council delivers services in an efficient and cost effective manner, maximising outcomes for the community.

As reported to Council at the Ordinary Council Meeting held on 17 November 2022, and in line with the adopted Operational Plan 2022-2023, work is continuing to develop a Strategic Property Investment Framework and supporting policy to guide decision making and ensure probity, transparency and equity in Council's commercial property dealings. This work is supported through a strategic property portfolio review which aims to identify and prioritise surplus operational land for investigation

for new revenue generating opportunities to support the long-term financial sustainability of Council.

Options

This is an information report.

Community Engagement and Internal Consultation

Internal Consultation has been undertaken with:

- Chief Executive Officer
- Executive Team
- Executive Manager Transformation
- Chief Information Officer
- Group Manager Financial Services
- Group Manager Utilities Planning and Design
- Group Manager Operational and Project Delivery
- Group Manager People, Safety and Performance
- Asset Management Coordinator

Planning and Policy Implications

The components of the Improvement Plan will contribute to improving the maturity of Council's planning and policy framework, i.e. through the Long Term Financial Plan, Asset Management Framework etc.

Financial and Economic Implications

The Improvement Plan will be funded via ongoing budget allocations across a number of areas such as Transformation and Digital Technology.

Appropriate procurement processes will be followed for each component as required, including the verification of approved budget and funding sources to service the work.

Should further Council approval be required for these allocations, approval will be sought through the monthly financial reports.

Attachments

Nil

Item: 10.09

Subject: BUSINESS RATING MODEL - INDEPENDENT REVIEW

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Note the findings of the independent review and stakeholder and community engagement undertaken in relation to Council's current business rating model as outlined in this Business Rating Model - Independent Review report.**
- 2. Thank stakeholders and members of the community who provided feedback during the Business Rating Model - Independent Review engagement period.**
- 3. With regard to the Port Macquarie CBD ordinary business rate, endorse Option 3 as outlined in the Business Rating Model - Independent Review report, and request the Chief Executive Officer prepare a draft 2023-2024 Operational Plan, Long Term Financial Plan and Revenue Policy in line with Option 3 and the corresponding reduction in the Town Centre Master Plan (TCMP) component of the Port Macquarie CBD ordinary business rate.**
- 4. Note that Option 3 as outlined in the Business Rating Model - Independent Review report represents an approximate 45% reduction in the TCMP component of the Port Macquarie CBD ordinary business rate, providing significant relief to business rate payers in the Port Macquarie CBD while retaining existing maintenance service standards.**
- 5. Request the Chief Executive Officer develop a communications plan to address the stakeholder concerns identified in the Business Rating Model - Independent Review report with regard to transparency, access to information and governance regarding the Town Centre Master Plan (TCMP) component of the Port Macquarie CBD ordinary business rate.**
- 6. With regard to the potential future options for the Port Macquarie CBD ordinary business rate and ordinary business rates levied in the Wauchope and Laurieton town centres as part of the Defined Urban Centre business rate, request the Chief Executive Officer give further consideration to funding options and associated management structures in conjunction with future development and / or reviews of the Port Macquarie, Wauchope and Laurieton town centre master plans respectively, with such considerations to be developed in consultation with stakeholders and the community.**

Executive Summary

This report provides details of the independent external review undertaken of Council's business rating model.

The review specifically focussed on the Town Centre Master Plan (TCMP) component of the Port Macquarie CBD ordinary business rate, and similar potential rating mechanisms to deliver improvements and enhanced maintenance in the Wauchope and Laurieton town centres.

The Independent Review report (see Attachment 1), recommends that Council:

- Endorse Option 3 as an initial solution (achievable in the short-term ie 2023-2024 financial year) which effectively reduces the Town Centre Master Plan (TCMP) component of the Port Macquarie CBD ordinary business rate by approximate 45% providing significant relief to business rate payers in the Port Macquarie CBD while retaining existing maintenance service standards;
- Undertake further detailed analysis for Option 2 as a potential longer term solution, including options for an expanded CBD boundary, in conjunction with a review / update of the Port Macquarie Town Centre Master Plan and associated infrastructure priorities / maintenance requirements, and further stakeholder and community engagement on sustainable funding options;
- Consider appropriate TCMP governance arrangements to ensure a broader range of business stakeholders are able to actively participate in the future direction of TCMP development across all locations, service provision and allocation of funding;
- Develop a communications plan as an immediate action to address the stakeholder concerns identified in the Independent Review report with regard to transparency, access to information and governance associated with the TCMP component of the Port Macquarie CBD ordinary business rate;
- With regard to Wauchope and Laurieton town centres, continue to engage with stakeholders and the community on Wauchope and Laurieton town centre master plans, infrastructure priorities and potential future funding options.

In recommending Option 3, the Independent Review acknowledges that there was little support from stakeholders both for and against the TCMP, for abolishing the TCMP component in its entirety noting the impact on maintenance service standards in the CBD, while also acknowledging significant opposition to the current rate of the TCMP levy and questions as to its longer term need and justification.

Discussion

At the Extraordinary Council Meeting held on 29 June 2022, Council considered a Rescission Motion on the Port Macquarie Town Centre Master Plan (TCMP) Business Rate Review which was successfully carried and further resolved as follows:

06.02 RESCISSION MOTION - PORT MACQUARIE TOWN CENTRE MASTER PLAN (TCMP) BUSINESS RATE REVIEW***RESOLVED:***

That the undermentioned motion adopted at the Ordinary Council Meeting held on 16 June 2022:

That Council:

1. *Note the Report*
2. *Not include the TCMP levy in the Draft 2022-2023 Operational Plan and consider future direction following review completion. be rescinded.*

That Council:

1. *Note the information provided in the Port Macquarie Town Centre Master Plan (TCMP) business rate review staff report, appearing on pages 88-97 of the June 2022 Ordinary Council meeting agenda.*
2. *Note that during public exhibition of the proposal to remove the TCMP levy, Council received strong community support to retain the TCMP levy, as evident in the June 2022, IP&R Community Engagement Report (p27-29).*
3. *Defer the removal of the Town Centre Master Plan (TCMP) component from the Port Macquarie CBD Business Rate from the final 2022-2023 Operational Plan and long term Financial plan, pending the detailed independent review of Council's business rate model, historical TCMP processes and management structures, and comprehensive engagement with the community and stakeholders.*
4. *Request the Chief Executive Officer provide a report to the October 2022 Ordinary Council Meeting on the findings of the detailed independent review including recommendations for the funding operations and rating structure for future development and maintenance of the Port Macquarie CBD*

This report and the attached Business Rating Model - Independent Review report (Attachment 1) and companion Community Engagement Report (Attachment 2), addresses Resolution 3 and 4 above.

The stakeholder and community engagement period undertaken as part of the review included an extension of the engagement activities to ensure that stakeholders across the business community had adequate opportunity to provide their feedback during the review. As such, the overall timeframe for the review was increased to accommodate the extended engagement period, and hence this report is now presented to the December 2022 Council meeting rather than October as originally referenced in Resolution 4 above.

A number of key issues regarding the TCMP component of the Port Macquarie CBD business rate were raised by stakeholders through the independent review - some of which are addressed below:

History and legal validity of the TCMP levy

As outlined in the Independent Review report, and previous report to the Ordinary Council meeting held on 16 June 2022, the TCMP levy was originally introduced in conjunction with CBD stakeholders in 1994 as a Port Macquarie CBD Special Rate. The Special Rate was levied from 1994 through to 1998-1999.

In 1999-2000, the Special Rate was incorporated into a new permanent Port Macquarie CBD ordinary business rate. This process was undertaken as part of the legislative process for the adoption of Council's Management Plan and Making of Rates for the 1999-2000 financial year, and noted that the incorporation of the levy /

special rate in the new business rate would not affect the yield of the rate to be devoted to the CBD works.

The change in the rating structure was first reported to Council as part of the draft 1999-2000 Management Plan in May 1999. This report provided specific detail as to the proposed Port Macquarie CBD ordinary business rate (along with other rates and charges), noting the inclusion of the previous CBD special rate.

The 1999-2000 Management Plan and new rating structure was adopted by Council in June / July 1999 following the statutory public exhibition period. The Council report included the following ad valorem (cents in the \$) rate breakdown of the components of the Port Macquarie CBD business rate:

- General Purpose 0.7962
- Tourism 0.1227
- Economic Development 0.0479
- PMQ CBD Works 0.8686
- Total 1.8354c (1999/2000)

It is noted that the NSW *Local Government Act 1993* (“the Act”) sets out the legislative process that all Councils must follow in regard to the setting of rates and other fees and charges each year.

Under section 494 of the Act, Councils must make and levy an ordinary rate for each year on all rateable land in its area. Council approve all rates and annual charges by formal resolution of Council and under section 532 of the Act, cannot do so until the draft Operational Plan including those rates and charges has been placed on public exhibition and any feedback considered.

The maximum amount by which a Council can increase its annual rating income, known as the “rate peg”, is independently determined by IPART, in accordance with the provisions of the Act. The Minister for Local Government / IPART is not required to consider or approve changes in a Council’s rating structure if the total rate income notional yield is within the allowable “rate peg” amount.

In the case of the Port Macquarie CBD business sub-category, the rate has increased each year since 1999-2000 by the rate pegging allowance determined by IPART (excluding the current 2022-2023 financial year where rates were frozen at the 2021-2022 level).

Legal advice obtained from Lindsay Taylor Lawyers in 2021 has confirmed the legal validity of the Port Macquarie CBD ordinary business rate sub-category as currently levied. The advice also confirms that there are limited actions available to Council to remedy any imposition of these rates. A Council may only refund rates in circumstances specified by or under the *Local Government Act 1993*, and the Act does not give the Council any general discretion to refund rates that have been paid.

Transparency and access to information

The transparency of the TCMP contribution paid by CBD business property owners was a key theme identified in the previous community engagement and report to the Ordinary Council meeting held on 16 June 2022, and is acknowledged as a gap in the current communication of the TCMP levy.

To address this, the Council will separately identify the TCMP component of the total Port Macquarie CBD business rate for relevant ratepayers on individual rates notices moving forward. This will be applied from 1 July 2023.

Given that rates notices for the current financial year have already been issued, Council will communicate the TCMP component that was included in this year's rates notices to each TCMP ratepayer individually in January 2023.

In addition to the above it is intended to include an overall summary of the TCMP reserve, with details of income and expenditure for the year, in Council's Annual Report moving forward.

Financial records of TCMP income and expenditure (and outcome of maintenance and capital works)

A statement of TCMP income and expenditure is provided in the attached Independent Review report at page 12. Further detail is also provided at Attachment 3 to this report.

Details of maintenance works undertaken as part of the TCMP levy were previously reported to Council at the Ordinary Council meeting held on 16 June 2022.

TCMP loan amounts and processes

Details regarding TCMP loans and associated processes is provided at Attachment 4.

While initial information has been provided in this report and the associated attachments, further information would also be provided as part of the recommendation to develop a communications plan to address the stakeholder concerns identified in the Independent Review report with regard to transparency, access to information and governance associated with the TCMP component of the Port Macquarie CBD ordinary business rate.

Options

Council may resolve as per the recommendations of this report, amend as necessary in consideration of information provided in the Financial and Economic Implications section of this report, and/or request for further information to be provided.

Community Engagement and Internal Consultation

Details of the community engagement undertaken as part of this review are included in the attached Independent Review report and companion Community Engagement Report.

As an immediate action, the Independent Review recommends that Council develop a communications plan to address the stakeholder concerns identified in the Independent Review report with regard to transparency, access to information and governance associated with the TCMP component of the Port Macquarie CBD ordinary business rate. Some of these issues are addressed in this report and associated attachments.

The independent review recommends further engagement with stakeholders and the community to consider future funding options and infrastructure priorities as part of the Port Macquarie, Wauchope and Laurieton town centre master plans. The completion and/or update of Town Centre Master Plans is a key precedent in determining what future TCMP funded work priorities may look like. This will inform the community's appetite and support toward contributing to the funding of these works.

The independent review also recommends that Council consider appropriate TCMP governance arrangements to ensure a broader range of business stakeholders are able to actively participate in the future direction of CBD TCMP development, service provision and allocation of funding. Such arrangements could include the establishment of a new Port Macquarie CBD Community - Council Action Team (CCAT).

Council has established Community-Council Action Teams (CCATs) comprised of community representatives from towns and villages throughout the region. The role of the CCAT is to help identify, scope and deliver objectives, actions and priority improvements within each locality. Initially, the CCATs were established to develop a Community Plan for each area and now this is developing into Town and Village improvement plans identifying key priorities within communities or localities.

The CCAT is a genuine partnership between the community and Council. The responsibility for the delivery of the actions detailed in the Community Plans are project dependent and will rest with either the Council or the community, or jointly with Council and the community.

Planning and Policy Implications

Subject to consideration by Council, recommended changes to the Town Centre Master Plan (TCMP) component of the Port Macquarie CBD ordinary business rate would be reflected in the draft 2023-2024 Operational Plan, Long Term Financial Plan and Revenue Policy.

The review also recommends further consideration of funding options as part of future development and / or reviews of the Port Macquarie, Wauchope and Laurieton town centre master plans.

The review also acknowledges recent State Government initiatives such as Business Improvement Districts with the recommendation that Council consider future Port Macquarie TCMP and other town centre improvements in the context of contemporary approaches to drive long term prosperity and activation of town centres / business districts.

Financial and Economic Implications

Financial Impact - Recommended Option 3

The recommended Option 3 represents an approximate 45% reduction in the projected 2023-2024 TCMP component of the Port Macquarie CBD ordinary business rate, providing significant relief to business rate payers in the Port Macquarie CBD.

It would also retain sufficient funding from the TCMP component to maintain existing maintenance service standards in the Port Macquarie CBD. However, future capital infrastructure improvements would need to be considered against other Council priorities with funding from the General Fund and/or other sources such as grants.

The TCMP outstanding loan balance is currently \$1.86m with twice yearly payments of \$205,000 due through to June 2027. The TCMP projected Reserve at 30 June 2023 is \$1.0m compared to a loan balance projection of \$1.6m. The \$0.6m deficit that is therefore created under Option 3 would need to be funded from General Fund.

Based on early draft budgeted amounts for 2023-2024, the total rating income yield under Option 3 would reduce by \$0.6m in 2023-2024 from approximately \$1.3 million to \$0.7 million. This estimated yield reduction over 10 years is estimated at \$6.6m which would impact the Council's ability to fund further Port Macquarie CBD infrastructure improvements should it be retained.

Should Council resolve to adopt Option 3 as outlined in the Business Rating Model - Independent Review report, it has the further option to resolve to make up for the shortfall in the TCMP rating revenue by redistributing across all other business rate sub-categories or across all Council ordinary rate sub-categories including residential and business, and to request the Chief Executive Officer prepare a draft 2023-2024 Operational Plan, Long Term Financial Plan and Revenue Policy in line with this alternative rating structure.

In the case of redistributing across all other business rate sub-categories, initial modelling indicates as per the table below, that this would result in an approx. 10% increase in the average business rate paid by Port Macquarie-Hastings LGA business rate payers. This increase is noted in the context of the Independent Review and benchmarking undertaken, with the increased ("new") ad valorem rate under this scenario still being below that of comparable Councils.

Category	2023-2024 Projected Rate in the \$	2023-2024 Projected Average Rate	New Projected Rate in the \$	New Projected Average Rate	Reduced Yield (approx.)	Change in average rates (\$)
Business - Defined Urban Centre	0.57117	3,259.35	0.64311	3,587.23	537,700	327.88
Business - Other	0.49600	1,848.64	0.56735	2,034.58	39,051	185.94
Business - CBD	2.52205	12,861.41	2.08065	10,725.28	-576,751	-2,136.13

If the above scenario was applied only to Port Macquarie business rate payers indicative average rate increases are likely to be in the range of 30-35% and require the creation of a separate business rate sub category to implement.

In the case of redistributing across all Council ordinary rate sub-categories including residential and business, initial modelling indicates as per the table below, that this would result in an approx. 1% increase in the average rate paid by Port Macquarie - Hastings LGA rate payers.

Category	2023-2024 Projected Rate in the \$	2023-2024 Projected Average Rate	New Projected Rate in the \$	New Projected Average Rate	Reduced Yield (approx.)	Change in average rates (\$)
Residential - Defined Urban Centre	0.26358	1,317.72	0.26905	1,331.45	423,499	13.73
Residential - Other	0.29240	1,386.74	0.29748	1,401.17	67,273	14.43
Business - Defined Urban Centre	0.57117	3,259.35	0.57861	3,293.26	55,623	33.91
Business - Other	0.49600	1,848.64	0.50338	1,867.88	4,040	19.24
Business - CBD	2.52205	12,861.41	2.08065	10,725.28	-576,751	-2,136.13
Farmland	0.29403	2,202.98	0.29845	2,225.91	26,317	22.93

In both examples above additional financial modelling would be required during the preparation of a draft 2023-2024 Operational Plan, Long Term Financial Plan and Revenue Policy, based upon a clear set of guidelines and assumptions, to more accurately determine the outcome of a preferred redistribution model.





Financial Impact - Removing TCMP component in its entirety

Should Council resolve to discontinue the TCMP component of the Port Macquarie CBD business rate in its entirety, then the impact would include:

- A reduction in Council's overall rating income yield in 2023-2024 of approximately \$1.3m, and approximately \$15m over the next 10 years;
- Ceasing Port Macquarie CBD capital works program with any future CBD capital infrastructure improvements competing for funding from the General Fund against other Council priorities;
- Ceasing Port Macquarie CBD additional maintenance works currently funded by the TCMP component (including pavement cleaning, street sweeping, garden maintenance, tree renewals, cleaning and refurbishment of open space / street furniture etc)
- Repayment of the remaining loan (\$1.86m) from the TCMP Reserve (projected to be \$1.0m at 30 June 2023) until fully expended and then funding the balance from the General Fund, thereby diverting funds away from other Council priorities
- Ceasing other current General Fund contributions into the TCMP Reserve.
- Assessing the impact on full time staff specifically employed on abovementioned ceasing activities

In this case, Council could also resolve to redistribute the financial impact of the rate reduction across other business rate sub-categories and/or residential rates.

Attachments

1.  Business Rating Model - Independent Review
2.  Community Engagement Report - Business Rating Model Review - November 2022
3.  Summary of TCMP Financials
4.  TCMP Loan Borrowings

Item: 10.10

Subject: MONTHLY BUDGET REVIEW - NOVEMBER 2022

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Adopt the adjustments in the "November 2022 Adjustments" section of the Monthly Budget Review – November 2022 report and associated attachment.**
- 2. Amend the 2022-2023 Operational Plan to include all budget adjustments approved in this report.**

Executive Summary

This report details monthly budget adjustments recommended to be made for the month of November 2022. The Council adopted 2022-2023 budget position at the commencement of the financial year was a balanced budget. The budget adjustments contained in this report forecast a budget surplus position of \$27,041 as at the end of November 2022. This is outlined in the table below.

Monthly Budget Review Summary

Original Budget as at 1 July 2022	Balanced	\$0
<i>Plus adjustments:</i>		
July Review	Shortfall	(\$102,411)
August Review	Balanced	\$0
September Review	Surplus	\$136,452
October Review	Balanced	\$0
November Review	Shortfall	(\$7,000)
Forecast Budget Position for 30 June 2023	Surplus	\$27,041

Discussion

Each month, Council's budgets are reviewed by Group Managers and Directors with any required adjustments reported. The purpose of this report is to provide Council with an up to date view of the current actual financial position in comparison to the original adopted 2022-2023 budget position along with the proposed movement of funds to accommodate any changes.

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

November 2022 Adjustments

The commentary below is to be read in conjunction with the “Forecast Budget Statement for the Year Ended 30 June 2023” on page 3 of this report. Further details on individual transactions are provided in Attachment “November 2022 Budget Review”.

Additional funds were sought this month for Councillors to attend a course in Sydney (\$7k). This has impacted the bottom line, reducing the surplus to \$27,041.

Grants and Contributions totalling \$743k were recognised during the month of November. These include grants received for Road Safety Projects (\$29k), Westport Park Boat Ramp (\$75k), REPAIR Program (\$287k), Sensitive Receptors (\$75k) and Lake Cathie Dredging and Sand Nourishment at Lighthouse Beach (\$235k). Contribution income was also received for drainage works at Dixie Park (\$42k).

Reserve transfers were required during the month for a Hydrographic Dilution Study (\$35k) and Bridge Maintenance (\$82k).

Budget Variance Requests were approved by Executive during the month for a Dunbogan Landfill Gas Risk Assessment (\$20k), the Materials Recycling Facility (\$20k), Cairncross Leachate Storage Pad (\$25k), Kew Sewerage Rising Main Upgrade (\$2,850k), Hastings Estuary Coastal Management Program Stage 2 (\$50k) and Hydrodynamic Modelling for Lake Cathie/Lake Innes (\$148k).

Other adjustments are accounting entries only, or movements between projects, and have no impact on Council's budget position.

Forecast Budget Statement for the Year Ended 30 June 2023

	2022-23 Original Budget ‘\$000	Carry Overs ‘\$000	Approved Adj YTD ‘\$000	Prior Month Forecast ‘\$000	Current Month Adj ‘\$000	2022-23 Full Year Forecast ‘\$000
Operating Activities Movements						
Income from continuing operations						
Rates and Annual Charges	110,829		0	110,829		110,829
User Charges and Fees	41,032		0	41,032		41,032
Interest Received	5,499		0	5,499		5,499
Grants and Contributions	88,478	6,388	4,753	99,619	743	100,362
Other Operating Receipts	6,084		21	6,105		6,105
Expenses from continuing operations						
Employee Costs	(57,410)		(123)	(57,533)		(57,533)
Materials and Contracts	(53,468)	(1,198)	(2,996)	(57,662)	(279)	(57,941)
Depreciation	(50,753)		0	(50,753)		(50,753)
Interest Paid	(1,327)		0	(1,327)		(1,327)
Other Operating Payments	(16,164)		(161)	(16,325)		(16,325)
Loss on Disposal of Assets	(3,000)		0	(3,000)		(3,000)
Operating result from continuing operations	69,800	5,190	1,494	76,484	464	76,948
Restricted Asset Movements						
Transfer from Restricted Assets	80,376	11,643	6,854	98,873	3,148	102,021
Transfer to Restricted Assets	(51,104)		(6)	(51,110)	(82)	(51,192)
Net Revenues (Used in)/Provided by in Restricted Assets	29,272	11,643	6,848	47,763	3,066	50,829
Property, Plant and Equipment Movements						
Purchase of Assets	(137,628)	(16,833)	(8,308)	(162,769)	(3,537)	(166,306)
Developer Provided Assets	(8,000)		0	(8,000)		(8,000)
Net Revenues (Used in)/Provided by Property, Plant and Equipment Activity	(145,628)	(16,833)	(8,308)	(170,769)	(3,537)	(174,306)
Financing Activities Movements						
Proceeds from Borrowings and Advances	4,300			4,300		4,300
Repayments of Borrowings and Advances	(11,497)			(11,497)		(11,497)
Net Revenues (Used in)/Provided by Financing Activity	(7,197)	0	0	(7,197)	0	(7,197)
Net Result (Incl Depreciation)	(53,753)	0	34	(53,719)	(7)	(53,726)
Add Back: Non Cash Items	53,753		0	53,753		53,753
Budget Surplus/(Shortfall)	0	0	34	34	(7)	27

Note that 'Other Operating Payments' includes items such as electricity, street lighting, insurances, waste levy, emergency services levies.

Options

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

Community Engagement and Internal Consultation

Not applicable.

Planning and Policy Implications

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


Financial and Economic Implications

Attachment 1 to this report contains information of each individual budget adjustment by Division and Section. The budget movements within this report result in the budget position surplus of \$27,041.

Statement by Responsible Accounting Officer

"The adopted original budget result for 2022-2023 was a balanced budget. As at 30 November 2022 this position is changed to a budget surplus of \$27,041 and this position is considered acceptable".

Attachments

1.  November 2022 Budget Review

Item: 10.11

Subject: INVESTMENTS - NOVEMBER 2022

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

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

RECOMMENDATION

That Council note the Investment Report for the month of November 2022.

Executive Summary

- Total funds invested as at 25 November 2022 was \$427,866,324
- Interest for the month of November was \$651,632.
- The year-to-date investment income of \$3,304,961 represents 64% of the total annual investment income budget of \$5,173,100.
- Council's total investment portfolio performance for the financial year to date was 0.34% below the benchmark (1.83% against 2.17%), benchmark being the Bank Bill reference rate as at 25 November 2022.

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

- Council's portfolio has met compliance requirements, however is marginally below benchmarks during the month due to the unexpected aggressive rate hikes undertaken by the RBA. Whilst the 'underperformance' may continue in the short term, it is anticipated that this is temporary.
- Over the past 12 months, the portfolio has returned 1.65% p.a., outperforming bank bills by 0.68% p.a.
- Domestically, RBA Governor Lowe repeated "*the Board expects to increase interest rates further over the period ahead*", which suggests the RBA will continue hiking by 25bp in the months ahead. The RBA has "*not ruled out returning to 50bp increases if that is necessary. Nor have we ruled out keeping rates unchanged for a time as we assess the state of the economy and the outlook for inflation*". By downshifting the pace of hikes, central banks are acknowledging that decisions are becoming more finely balanced as they tread a fine line of returning inflation to target, while avoiding significantly overtightening policy and slowing the economy more than needed.
- Council's exposure to institutions that fund fossil fuels is 66% of the total portfolio.
- Port Macquarie-Hastings Council remains amongst the best performing Councils in NSW where deposits are concerned, earning on average, \$1.89m in additional interest income compared to its peers.

Discussion

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

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

Overview

Councils are often large and diverse organisations which have many regulatory and compliance requirements including how to raise revenue, and how that can be spent. For context, Port Macquarie-Hastings Council is a large regional Council with an annual expenditure of approximately \$200 million. Whilst every Council has some similarities, they often have characteristics that may set them apart. Port Macquarie-Hastings Council is a large regional Council with high development activity and is also a water authority. These points are relevant in the context of Council reserves / investments. Following is a summary outline of the main areas that have seen an increase in reserves being collected.

Development Activity

This Council has experienced large development growth in recent years and this cycle of activity has seen larger amounts of developer contributions being received during those years. The purpose of these contributions is to fund infrastructure associated with the growth of an area and consequently are for new infrastructure and are future focussed. The funds cannot be spent on existing infrastructure. There are specific contribution plans which dictate which projects can be funded from these funds and many of the projects are not ready for completion yet (or are not yet needed as growth levels do not yet require the infrastructure). To complicate matters, Council's cannot spend these funds on projects that are not listed in the relevant contribution plans.

Water and Sewer

Port Macquarie-Hastings Council is a water authority. Not every Council is (as separate Water Authorities exist for example, Sydney Water and Hunter Water). The provision of water and sewer services requires large capital investment, with large projects often occurring cyclically and requiring a combination of reserve funds and borrowing to fund these large infrastructure requirements.

Current Investments

Council is required to undertake investments in accordance with section 625 of the *Local Government Act 1993*. This report provides details of Council's investments, and certifies that all funds that Council has invested as at 25 November 2022, comply with this Act. All investments have been made in accordance with the Act and Regulations, and Council's Investment Policy.

As at 25 November 2022, the investments held by Council totalled \$427,866,324 and were attributed to the following funds:

General Fund*	190,062,500
Waste Fund	23,767,974
Water Fund	144,918,324
Sewer Fund	67,384,668
Broadwater	1,672,957
Sanctuary Springs	59,901
	427,866,324

**Includes funds collected from development that must be expended in relation to adopted contribution plans. Also includes funds collected for works on the Port Macquarie Town Centre Master Plan.*

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

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

It is noted that there is a variance between the total investments held as per this report, (\$427,866,324), and total investments held as per Imperium's attached monthly report (\$427,865,354). This is due to the fact that Council's accounting policy treatment means that floating rate notes (FRNs) are held at amortised cost, whereas they are included at fair value in Imperium's report.

In relation to Council's exposure to financial institutions that fund fossil fuels, the following table provides a summary:

Financial institutions funding fossil fuels	Purchases since 01/07/22 (\$)	Purchases since 01/07/22 (%)	Amount invested at 25/11/22 (\$)	Amount invested at 25/11/22 (%)
Yes	14,020,000	27%	282,866,324	66%
No	37,000,000	73%	145,000,000	34%
	51,020,000		427,866,324	

It is noted that if ICBC is considered to fund fossil fuel industries, the amount invested in the 'yes' category would be 82%.

When investing, Council seeks and receives multiple quotes from a range of financial institutions across the different ratings spectrum. In the instance that a bank is not lending to the fossil fuel industry and they are offering the highest rate, and comply

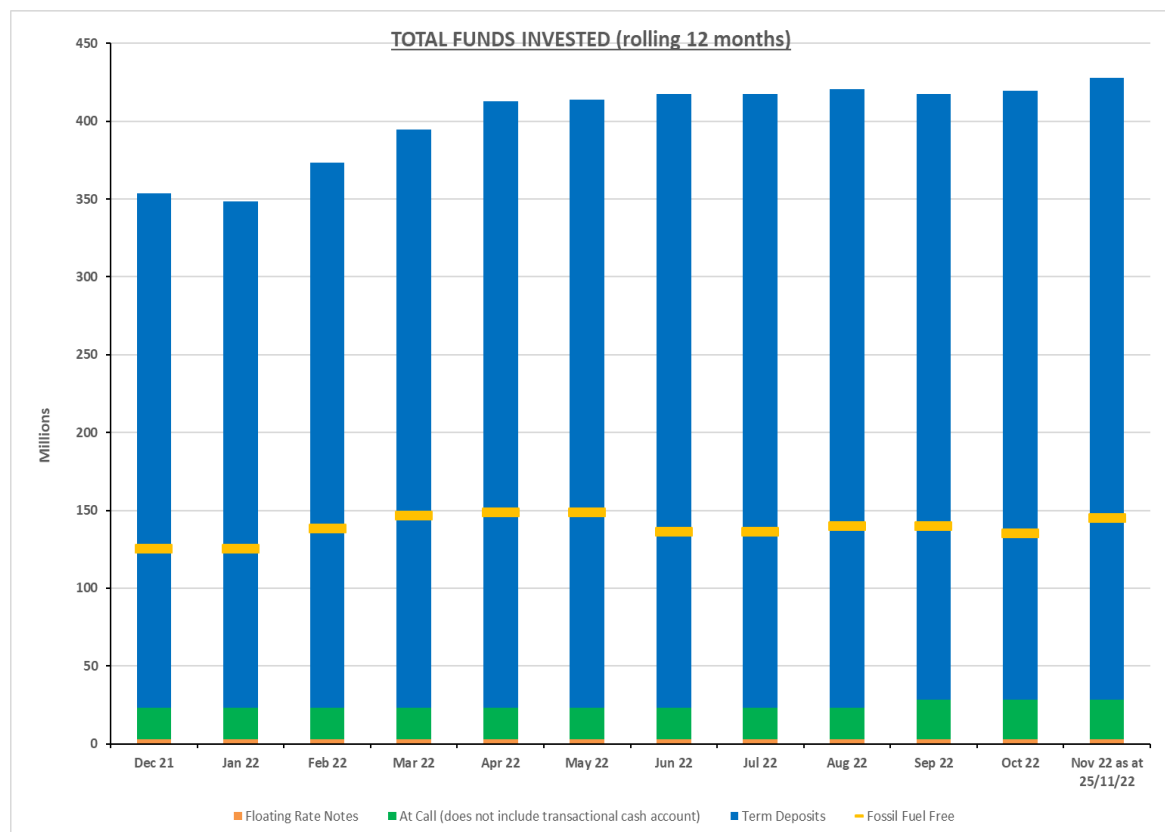
with the various Policy risk limits, Council preferences that bank, in accordance with the Investment Policy.

The weighted average yield from investments in institutions funding fossil fuels is currently higher than investments which do not fund fossil fuels, which is reflective of the investment portfolio performance over a period of time, rather than rates attached to individual investments taken out at a point in time.

During the COVID-19 pandemic, and because of the RBA's monetary policy, we were experiencing an 'abnormal' marketplace where the higher rated ADIs, often those lending to the fossil fuel industry, were offering a higher rate than the lower rated ADIs. Pre-pandemic however, Council locked in higher yields with the BBB rated banks given they were generally offering higher rates than the higher rated banks (i.e. a 'normal' market). This is the reason why the "BBB" rated category's current yield is still higher than the higher rated banks - it is largely driven by the investments placed prior to the pandemic. It does not necessarily mean however that an investment taken out today with a "BBB" rated ADI will have the highest rate.

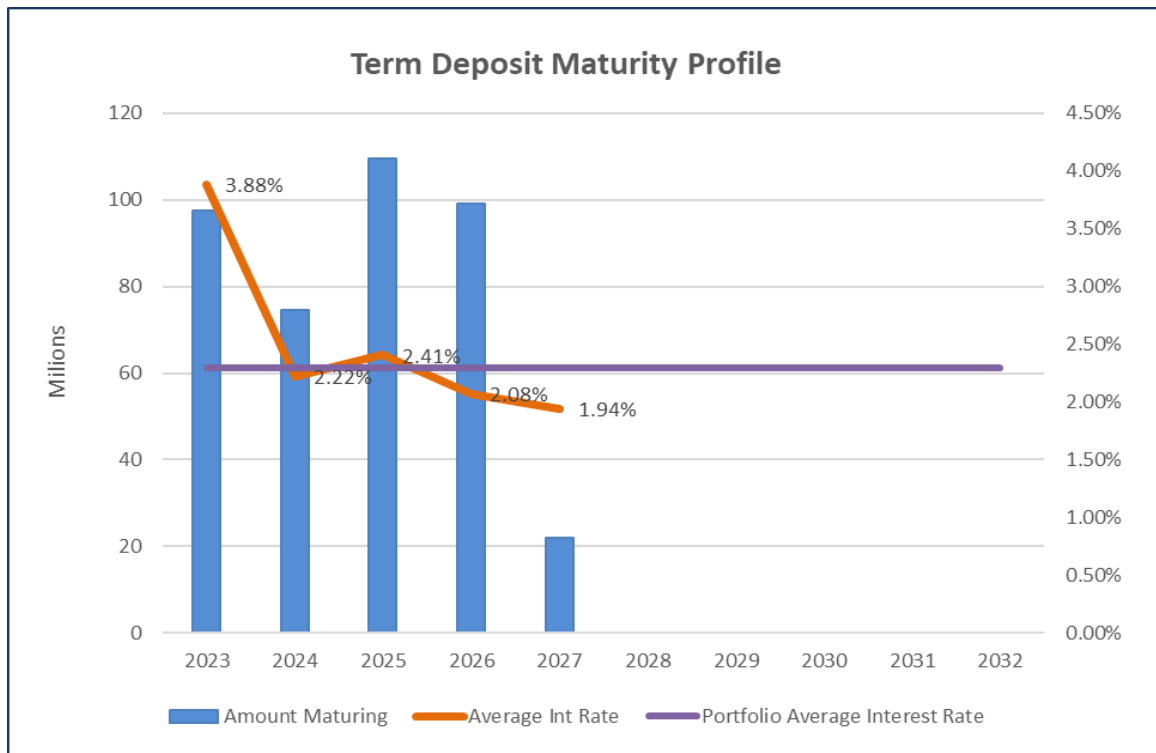
Staff are currently undertaking a broader review in conjunction with Imperium Markets against the information reported via the "marketforces.org.au" website. Commentary on fossil fuel investments is provided by Imperium Markets in the attached Monthly Investment Report (Attachment 1).

The following graph shows total investments on a rolling 12-month basis:



The value of Council's investments as at 25 November 2022 was \$8m higher than 31 October 2022 due to re-investment of \$5m maturity at the end of October, receipt of developer contributions totalling \$1.5m and increased income from quarterly rates invested during the month.

The following graph shows the maturity profile of the current investment portfolio, (excluding the cash management account which is at call):



The above profile shows that Council's investment maturities are well balanced across the next 5-year horizon. The average interest rate of those maturities falling in the current year illustrates the impact of longer term investments made in higher rated products prior to the interest rate decline during the COVID-19 pandemic. This has meant that returns have been somewhat protected against falling rates and the portfolio performed strongly in spite of this. From next year on we can see that the average interest rate of maturities falls. This reflects the declining interest rates of the last two years, noting none-the-less that Council protected the portfolio against even lower interest rates than illustrated here by taking advantage of longer term and higher rated products, thereby still maintaining average returns above industry benchmarks. Moving forward it will be important to take advantage of rising interest rates if re-investing maturing investments, whilst also balancing with a level of risk mitigation against a potential recession environment.

Options

This is an information report.

Community Engagement and Internal Consultation

Council uses the services of an independent financial advisor, on an ongoing basis with investments. Council obtains regular updates regarding market activities positions from various institutions.

Planning and Policy Implications

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

Financial and Economic Implications

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

Council's total investment portfolio performance for the financial year to date is 0.34% below the benchmark (1.83% against 2.17%) and year to date income is 64% of the total annual budget.

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

The overall investment income will be adjusted at financial year end by the total interest refunded on repayment of bonds. As Council constantly receives and refunds bonds, it is difficult to accurately determine the quantum of these refunds.

Certification

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

Nicole Spencer
Responsible Accounting Officer

Attachments

1.  Port Macquarie-Hastings Council Investment Report - November 2022
2.  Port Macquarie-Hastings Council Portfolio Valuation - November 2022

Item: 10.12

**Subject: PAYMENT OF WATER FUND AND SEWER FUND DIVIDEND FOR
THE YEAR 2021-2022**

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Note that Council has been deemed compliant with the new Regulatory and Assurance Framework for Local Water Utilities**
- 2. Authorise the application to the NSW Government for approval to pay a dividend of \$954,315 to the General Fund from the surplus in Water Supply operations for the 2021-2022 financial year.**
- 3. Authorise the payment of \$106,035 for tax equivalents to the General Fund from the Water Supply operations for the 2021-2022 financial year.**
- 4. Authorise the application to the NSW Government for approval to pay a dividend of \$910,818 to the General Fund from the surplus in the Sewerage Fund for the 2021-2022 financial year.**
- 5. Authorise the payment of \$101,202 for tax equivalents to the General Fund from the Sewerage Fund for the 2021-2022 financial year.**
- 6. Note that if successful in its application, a separate report will be brought back to Council outlining the proposed expenditure of the dividend.**

Executive Summary

This report provides Council with information on Council's compliance with the new Regulatory and Assurance Framework for Local Water Utilities.

In addition, the recommendation will allow Council to apply for payment of a dividend from the Water Supply and Sewerage Funds to General Fund for the year ended 30 June 2022.

It is noted that this report seeks only to approve the application for payment of a dividend. Should this application be successful, a subsequent report will be provided to Council recommending whether the dividend should indeed be paid and if so, where the funding should be allocated to.

Discussion

Where a Council Water or Sewerage operation has:

- an operating surplus for the year in question, and
- a sufficient cumulative operational surplus over the last three years,

it may be eligible to make a dividend payment from the surplus if it meets the following requirements:

1. Has in place effective, evidence-based strategic planning in accordance with section 3 of the regulatory and assurance framework
2. Obtains an unqualified financial audit report for its water supply/and or sewerage business(es).
3. Resolves at a council meeting open to the public to apply to the Department of Planning and Environment for approval to pay a dividend from the Water and/or Sewerage operations.
4. Successfully undergoes a review of the Council overhead distribution to Water and Sewerage for the year in question.

Any dividend taken from the water and sewerage funds is able to be transferred to the General Fund and is unrestricted.

For the 2021-2022 financial year, Council meets the surplus requirements for both the Water Supply operations and the Sewerage operations.

Regulatory and assurance framework for Local Water Utilities

In July 2022, the NSW Department of Planning and Environment issued the Regulatory and assurance framework for local water utilities. This document includes the requirements for a dividend to be paid.

The Dividend from Surplus requirements are:

1. Calculate any dividend payment in accordance with the prescribed methodology
2. Demonstrate there is a surplus
3. Demonstrate full cost-recovery pricing and developer charges
4. Have in place effective, evidence-based strategic planning in accordance with the framework
5. Demonstrate financial reports are a true and accurate reflection of the business (unqualified audit report)
6. Demonstrate that the overhead reallocation charge is a fair and reasonable cost

Requirements 1, 2 & 5 - have been completed as part of the special purpose annual financial statements

Requirement 4 - Council was notified in August 2022 by the Director of Water Utilities that as Council has demonstrated best-practice management compliance for the purpose of paying a dividend under section 409 of the Local Government Act 1993, in the last two years, as of 1 July 2022, Council is also considered to have effective, evidence-based strategic planning in place under the new regulatory and assurance framework. This status will be reviewed when Council completes its first 'annual check-in' under the new regulatory and assurance framework. The annual check-in is scheduled to commence from 1 July 2023 and will allow local water utilities to

monitor any changes to their key assumptions, objectives or context that would trigger the need to update any part of their strategic planning.

Requirement 6 - The Department of Planning and Environment has advised that this requirement will be waived for the 2021-22 financial year dividend approval.

Approval

The payment of the dividend is subject to approval by the NSW Government but the payment of tax equivalents totalling \$207,237 is not subject to approval. Once Council receives approval to pay a dividend from the Water Supply and Sewerage operations totalling \$954,315 for water supply and \$910,818 for sewerage services for the financial year 2021-2022, a separate report will be brought back to Council recommending where these funds should be allocated.

Further information on the dividend process is provided in Attachment 3.

Options

Council has the option of applying for approval to pay a dividend of \$1,865,133 from the water and sewerage funds or it can choose not to apply.

Community Engagement & Internal Consultation

Consultation has occurred with the Water and Sewerage sections, Executive Team and independent auditors.




Planning & Policy Implications

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

Financial & Economic Implications

A total dividend from surplus of \$1,865,133 is payable by the Water Supply and Sewerage operations. In addition, tax equivalents of \$207,237 are also payable. These funds are unrestricted and can therefore be spent on General Fund activities.

Attachments

1.  Regulatory and Assurance Framework for Local Water Utilities
2.  2021-22 Special Purpose Financial Statements - Audit Reports
3.  Overview of Water Supply and Sewerage Dividend Process

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

Item: 11.01

Subject: RECOMMENDED ITEMS FROM MAYOR'S SPORTING FUND SUB-COMMITTEE MEETING NOVEMBER 2022

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

2.3.2 Provide a range of inclusive sporting and recreational opportunities and facilities to encourage a healthy and active lifestyle.

RECOMMENDATION

That Council endorse the Mayor's Sporting Fund Sub-Committee recommendations as follows:

1. Scout Hodgson receive \$250 for representation in State Rugby.
2. Flynn Daly receive \$750 for representation in Australian All Schools Track and Field Championships in Adelaide in December 2022.
3. Accept the resignations of members Sue Reid and Joanne Boarder.
4. Note the eight (8) applications received for membership to the Mayor's Sporting Fund committee and appoint the following applicants to the committee:
 - Cathy Walsh
 - Clayton Pickworth
 - Troy Highlands
 - David Barnes
 - Claudia Buckley
 - Simon Thresher
 - Ben Ismay
 - Belinda Gaunt
5. Update the Charter to reflect the amended membership

DISCUSSION

The Mayor's Sporting Fund Sub-Committee meet on 10 November 2022 and considered two applications under the Fund; Scout Hodgson and Flynn Daly. Both applications were determined eligible and the committee recommended payment of \$250 to Scout Hodgson for representation in State Rugby competitions and \$750 to Flynn Daly for Track and Field championships in Adelaide.

Committee members Sue Reid and Jo-Anne Boarder who have been representatives on the Mayor's Sporting Fund committee for many years, tendered their resignations. They were congratulated for their community service recognising and providing financial assistance to high performing young local sportspeople.

Members also considered the attached report; applications received for committee membership. Noting the above resignations, the recommendation to Council is to

accept all eight (8) applications. All proposed members bring experience and understanding of sporting codes, youth in sport, event and/or fundraising experience that will assist in meeting the objectives of the committee. The committee recommends the following new members be appointed the and the Charter updated accordingly:

- Cathy Walsh
- Clayton Pickworth
- Troy Highlands
- David Barnes
- Claudia Buckley
- Simon Thresher
- Ben Ismay
- Belinda Gaunt.

Attachments

1.  Expressions of Interest - Mayors Sporting Fund Committee

Item: 11.02

**Subject: DRAFT PORT MACQUARIE HASTINGS COUNCIL
INTERPRETATION POLICY & GUIDELINES**

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

3.2.1 Support vibrant commercial, tourism, recreational and/or community hubs across the region.

RECOMMENDATION

That Council:

- 1. Endorse the draft PMHC Interpretation Policy & Guidelines for the purposes of public exhibition for a period of not less than 28 days**
- 2. Note that a further report will be presented to Council for consideration following the public exhibition period and consideration of any submissions.**

Executive Summary

Through the development of the Cultural Plan an Interpretation Policy and Guideline was identified as being required to support the development of a consistent set of interpretation principles/approaches for the region.

The draft Port Macquarie Hastings Council Interpretation Policy and Guideline (Attachment 1) has been developed to assist the community and Council to maintain a branded style and consistency for interpretive signage, memorials or commemorative installations in any public place across the region that aligns with Councils cultural vision 'to be creative, inclusive, diverse, innovative and connected'. This policy and the guidelines ensures a standard process is followed by community and Council staff to cooperatively process all formal applications for any interpretation associated with the regions rich Cultural Heritage and to provide a transparent paper trail.

Discussion

Currently across our region, we have a diverse range of interpretation in the form of signage, memorials, plaques, panels and more. Council recognises and acknowledges the important social, historical and cultural significance of interpretation in telling the story of our place and us.

To date there has not been a central division/business unit that has managed or assessed community requests for interpretation. Generally, requests are assigned to a particular division depending on subject matter, i.e. weeds to the environmental team, historical items to the cultural team. This has resulted in a plethora of

interpretation across the region is a variety of shapes, sizes, materials and themes and content, in various states of repair and whose content may be aged or out dated.

The Port Macquarie Hastings Council Interpretation Policy and Guideline will streamline application and assessment processes and allow for clear and consistent decision-making and impartiality on future interpretation in the region.

Options

Council has the option to not endorse the draft PMHC Interpretation Policy & Guidelines for public exhibition and seek further information.

Community Engagement and Internal Consultation

Broad community engagement was undertaken across the region during the development of the draft PMHC Interpretation Policy & Guidelines including:

1. Community face to face workshop sessions held in Wauchope, Laurieton and Port Macquarie with good community attendance and participation informing the draft document.
2. An online survey conducted on 'Have your Say'
3. Consultation on the project promoted via the 'Have your Say' E-newsletter

Community engagement informed the development of the draft document through:

- Prioritising interpretation themes for our region
- Identifying and contributing to selection criteria for application assessment
- Nominating materials that best represent or connect to our local area
- Stressing the importance of acknowledgement/inclusion of local Aboriginal heritage and history in all future signage, as well as to update our existing
- Recognising the importance of interpretation to not only contain relevant and factual information, but also be aesthetically engaging and interesting.

An internal cross-organisational working group was established to draw on knowledge from across Council's businesses units who field enquires and requests regarding interpretation. Insights was provided across the spectrum of interpretation including requests for information, location, content, materials, maps, maintenance, letters of support for funding applications and more.

This group continued to be consulted throughout the development of the draft policy and guidelines.

Attachment 2 is the summary of the engagement process.



Planning and Policy Implications

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

Financial and Economic Implications

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

Attachments

1.  Draft Port Macquarie Hastings Council Interpretation Policy and Guidelines
2.  Engagement Summary Report for the Interpretation Policy and Guidelines

Item: 11.03

Subject: RECREATION ACTION PLAN REPORT ON PUBLIC EXHIBITION

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

2.3.2 Provide a range of inclusive sporting and recreational opportunities and facilities to encourage a healthy and active lifestyle.

RECOMMENDATION

That Council:

- 1. Note the information contained in the report**
- 2. Note that a further report detailing the establishment of a Sporting Infrastructure and Priorities Working Group will be presented to the February 2023 Ordinary Council meeting as resolved by Council in October 2022**

Executive Summary

The Recreation Action Plan sets the priorities for our recreational and sporting spaces throughout our region. It builds on our commitment to providing parks, sporting fields, and recreation areas with facilities that promote and contribute to the health and wellbeing of our residents and visitors.

In September 2022, we first asked our community how they use our recreational spaces and facilities and what improvement they would like to see. That initial engagement was used to develop the draft Recreation Action Plan 2023-2028.

Subsequently the draft Recreation Action Plan 2023-2028 was placed on public exhibition from Monday 24 October through to Sunday 20 November to seek further input from the community on what we heard.

This report presents the findings of that exhibition period, full findings can be found in Attachment 1 - Engagement Report as requested by Council at the October 2022 Ordinary Council Meeting.

Discussion

At the Ordinary Council meeting held on 20 October 2022, Council resolved as follows:

RESOLVED: Roberts / Slade

That Council:

- 1. Endorse the draft Recreation Action Plan 2023-2028 and publically exhibit the draft Plan for a period of not less than 28 days.*

2. *Note that a further report will be tabled at the December 2022 meeting of Council, detailing the submissions received from the public during the exhibition period.*
3. *Request the Chief Executive Officer, investigate options for the establishment of a Sporting Infrastructure and Priorities Working Group that includes sporting club representatives and major stakeholders and report back to the February 2023 Ordinary Council meeting.*

The Revised Plan - draft Recreation Action Plan 2023-2028

Due to the significant number of actions in the 2021-2025 Recreation Plan having been completed or commenced a revised Plan was developed in consultation with the community.

The Draft Plan has been updated to reflect the following:

- Changing community, Council and state government priorities;
- Changes of uses of recreation spaces during Covid19 and the importance of recreation space;
- An assessment of user groups needs today and into the future;
- 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 and consideration of alternative funding sources; and
- A desire to optimise the use of existing open spaces and recreation facilities.
- Community engagement with sporting group and recreation users reflecting their priorities

The Plan identifies three timelines for delivery of priority projects:

Immediate: 2022-2023

Short term: 2023-2024 to 2024-2025

Medium term: 2025-2026, 2026-2027 and 2027-2028

Priority of projects for delivery, become relatively fixed when they move into the immediate timeframe when funding is secured through either Council's operational plan and budget and/or through external (grant) funding. It is in this immediate-term period that the formal planning, detailed design and construction process occurs. Pre-planning may occur earlier, however formal commitment and resource allocation increase once projects move into the immediate term window. Some projects will not proceed unless external funding is secured.

For reference the draft Recreation Action Plan 2023-2028 that was placed on exhibition is provided attached (Attachment 2).

Options

This is an information report. Council could seek additional information regarding engagement on the Recreation Action Plan

Community Engagement and Internal Consultation

A key part of reviewing the Recreation Action Plan was asking the community for their input to help us understand how people participate in recreation activities, where they participate and how we can improve their recreation experience. This engagement will be undertaken in a number of parts the first was preliminary engagement to determine the key priorities of the community and included:

External Consultation

- Initial community consultation took place from 1 August 2022 - 11 September 2022.
- Public Exhibition period from 24 October 2022 to 20 November 2022

Ongoing Internal Consultation has occurred with;

- Group Manager Community
- Group Manager Infrastructure Planning
- Recreation and Facilities Manager
- Recreation Planner
- Parks Management Officer
- Facilities Coordinator
- Senior Transport & Road Asset Engineer
- Coast and Estuaries Project Officer
- Infrastructure Operations Coordinator and Team Leaders

A briefing was also provided to Councillors on 6 October 2022.

A second phase of the engagement was the Public Exhibition from Monday 24 October through to Sunday 20 November to seek further input from the community. During this time, stakeholders and community members were invited to view the draft Plan and provide feedback via our online submission form.

Engagement was encouraged through Have your Say, Community Council Action Teams, Environment matters, Posters and social media. There were a total of 239 visits to Councils engagement page, with 10 submissions and 102 downloads.

The feedback received was around:

- Footpaths to be added to plan.
- Implement cycling infrastructure as per Bike Plan
- Coastal Walk to Tacking Point Lighthouse to be completed

- Construct Ocean baths at Oxley Beach
- Improve surfaces of sports fields to reduce closures - underground drainage, reshaping etc.
- Shared pathway needed along Koala Street, particularly to get to Wayne Richards Park.
- Additional seats and BBQ provided at Lake Cathie Foreshore
- BBQ and picnic area at Crestwood Park Recreation Precinct
- Against the Town Beach Amphitheatre

Overall, it is clear that the community appreciate and value our open spaces and recreational facilities. The Draft Recreation Action Plan 2023-2028 was well-received, and feedback was constructive for additional inclusions (e.g. active transport links, provision of facilities at our reserves and beaches, and the need for comprehensive community engagement on recreation project moving forward).

The next steps are over the coming months to establish of Recreation and Sporting Infrastructure and Priorities Working Group to assist in finalising the Recreation Action Plan and that will be presented to the February 2023 Ordinary Council meeting

Planning and Policy Implications

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

Financial and Economic Implications

Projects identified within the 2023-2028 Recreation Action Plan for delivery in 2022-2023 are included within the adopted 2022-2023 Operational Plan.

Projects identified for delivery from 2023-2024 onward are subject to priority review and budget endorsement through subsequent Operational Plan development, they have been identified in the 10-year Works Program.

The planning and delivery of high-quality recreational and sporting assets is expected to provide a positive economic impact for the Port Macquarie-Hastings LGA by contributing to the area being a great place to live.

Attachments

1.  Engagement Report - Draft Recreation Action Plan 2023-2028
2.  Draft Recreation Action Plan 2023-2028

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

Item: 12.01**Subject: NOTICE OF MOTION - ALTERNATIVE ROUTES IN THE HEALTH AND
EDUCATION PRECINCT**

Councillor Intemann has given notice of her intention to move the following motion:

RECOMMENDATION

That Council note the significant congestion of Lake Road and Wrights Road/Oxley Highway, and

- 1. Prioritise actions to complete negotiations with NSW National Parks and Wildlife Service regarding land in the vicinity of the intersection of Lake Road and Ocean Drive.**
- 2. Note the potential opportunity to reduce congestion via alternative routes through the Industrial Area to the Health and Education Precinct.**
- 3. Request the Chief Executive Officer provide a report to the April 2023 Ordinary Council Meeting, on the status of progress in the matters raised in points 1 and 2 above.**

Comments by Councillor Intemann

These issues are ongoing and warrant priority. The NPWS matter is long-standing and needs urgent attention to progress. The Industrial Area matter has been raised with and I believe verbally supported by Councillors and staff, but needs formalising. Transport for NSW is considering major upgrade to the Lake Rd to Wrights Road section of the Oxley Highway, but there are also actions Council can take to better manage the situation.

Attachments

Nil

Item: 12.02

Subject: NOTICE OF MOTION - ASSETS ROADS, BRIDGES AND PATHS

Councillor Griffiths has given notice of her intention to move the following motion:

RECOMMENDATION

That Council request the Chief Executive Officer provide an overview of transport assets (roads, bridges and paths) within the Port Macquarie-Hastings Local Government Area to support consideration of the 2023-2024 budget by Council as part of the annual Operational Plan development cycle, including for each sub category within transport assets:

- 1. The value and length of the assets**
- 2. A summary of overall asset condition and breakdown of the infrastructure backlog**
- 3. Renewal expenditure from past and current years as may be readily available**
- 4. Planned renewal expenditure for 2023-2024 and within the Long Term Financial Plan**
- 5. A summation of what will be achieved via planned expenditure in 2023-2024 and the Long Term Financial Plan**
- 6. Advice on the extent at which backlog will be addressed via that planned expenditure and options that may exist for how Council distributes its infrastructure spend.**

Comments by Councillor Griffiths

- Council regularly surveys the community to understand their priorities. Over the past 10 years the results have consistently shown a top priority for roads, footpaths and bridges, which has been reinforced via the most recent survey.
- Bridges have been included in annual budgets year on year and also received significant grant funding via state and federal government schemes to upgrade or replace existing timber bridges.
- Council has sought to increase funding to enhance path networks, also receiving grant funding via various schemes.
- Roads have been impacted considerably by climatic conditions, highlighting the need for a renewal focus.
- To support decision making Council must better understand its investment in infrastructure, and current initiatives to greatly improve Council's asset management practices and the development of important planning strategies such as the Integrated Transport Plan and Pedestrian Access Mobility Plan are noted.
- Working within what Council may afford, Council has the option to consider infrastructure renewal as a priority where finances can facilitate and seek to

reduce the outstanding substantial backlog of renewals or reduce the rate at which this backlog is growing.

- There may be an opportunity to realise economies of scale given data indicates a reduced demand for certain products and potential for improved value for money.

Attachments

Nil

Item: 12.03**Subject: NOTICE OF MOTION - COUNCIL'S LONG TERM ENERGY STRATEGY**

Councillor Edwards has given notice of her intention to move the following motion:

RECOMMENDATION**That Council:**

1. Note Port Macquarie Hastings Council's Long Term Energy Strategy as adopted in 2017, and points 1 and 2 of the Strategy which state that council aims to source 100% of its electricity from renewable sources by 2027, and to implement one or more mid-scale solar projects when this technology becomes cost efficient to install and operate in the medium to long term.
2. Request the Chief Executive Officer provide a report to council, no later than the March 2023 Ordinary Council Meeting, on suitable Council owned land and asset sites that could accommodate renewable energy projects such as a mid-scale solar plant and/or community battery projects.

Comments by Councillor Edwards

It has been 5 years since the 10-year Long Term Energy Strategy was adopted and Council have not realised a mid-scale solar project as yet. Sites for a renewable energy project must be investigated, identified and evaluated in earnest.

Attachments

Nil

Item: 12.04

Subject: PORT MACQUARIE AIRPORT - PILOT TRAINING AND AIRCRAFT NOISE - FLY NEIGHBOURLY AGREEMENT TRIAL - SIX MONTH REVIEW

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Note the information provided in this Port Macquarie Airport - Pilot Training and Aircraft Noise - Fly Neighbourly Agreement Trial - Six Month Review report;**
- 2. Note that a further report will be presented at the Ordinary Council Meeting to be held in June 2023.**

Executive Summary

This report provides an update on the implementation of the Fly Neighbourly Agreement trial at Port Macquarie Airport as adopted by Council in May 2022.

It is noted that aircraft movement data is provided by a third party service provider Avdata, with data provided approximately mid-month following the completion of each month - as such this report provides aircraft movement data for the Fly Neighbourly Agreement trial period from June 2022 to October 2022 based on data currently available.

Discussion

At the Ordinary Council Meeting held on 19 May 2022, Council considered a report on the Port Macquarie Airport - Pilot Training and Aircraft Noise - Draft Fly Neighbourly Agreement and resolved as follows:

13.01 PORT MACQUARIE AIRPORT - PILOT TRAINING AND AIRCRAFT NOISE - DRAFT FLY NEIGHBOURLY AGREEMENT

RESOLVED: Pinson/Lipovac

That Council:

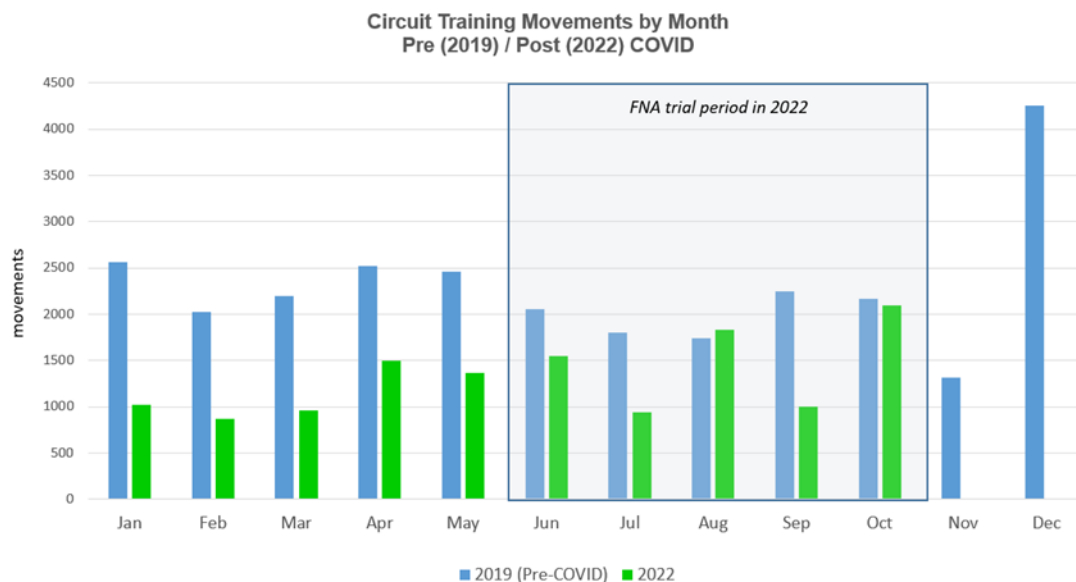
- 1. Note the information provided in this Port Macquarie Airport - Pilot Training and Aircraft Noise - Draft Fly Neighbourly Agreement report.*
- 2. Thank local aircraft operators and statutory authorities for their contribution to the Draft Fly Neighbourly Agreement.*
- 3. Endorse the Draft Fly Neighbourly Agreement for implementation on a 12-month trial basis commencing 1 June 2022.*

4. Request the Chief Executive Officer present a further report to the December 2022 Ordinary Council Meeting on the outcomes of the implementation of the Fly Neighbourly Agreement; this being the 6 month mark of the 12 month trial and a further report in June 2023 at the conclusion of the trial for further consideration.

In accordance with Resolution 4, this report presents a six-month review of the implementation of the Fly Neighbourly Agreement (FNA). A further report will be presented at the Ordinary Council meeting to be held in June 2023.

Total Aircraft Movements

During the FNA trial period, the Airport's total aircraft movements have reduced by 27% against pre-COVID levels in 2019. More specifically, circuit training movements have reduced by 26%, largely due to COVID-19 travel restrictions and the absence of international students flying with the Australian International Aviation College (AIAC).



As shown in the graph above, aircraft movements are returning to pre-COVID levels, with 2094 training circuits performed in October 2022. The decline in international pilot training has been partially offset by a significant increase in local / domestic residents undertaking pilot training. AIAC has also recently resumed pilot training with a small number of international students, which is expected to steadily increase over the coming year. Note that the December 2019 peak was an anomaly caused by poor flight conditions in November 2019 and increased activity to conclude international training programs prior to Christmas 2019.

The following analysis relates to some of the key undertakings agreed as part of the Fly Neighbourly Agreement.

Fly Neighbourly Agreement Undertaking #1:

Conduct continuous circuit training during the Circuit Training Hours of Operation, being:

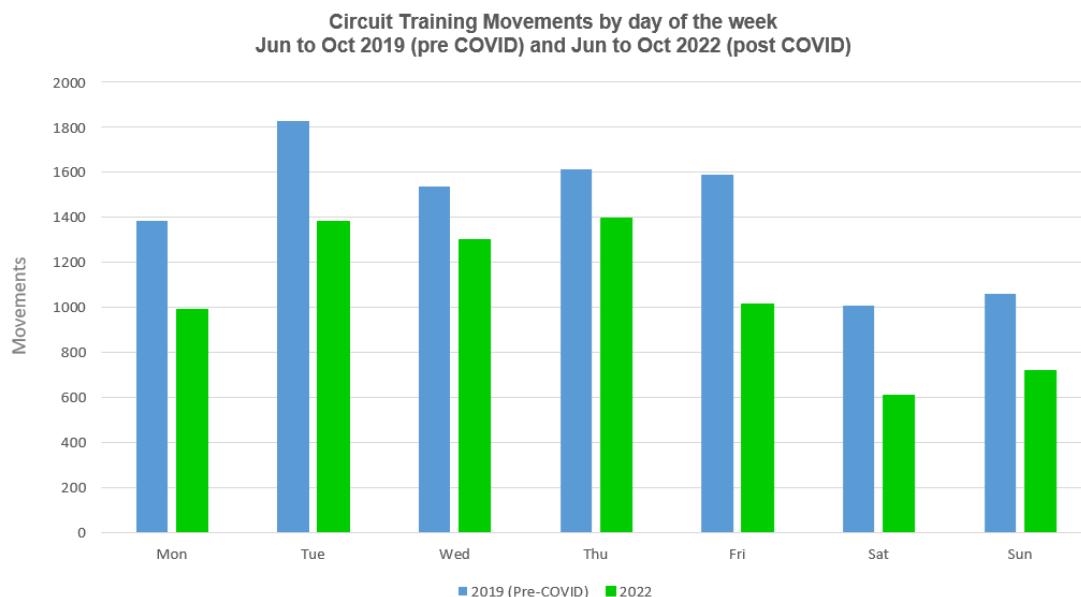
- | | |
|----------------------------|----------------------------------|
| Monday - Friday | - 0700hrs - 2200hrs AEDT |
| | - 0700hrs - 2100hrs AEST |
| Saturday | - 0800hrs - 1800hrs |
| Sunday and Public Holidays | - No continuous circuit training |

One of the key measures of the trial FNA is the reduction in agreed Circuit Training Hours of Operation to 7am to 10pm (or 9pm in Winter) from Monday to Friday, 8am to 6pm on Saturdays, with no continuous circuit training on Sundays and Public Holidays.

Since implementing the trial, one single training circuit has been conducted on Saturday evening, after 6pm.

A total of 322 circuits were conducted on Sundays between June and October (ie. 14.6 circuits per Sunday on average), compared to 526 circuits on Sundays during the corresponding period in 2019 (ie. 24 circuits per Sunday).

Of the three public holidays during the trial period one operator performed 8 training circuits in one aircraft on 13 June 2022, no circuit training conducted on 22 September 2022 and several aircraft performed a total of 33 training circuits on 3 October 2022.

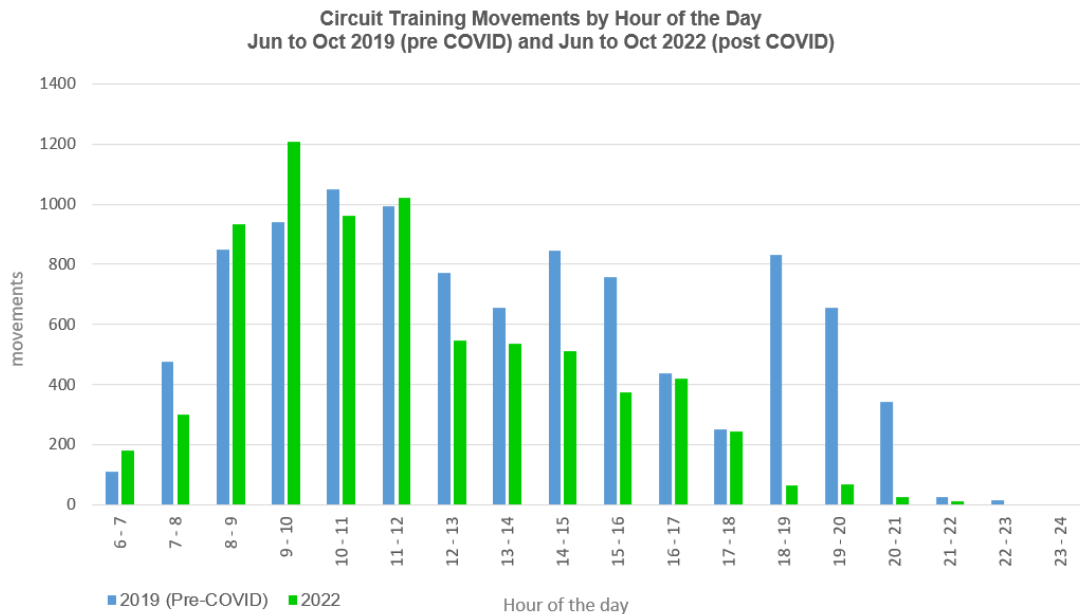


In general, there has been a strong commitment by local operators to comply with the intent of the FNA, and Airport staff continue to liaise with operators to encourage compliance noting that the FNA is a voluntary agreement. It is evident that many local recreational students are unable to attend training during the week, due to work or school commitments, and continue to request training on weekends, including Sundays.

Circuit training performed on Sundays has been the trigger for the majority of noise complaints received by Council during the trial period. Thirteen (13) noise complaints from four (4) residents were lodged since the trial commenced in June. Of these, eleven (11) were associated with circuit training performed on Sundays.

It is noted that the FNA allows operators to catch up on lost time caused by weather, airspace, technical or other disruptions, on Sundays between 8am and 4pm.

As shown in the graph below, significantly less circuit training has been performed in the evening after 6pm, down from 19% of circuits between June and October 2019, to 2% of circuits during the same period in 2022.

***Fly Neighbourly Agreement Undertaking #2:***

Recreational aircraft (ie up to 600kg maximum take-off weight (MTOW)) may commence continuous circuit training from 0600hrs Monday to Friday.

The FNA allows recreational aircraft, below 600kg, to operate early mornings, between 6am and 7am Monday to Friday. 90 circuits have been performed between 6am and 7am during the trial period, compared to 55 during the same period in 2019. Growth in early morning circuits is consistent with the overall growth in circuit training using recreational aircraft, which has more than doubled compared to the same period in 2019. No complaints have been received regarding this activity.

Fly Neighbourly Agreement Undertaking #5:

Preferred use of runway 03 when wind and traffic conditions permit, with circuits conducted to the west of the Airport.

The FNA requires operators to prefer use of runway 03 (take off to the north) when wind and traffic conditions permit, taking traffic to the west of the Airport. Runway usage is largely determined by the prevailing wind direction, which is seasonal. Typically, circuit operations are conducted predominantly to the west of the Airport in summer, and to the east of the Airport in winter. The trial has produced little change in runway direction, with approximately 38% of movements using runway 03 in June to September 2022, compared to 37% during the same period over the previous two years. The parallel taxiway development, which is expected to be operational in early 2023, will make runway 03 more accessible for operators and may increase the proportion of runway 03 usage.

Fly Neighbourly Agreement Undertaking #6:

Commensurate with traffic situation and aircraft performance, operators will implement their own procedures for turning crosswind after take-off that considers the impact of aircraft noise on residential areas.

*Fly Neighbourly Agreement Undertaking #7:**When conducting Precautionary Search and Landing – not operating below 500 ft AMSL within the vicinity of the runway, otherwise not below 700 ft AMSL.**Fly Neighbourly Agreement Undertaking #9:**Minimising low level flight over built-up areas in accordance with Civil Aviation Regulations.*

The FNA also requires aircraft operators to be mindful of altitude when setting operating procedures, including when to turn cross wind after take-off and performing precautionary search and landing, to minimise low level flight over built up areas. To help monitor altitude and respond to enquiries or complaints, Council has installed Automatic Dependent Surveillance-Broadcast (ADS-B) recording equipment at the Airport that records flight paths and altitude for aircraft with an activated transponder. No complaints have been received regarding aircraft altitude during the trial period.

Summary

At the six-month mark, the Fly Neighbourly Agreement, combined with the lower circuit training movements, has been successful in reducing the impact of aircraft noise on the local community. Aircraft noise remains a concern, particularly regarding circuit training on Sundays. A letter to local flight training operators, drawing their attention to the noise mitigation measures and promoting the importance of the Fly Neighbourly Agreement is proposed to encourage further and continued compliance.

A further report will be presented to Council in June 2023 at the conclusion of the 12-month trial period.

Options

This is an information report.

Community Engagement and Internal Consultation

In conjunction with the implementation of the FNA, an aircraft noise complaint register has been established to monitor and respond to complaints received from local residents.

As noted above, a total of 13 noise complaints have been received during the 6-month reporting period, with details shown below.

Date	Issue
6/06/2022	Sunday training circuits contravene FNA
14/06/2022	Sunday training circuits contravene FNA
7/08/2022	Sunday training circuits contravene FNA
8/08/2022	Sunday training circuits contravene FNA
13/08/2022	Concerns about aircraft flying circuits in tandem
22/08/2022	Sunday training circuits contravene FNA

Date	Issue
29/08/2022	Sunday training circuits contravene FNA
18/10/2022	Sunday training circuits contravene FNA
19/10/2022	Sunday training circuits contravene FNA
30/10/2022	Sunday training circuits contravene FNA
28/10/2022	Ongoing disturbance from frequent light aircraft noise
31/10/2022	Sunday training circuits contravene FNA
7/11/2022	Sunday training circuits contravene FNA

Planning and Policy Implications

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

Financial and Economic Implications

There are no financial and economic implications in relation to this report. In conjunction with the development of the 2023-24 Schedule of Fees and Charges, further consideration will be given in consultation with local operators to an option to exclude circuit training movements performed “out of hours” as defined in the FNA from the Annual Airport Usage Charge. This would align all out of hours training operations with the current Airport Usage Charge - Training Circuits (out of hours operations) fee for consistency across all aircraft operators.

Attachments

Nil

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



Item: 13.01**Subject: NOTICE OF MOTION - FRIENDS OF CAMDEN HAVEN HEADLAND
VOLUNTEER GROUP**

Mayor Pinson has given notice of her intention to move the following motion:

RECOMMENDATION**That Council:**

- 1. Resolve to commence the process for the establishment a Friends of Camden Haven Headland volunteer group to assist in the enhancement of the Council Managed Crown Reserve at the Camden Haven Headland.**
- 2. Request the Chief Executive Officer to provide a report to the February 2023 Ordinary Council meeting outlining the steps involved in establishing this volunteer group.**

Comments by Mayor Pinson

Once a beautiful Headland and located in Dunbogan, Camden Head in the past was a cleared open public space and a popular picnic spot for families. It was also a vantage point where boaties could look at the conditions of the bar before deciding to head out to the open ocean. Weddings were held in this space and it was a tourist attraction due to the lookout points stretching up the stunning coastline. Today it is an overgrown and uninviting area which borders the Kalang Nature Reserve.

For many years, residents have been asking Council to bring Camden Head back to its former glory without success. This Notice of Motion presented at the last Ordinary Council Meeting for 2022 is an opportunity for volunteers to follow the enormously successful model of Mrs York's Garden in Port Macquarie, whereby the Friends of Mrs York's Garden have turned the Crown Land open space above Town Beach into a beautiful community space for all to enjoy.

A delegation of residents in Camden Head, Dunbogan have approached Council yet again to form a volunteer group and met with members of Mrs York's Garden to learn of the history behind the garden and their journey of how they got to where they are today.

For Council to have the resources to provide beautiful open spaces we must seek a model which involves 'Friends of ...' .

We know that these models have been successful with Friends of Mrs York's Garden and Friends of Kooloonbung, both in Port Macquarie. We also acknowledge the wonderful work that Landcare does throughout our region in bush regeneration and removal of invasive weeds. These community entities all contribute to benefit the look and feel of our natural spaces and for the enjoyment of our residents and visitors.

This Notice of Motion will begin the process to establish another 'Friends of' entity for the benefit of the Camden Haven and broader community within our Local Government Area.

AGENDA

ORDINARY COUNCIL
08/12/2022

Attachments

Nil

YOUR NATURAL AND
BUILT ENVIRONMENT

Item: 13.02**Subject: NOTICE OF MOTION - SIGNIFICANT KOALA HABITAT WITHIN
PRIVATE NATIVE FORESTRY**

Councillor Edwards has given notice of her intention to move the following motion:

RECOMMENDATION**That Council:**

- 1. Note the Port Macquarie Hastings Local Government Area Biodiversity Management Strategy acknowledges that some 15,330 hectares of the private native forestry licences issued were located on Preferred Koala Habitat.**
- 2. Note the NSW Koala Strategy and specifically Pillar 1 which affords over \$20 million to work with private landholders with high-quality koala habitat in populations for immediate investment will be supported to permanently conserve their koala habitat. Support will be targeted towards stronghold areas and will occur via two programs administered by the Biodiversity Conservation Trust: Conservation Partners Program, and in-perpetuity conservation agreements with annual payments.**
- 3. Request the Chief Executive Officer to write to all Private Native Forestry licence holders in the Port Macquarie Hastings Local Government Area that Council has received notification of to inform them of the significant koala habitat understood to be within Private Native Forestry approved landscapes and of the opportunity available to apply to make such an agreement where the land holder can receive payment to protect koala habitat as outlined in point 2 above.**

Comments by Councillor Edwards

Council are notified when Private Native Forestry approvals are given and it will be a simple and quick exercise to simply write to these Private Native Forestry holders to inform them of the possible preferred Koala Habitat that might be found on their land and of the opportunity to make an agreement that benefits Koalas, biodiversity generally and the land owners too.

Attachments

Nil

Item: 13.03**Subject: NOTICE OF MOTION - SOUTHERN BREAKWALL UPGRADE
PROJECT**

Councillor Intemann has given notice of her intention to move the following motion:

RECOMMENDATION

That Council:

- 1. Supports in principle the proposed Port Macquarie Southern Breakwall Upgrade Project, to be completed in 2023 and fully funded by the NSW Government, the primary purpose being to maintain this critical maritime asset and improve the public amenity of the Breakwall surrounds, noting its many other benefits as a tourist attraction as well as supporting economic activity and community health and wellbeing.**
- 2. Notes the significant community concerns expressed, including the need for the project, loss of items of cultural significance, and perceived risk from the works to the point and surf break, and that Council is awaiting further information and a requested meeting with Transport for NSW.**

Comments by Councillor Intemann

The Breakwall Upgrade is a NSW Government project regarding which Council has passed several recent resolutions requesting information, some of which has been provided. This Notice of Motion articulates Council's current position for the information of the community.

Attachments

Nil

Item: 13.04

**Subject: LAKE CATHIE NATURAL RESOURCE MANGEMENT MONTHLY
UPDATE DECEMBER 2022**

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

4.2.1 Develop and implement coastal, estuary, floodplain, and bushfire management plans.

RECOMMENDATION

That Council note the progress of natural resource management projects / initiatives within the Lake Cathie, Lake Innes and Cathie Creek waterways and progression of the Coastal Management Program.

Executive Summary

Council is currently involved in a number of projects involved in the management of the Lake Cathie/Lake Innes/Cathie Creek waterway (referred herein as Lake Cathie) and its surrounds. This report addresses Item 7 of the Council resolution from Extraordinary Council Meeting held on 13 January 2022 (included in discussion below) which requests a monthly update report. It provides an update on Lake Cathie/Lake Innes/Cathie Creek waterway natural resource management projects/initiatives and the progression of the Coastal Management Program (CMP) that have occurred since the report presented to the November 2022 Ordinary Council Meeting.

Works currently being undertaken and outlined in this report include:

1. Hydrodynamic Model of Lake Innes, Lake Cathie and Cathie Creek
2. Illaroo Road Coastal Hazard Protection Options Review and Co Design
3. Illaroo Road Stormwater Redirection Project
4. Sensitive Receptors - Catchment Management: Bushfire Affected Coastal Waterways Project
5. Dredging Lower Cathie Creek
6. Coastal Recreational User Needs Analysis
7. Review of the Opening Strategy
8. Development of other CMP Chapters

Discussion

The following provides an overview of the progress since the last monthly report detailing Council projects and initiatives within the Lake Cathie, Lake Innes and Cathie Creek waterway, as well as other projects and initiatives related to the development of the CMP.

1. Hydrodynamic Model of Lake Innes, Lake Cathie and Cathie Creek

Royal HaskoningDHV continue to progress the development of the updated hydrodynamic model of the Lake Innes / Lake Cathie / Cathie Creek system. Royal HaskoningDHV have been working on the catchment model development, setup and calibration that will run modelled scenarios. Routine monthly water quality and water level monitoring continue to be undertaken, associated with the development of the hydrodynamic model.

2. Illaroo Road Coastal Hazard Protection Options Review and Co Design

A letter was sent on 17 November 2022 to the participants of the Illaroo Road Coastal Hazard Protection Options Review and Co Design Project and other key stakeholders, informing recipients of Council's October 2022 resolution for *14.03 ILLAROO ROAD COASTAL HAZARD PROTECTION OPTIONS REVIEW*. The letter also provided an update on the proposed dredging of lower Cathie Creek and emergency stormwater works around the stormwater outlet off Illaroo Road.

The reports associated with the Illaroo Road Coastal Hazard Protection Options Review and Co Design have been finalised and are now available on the Council's website.

3. Illaroo Road Stormwater Redirection Project

After discussions with DPE staff following an unsuccessful grant application, Council staff submitted an updated application on 21 October 2022 under the Significant Open Coast Hazard grant stream of the Coast and Estuary Grants to construct coastal protection works around Council's existing stormwater assets off Illaroo Road. The application was for \$106,250, which requires an equal contribution from Council. Council staff are still waiting on DPE to make a determination for the grant application.

Council staff continue to liaise with DPE Crown Lands to confirm co-contribution to the asbestos remediation portion of the scope of works at Bundella Avenue. Funding of 50% is being sought. Council staff are still awaiting a formal funding commitment from Crown Lands. Once confirmed, staff will proceed to schedule the works.

4. Sensitive Receptors - Catchment Management: Bushfire Affected Coastal Waterways Project

In response to detected heavy metal concentrations in sediments by Southern Cross University (SCU) as part of this project, the NSW Food Authority undertook a survey on seafood most commonly captured for human consumption in the Lake Innes / Lake Cathie waterway. A total of 33 samples including prawns, crabs and finfish were collected and analysed for a range of heavy metals.

The survey undertaken by the NSW Food Authority found that the levels of heavy metals tested were well below levels considered safe for human consumption based on normal seafood consumption patterns. All results were below the maximum permitted level (ML) or generally expected level (GEL) in the Food Standards Code (FSC). Where an analyte is not referenced in the

FSC, safe consumption guidelines were used to determine trigger values for the survey. All samples of all analytes were well below the trigger values. The survey report completed by the NSW Food Authority is included as an attachment to this report.

SCS are continuing to finalise their report into the recovery of the Lake Innes, Lake Cathie and Cathie Creek waterway following the 2019/2020 bushfire/drought event. The survey undertaken by the NSW Food Authority will be referenced in this report. Delays experienced by a subcontractor have resulted in the delay of the final report. A final report is now expected in December 2022.

Aquatic Science and Management are continuing to develop water quality management plans as a component of this grant. These plans are expected to be completed by the end of the year.

5. Dredging Lower Cathie Creek

As mentioned in last month's update, the Minister for Local Government Wendy Tuckerman announced that PMHC's application for funding under the Significant Open Coast Hazard stream of the Coast & Estuary Grants was successfully awarded \$235,000 for the dredging of Lake Cathie and sand nourishment of the beach in front of Illaroo Road. Under the grant conditions, PMHC is also required to commit \$235,000 towards the project.

Council staff are currently planning for the tender process to identify a suitable contractor for the works to enable commencement as soon as the DA conditions are fully satisfied. The final outstanding permit condition is the closure of the lake. Historical tenders for dredging works in the PMHC Local Government Area have failed to attract a high number of respondents. To maximise potential respondents, a joint tender will be released that also includes maintenance dredging of canals at the Settlement Shores Estate in Port Macquarie. The tender is expected to go to market late November / early December.

6. Coastal Recreational User Needs Analysis

As mentioned in last month's update, PMHC was awarded \$66,666 under the NSW Government 2021-22 Coast and Estuary Grants Program – Planning Stream to undertake a LGA wide Coastal Recreational User Needs Analysis.

Council staff have approached a number of consultancies with a request for quote to undertake the works. Consultancies have been given until 2 December 2022 to respond. It is estimated that a preferred respondent will be identified by the end of year, with the project commencing January 2023. It is expected the project will take up to six months to complete.

7. Review of the Opening Strategy

The hydrodynamic model being developed by Royal HaskoningDHV will assess various management options for the Lake Innes/Lake Cathie/Cathie Creek waterway, including the permanent opening.

8. Development of other CMP Chapters***Hastings Estuary Bank Condition Assessment***

Council and DPE staff are currently reviewing a draft report for the bank and riparian assessment of Hastings River Estuary. The outcome of this report will inform future management actions to be incorporated into the Hastings River Estuary CMP. A final report is expected to be issued by December 2022.

Fruition Environmental are also finalising an Estuary Riparian Revegetation Guide for the Hastings River estuary. This guide will assist PMHC undertake revegetation works along the riparian zone of the estuary.

Hydrographic Dilution Study Kooloonbung Creek

The University of NSW (UNSW) have been engaged to investigate the impacts of sewage overflows on oyster leases in the lower Hastings River estuary. UNSW are now processing the collected data from the field dye experiment in October and refining the development of their model, which is expected to be completed early 2023.

Options

This information is provided for information purposes.

Community Engagement and Internal Consultation

This information is provided for information purposes. Community consultation has been undertaken in some of the abovementioned projects, as mentioned in the discussion section of this report

Planning and Policy Implications

There are no planning and policy implications in relation to this report. However, the outcomes of the various investigations and activities referenced in this report will guide the content of the Coastal Management Program.

Financial and Economic Implications


As mentioned above, Council staff submitted an updated application on 21 October 2022 under the Significant Open Coast Hazard grant stream of the Coast and Estuary Grants to construct coastal protection works around Council's existing stormwater assets off Illaroo Road. The application was for \$106,250, which requires an equal contribution from PMHC. Council staff are currently waiting on the outcome of this application.

Council staff continue to liaise with DPE Crown Lands to confirm co-contribution to the asbestos remediation portion of the scope of works at Bundella Avenue. Funding of 50% is being sought. Council staff are still awaiting a formal funding commitment from Crown Lands.

Funding currently allocated to active projects outlined in this report are detailed below:

Lake Cathie / Lake Innes / Cathie Creek			
Hydrodynamic Model	300,000	150,000	450,000
Bushfire Affected Coastal Waterways Program	265,000	30,000	295,000
Dredging Lower Cathie Creek	235,000	235,000	470,000
SUB TOTAL	800,000	415,000	1,215,000
Hastings River Estuary			
Hastings River Estuary Bank and Riparian Assessment	109,954 (DPE: 76,954, DPI- Fisheries: 33,000)	38,477	148,431
Hydrographic Dilution Study Kooloonbung Creek	70,001	35,000	105,001
SUB TOTAL	179,955	73,477	253,432
Open Coast			
Coastal Recreational User Needs Analysis (LGA wide)	66,666	33,333	99,999
SUB TOTAL	66,666	33,333	99,999
TOTAL	1,046,621	521,810	1,568,431

Attachments

1.  Lake Cathie – Heavy Metals and Arsenic in Seafood

Item: 13.05

**Subject: POST EXHIBITION REPORT - PLANNING PROPOSAL PP-2022-981
11 AND 33 MUMFORD STREET, PORT MACQUARIE**

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Note the submissions received during public exhibition of the Planning Proposal PP-2022-981 11 and 33 Mumford Street, Port Macquarie.**
- 2. Note the Gateway Determination (Attachment B) granted by the Department of Planning and Environment on 15 May 2022.**
- 3. Note implementation of the Employment Zones Reform Package in December 2022, and translation of zone B5 Business Development to E3 Productivity Support under the reforms.**
- 4. As a result of the consideration of submissions, and Government agency responses:**
 - a) endorse the Planning Proposal as publicly exhibited (Attachment C) under section 3.35 of the Environmental Planning & Assessment Act 1979 in relation to Lot 497 DP1258597, Blackwood Street, and**
 - b) take the necessary steps under Section 3.36 of the Environmental Planning and Assessment Act 1979 to finalise Port Macquarie-Hastings Local Environmental Plan 2011 (Map Amendment) to give effect to the revised Planning Proposal.**
- 5. Delegate authority to the Director Community, Planning and Environment to make inconsequential or minor administrative amendments to the Planning Proposal prior to forwarding it to the Department for finalisation.**
- 6. Notify Council's decision to all persons who lodged a submission.**

Executive Summary

This report provides a summary and consideration of submissions received following public exhibition of a site-specific Planning Proposal to rezone land at Mumford Street, Port Macquarie.

The Planning Proposal was publicly exhibited for a minimum 20 working days from 18 October 2022 - 19 November 2022.

A range of issues were raised in response to public exhibition of the Planning Proposal including submissions from state agencies outlining their requirements for the Planning Proposal and submissions from local residents expressing concern.

Five (5) submissions from five (5) respondents, were received in response to consultation and the public exhibition.

Those opposed to the proposal raised concern around the impacts of future development on the land, particularly around stormwater impacts.

Public authority submissions highlighted legislative requirements for development in bushfire and flood prone areas and included recommendations required to be fulfilled as part of the assessment of future development applications for the proponent's land.

The Planning Proposal will reconfigure the zoning of the school site and adjoining business development to better reflect existing built infrastructure, flood platforms and planned car park expansion. No trees will be lost as a direct result of the rezoning. However, there is potential for vegetation removal as part of planned redevelopment of the sites to allow for car parking and site drainage works. The Biodiversity Conservation Act 2016 and State Environmental Planning Policy (SEPP) Biodiversity and Conservation 2021, Chapter 4 will likely be triggered with future development applications. Council will assess whether the development is likely to significantly affect threatened species, or ecological communities, or their habitats, or have any impact on koalas or koala habitat, and take into account a biodiversity assessment, and or koala assessment report for the development. Assumptions for the C2 Environmental Conservation zoning are that high environmental values (HEV) on the site/s are able to be protected and adequately conserved.

A summary of submissions is at Attachment A, and the key issues raised are discussed in this report. No amendment to the exhibited Planning Proposal and Draft LEP Maps Land Zoning (LZN); Minimum Lot Size (LSZ); Height of Building (HOB); and Floor Space Ratio (FSR) is proposed in response to submissions received to the public exhibition.

This report recommends that Council endorse the Planning Proposal as exhibited, and exercise the legislative functions necessary to draft and finalise an amendment to *Port Macquarie-Hastings Local Environmental Plan (LEP) 2011* in relation to the sites to give effect to the Planning Proposal.

Discussion

Council decision to prepare a Planning Proposal

At its Ordinary Council meeting held on 17 March 2022, Council endorsed commencement of planning investigations for two sites at 11 and 33 Mumford Street Port Macquarie to determine their suitability for rezoning. Council's resolution is included in full below for reference:

RESOLVED: Roberts/Griffiths

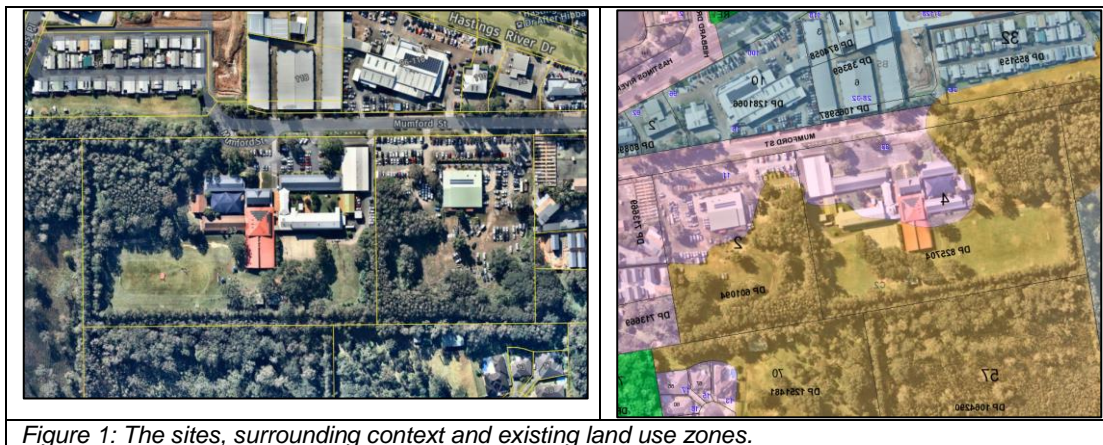
That Council:

- 1. Note concurrent planning reforms to introduce a new approach to rezoning applications in NSW.*
- 2. Note extended negotiations between Council staff and the Proponent and landowners to achieve a supportable development outcome on Lot 2*

- DP601094 and Lot 4 DP825704, 11 and 33 Mumford Street Port Macquarie since 2017.*
3. *Prepare a Planning Proposal pursuant to section 3.33 of the Environmental Planning and Assessment Act 1979 for a map only amendment to the Port Macquarie-Hastings Local Environmental Plan 2011 for part Lot 2 DP0601094 and part Lot 4 DP0825704, 11 and 33 Mumford Street, Port Macquarie which rezones the subject land from part R1 General Residential and part C2 Environmental Conservation to part B5 Business Development and part C2 Environmental Conservation and apply the following associated development standards to the land:*
 - a) *Minimum Lot Size of 1000m² for the B5 Business Development zone, and*
 - b) *Maximum Height of Buildings of 11.5m for the B5 Business Development zone.*
 4. *Advise the proponent that a political disclosure in the format required under legislation, is required to be submitted prior to preparation and forwarding of a Planning Proposal to the NSW Government Gateway, if progressed.*
 5. *Upon receipt of the political disclosure, forward the Planning Proposal to the NSW Department of Planning, Infrastructure and Environment for a Gateway Determination in accordance with Section 3.34 of the Environmental Planning and Assessment Act 1979, and request that the Gateway Determination authorise Council to be the local plan-making authority.*
 6. *Delegate authority to the Director Community, Planning and Environment to make any required minor or administrative amendments to the Planning Proposal as a result of the issue of the Gateway Determination, prior to public exhibition, should the Planning Proposal proceed through to public exhibition.*
 7. *Receive a further report following the public exhibition period on any submissions received.*

The Site

The land included in the Planning Proposal is shown in Figure 1 below:



The land included in the Planning Proposal includes:

- Lot 2 DP601094 11 Mumford Street, Port Macquarie
- Lot 4 DP825704, 33 Mumford Street, Port Macquarie 11 and
- adjacent roadway:

The Planning Proposal

The intent of this Planning Proposal is to rezone the subject site from part R1 General Residential and part C2 Environmental Conservation to part B5 Business Development (E3 Productivity Support when implemented) and part C2 Environmental Conservation and amend the associated development standards for minimum lot size, floor space ratio and height of buildings provisions including for the subject site and adjacent section of Mumford Street.

The intended effect of the Planning Proposal is to conserve environmental values and facilitate continuation of existing education and business/employment land uses, which are not permissible within the current conservation zoning.

The proposal involves amendments to the following Port Macquarie-Hastings Council LEP maps:

- **Land Zoning (LZN)** map to rezone part Lot 2 DP601094, part Lot 4 DP825704 and the adjacent Mumford Street roadway from part R1 General Residential to part B5 Business Development;
- **Land Zoning (LZN) map** to rezone part Lot 2 DP601094, part Lot 4 DP825704 and the adjacent section of Mumford Street roadway from part C2 Environmental Conservation to part B5 Business Development;
- **Lot Size (LSZ)** Map to introduce a minimum lot size of 1000m² for land to be zoned B5 Business Development;
- **Floor Space Ratio (FSR)** Map to remove the existing FSR of 0.65:1 for land to be zoned B5 Business Development;
- **Height of Building (HOB)** Map to introduce a maximum HOB of 11.5 metres for land to be zoned B5 Business Development.

Gateway Determination

The Department of Planning, Industry and Environment granted a conditional Gateway Determination 15 May 2022 allowing the Planning Proposal process to proceed to public exhibition. The timeframe set for completing the LEP is 10 months following the date of the Gateway Determination, or 15 March 2023. Conditional matters are:

1. *Prior to community consultation, the planning proposal is to be updated to:*
 - (a) *reference current section 9.1 Ministerial Directions;*
 - (b) *address requirements of State Environmental Planning Policy (Biodiversity and Conservation) 2021, Chapter 4, as it applies to the planning proposal;*
 - (c) *amend planning proposal maps to apply proposed controls along Mumford Street, to the extent that it applies to the planning area of the planning proposal;*
 - (d) *include proposed alterations to the floor space ratio map; and*
 - (e) *consider the recommendations of a report specifying the findings of a preliminary investigation of the land carried out in accordance with the contaminated land planning guidelines.*
2. *Public exhibition is required under section 3.34(2)(c) and clause 4 of Schedule 1 to the Act as follows:*
 - (a) *the planning proposal is categorised as standard as described in the Local Environmental Plan Making Guidelines (Department of Planning and*

Environment, 2021) and must be made publicly available for a minimum of 20 working days; and

- (b) the planning proposal authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in Local Environmental Plan Making Guidelines (Department of Planning and Environment, 2021).*

Exhibition must commence within two months following the date of the gateway determination.

3. *Consultation is required with the following public authorities and government agencies under section 3.34(2)(d) of the Act and/or to comply with the requirements of applicable directions of the Minister under section 9 of the EP&A Act:*
 - *NSW Department of Planning and Environment – Biodiversity Conservation Division (BCD)*
 - *NSW Rural Fire Service*
 - *NSW State Emergency Service*
4. *A public hearing is not required to be held into the matter by any person or body under section 3.34(2)(e) of the EP&A Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).*
5. *The Council as planning proposal authority is authorised to exercise the functions of the local plan-making authority under section 3.36(2) of the EP&A Act subject to the following:*
 - (a) the planning proposal authority has satisfied all the conditions of the gateway determination;*
 - (b) the planning proposal is consistent with applicable directions of the Minister under section 9.1 of the EP&A Act or the Secretary has agreed that any inconsistencies are justified; and*
 - (c) there are no outstanding written objections from public authorities.*
6. *The LEP should be completed on or before 10 months after the date of the Gateway determination.*

A copy of the Gateway Determination dated 15 May 2022 is provided in Attachment B of this report.

Wastewater Treatment Plant Capacities

At the Ordinary Meeting held on 18 August 2022, Council considered a report recommending that Council does not proceed with any further rezoning of land resulting in increases in sewage loading within the catchments of the Port Macquarie, Kew / Kendall and Wauchope WwTPs until such time as all approvals and design works are in place for the respective upgrades.

Council's resolution is included in full below for reference:

RESOLVED: *Pinson/Intemann*

That Council:

- 1) *Note the capacity issues of the Port Macquarie-Hastings Sewerage Schemes, as outlined in this report.*
- 2) *Note that a Process Capacity Review and Optimisation Study for the Port Macquarie Wastewater Treatment Plant has been commissioned.*
- 3) *Continue to implement Council's strategic planning program, including*

- a) *Complete the higher order strategies that will be used to complement and inform the Blueprint;*
- b) *Continue to progress the strategic land use planning actions identified in the Urban Growth Management Strategy – Background and Next Steps*
- c) *Continue to progress the 33 Housing Actions, Economic Development Actions and Making It Happen Actions included in the Urban Growth Management Strategy.*
- d) *Continue to progress those Planning Proposals reported to Council in Item 14.02 Update On Site Specific Planning Proposal Requests – BiAnnual Report at the Ordinary Council meeting 16 June 2022;*
- 4) *Not proceed past Stage 6 Finalisation Stage of the Planning Proposal process for any existing or new Planning Proposals that will increase the loading to the Port Macquarie, Kew / Kendall and Wauchope Wastewater Treatment Plants until such time as all design work is complete and approvals are in place for the respective upgrades.*
- 5) *Request the Chief Executive Officer to investigate additional resources to support Council's strategic planning team in Implementation of the strategic planning program outlined above.*
- 6) *Request the Chief Executive Officer to provide a report to Council in November 2022 regarding Council's approach to Planning Proposal Assessment in response to the issues identified above and include in the report, details regarding the following;*
 - a) *How much vacant residential land can be developed under the current zoning(s)*
 - b) *Based on current (and past) growth, when is this projected to be exhausted*
 - c) *Reaffirm the trigger points at which rezoning applications could proceed*
- 7) *Request the Chief Executive Officer to provide a further report to Council regarding Council's approach to finalising Planning Proposals in the Port Macquarie/Thrumster Sewerage Scheme catchment once the outcomes identified in 2 (above) are known.*

This PP was considered in the preparation of the August 2022 report to Council and it was determined that this PP could proceed under the current waste water treatment plant capacities due the minimal impact and the status of the PP being a longstanding proposal.

Consultation and Public Exhibition

In accordance with the requirements of the Gateway Determination and Council's *Community Participation* requirements, the Planning Proposal was placed on public exhibition for minimum 20 working days from 19 October to 18 November 2022.

The exhibited Planning Proposal is at Attachment C to this report.

Three submissions were made by state agencies regarding their requirements for the Planning Proposal, including the NSW Biodiversity Conservation Division (BCD), the NSW Rural Fire Service (RFS), and the NSW State Emergency Service.

Two (2) submissions from the community were received from two (2) respondents. One (1) submissions expressed concern in relation to certain aspects of the proposal, and one (1) submission questioned the intent or nature of the rezoning.

A summary of the submissions received during the public exhibition is provided at Attachment A.

Key Issues

State agency submissions

There are no unresolved matters as a result of consultation with State agencies.

In their response to Council, the **Biodiversity and Conservation Division (BCD)** of the Department of Planning Industry and Environment commented in respect of the BCD areas of responsibility and on behalf of the National Parks and Wildlife Service (NPWS) estate advising no issues in relation to biodiversity and flooding matters.

The BCD also provided recommendations for Council regarding Voluntary Planning Agreements (VPAs) to secure appropriate planning outcomes for preparation and implementation of Vegetation Management Plans (VMPs) in relation to the land. Entering into a VPA for the preparation and implementation of a VMP for the land at rezoning stage is not supported in this instance, noting that future development applications will need to address Biodiversity Offsets under the Biodiversity and Conservation Act 2016 for any vegetation removed to facilitate future redevelopment on the sites. In this regard, future development applications will need to be supported by VMPs for Council evaluation.

In their submission the **NSW Rural Fire Service (RFS)** advised that after considering the information included in the Planning Proposal, they have no requirement for the existing development. Future development is to comply with Planning for Bushfire Protection Guideline.

The **NSW State Emergency Service (NSW SES)** provided requirements and recommendations in relation to the public safety aspects of the development of flood prone land, particularly the potential for changes to land use to either exacerbate existing flood risk or create new flood risk for communities in NSW.

Future development applications will need to address the principles of the NSW Government Flood Plain Development Manual, particularly in respect of increased risk to life, health or property of people living on flood plains, transfer of risk, safe evacuation, and no sheltering in place, or assumptions of mass rescue. Safe, self-evacuation prior to the onset of flooding is recommended, noting there is approximately 8 hours of warning prior to evacuation routes being cut off. The SES recommends closure of schools and businesses prior to the onset of flooding - preferably before the start of the school or business day.

As the existing development is located within the 1% AEP flood extent, and Mumford Street becomes flooded in a 5% AEP flood event (Hastings River Flood Study 2006), planning assumptions for the rezoning are that future development must not result in new or increased flood risk to life, health or property of people living on the floodplain, and the policy setting for flood planning and management of flood risk will ensure future development is compatible with flood function and behaviour. Up-to-date Flood Impact and Risk Assessments will be necessary for all development applications proposing redevelopment of the sites and Risk assessments must consider the full range of flooding across the sites.

The BCD, RFS and SES submissions are quoted/detailed in the Submission Summary at Attachment A.

Public submissions

A total of 2 public submissions from 2 separate respondents, were received. The key issues and planning responses are discussed below and detailed in the submission summary at Attachment A.

Stormwater

One submission expressed detailed concern that any new development will exacerbate current drainage and stormwater flows, particularly through the culvert under Boundary Street enroute to the river.

The rezoning in itself will not generate new/additional stormwater or overland flows. However, future redevelopment of the sites will need to account for the development type, design, and site coverage, and likely require restructure of the existing stormwater system. Future development applications will need to address the significant local catchments draining through the site; the resultant impacts on future development flow paths; filling; and or site regrading. Importantly a comprehensive Drainage Investigation will be required to ensure the risks associated with local overland flooding are clearly identified and managed to minimise risk.

Future development

One submission raised questions around the nature of future development of the sites. While generally unknown at rezoning stage, the proponent advises expansion of vehicle related activities at 11 Mumford Street and continuation of education uses at 33 Mumford Street. Assumptions are that adjoining and adjacent neighbours will be notified of future development proposals where not 'Exempt' or 'Complying' development.

Options

The following options are available to Council:

1. Endorse the Planning Proposal as exhibited, and refer to the DPE for approval.
2. Not proceed with the Planning Proposal.
3. Defer a decision on the Planning Proposal pending further information or work and/or review with the landowner/s, or other alternative action.

Option 1 is the recommended option for the reasons discussed in the report.

Option 2 is not supported. Not proceeding would preserve the status quo by retaining an inappropriate zoning configuration, which is considered inappropriate having regard for location of buildings, and existing and proposed future land uses.

Option 3 is not supported. As discussed in the report, the timeframe for completion of the planning proposal is limited and there are no unresolved or unmanageable issues.

Community Engagement and Internal Consultation

The Planning Proposal was exhibited for a minimum 20 working days 18 October 2022 to 19 November 2022 consistent with the requirements of the Gateway Determination and Council's *Community Participation* requirements.

Public Authority consultation was carried out with the following agencies consistent with the DPE's Gateway Determination:

- Division of Biodiversity and Conservation
- NSW Rural Fire Service
- NSW State Emergency Service

As part of the exhibition, community engagement was promoted through:

- The NSW Government Planning Portal
- Written notification and advice to adjoining and adjacent landowners in proximity to No 11 and No 33 Mumford Street, Port Macquarie
- Hard copies at Council's Port Macquarie Customer Services Centre
- A dedicated 'Have your Say' web link to the NSW Planning Portal

The key matters identified in the submissions have been considered in the *Key Issues* section of this report. All individuals/groups and agencies that made a submission will have been notified of this matter being reported to Council.

Throughout the planning process, internal consultation in relation to the proposal has occurred with a range of staff from across the organisation including Transport and Stormwater Network, Water and Sewer, Environmental Services, Regulatory Services, Development Assessment Planners, and Development Engineers.

Planning and Policy Implications

A public hearing has not been required to be held into the matter by any person or body under section 3.34(2)(e) of the EP&A Act, and Council as the planning proposal authority is authorised to exercise the functions of the local plan-making authority under section 3.36(2) of the EP&A Act in respect of finalising the Planning Proposal.

The Planning Proposal as exhibited explains the intended effect of *Port Macquarie-Hastings Local Environmental Plan (LEP) 2011* and sets out the justification for making the plan. The implementation of the Employment Zones Reform Package in December 2022 is noted, and transition of zone B5 Business Development to E3 Productivity Support under the reforms. Educational establishments and schools will continue to be permissible under zone E3 Productivity Support, permitted under *State Environmental Planning Policy (SEPP) (Transport and Infrastructure) 2021*.

The Planning Proposal is consistent with the *North Coast Regional Plan* and Port Macquarie-Hastings Council's *Strategic Planning Principles* and *Planning Priorities* as set out in *Shaping Our Future 2040 - A Local Strategic Planning Statement for Port Macquarie-Hastings*.

If made, *Port Macquarie-Hastings Local Environmental Plan 2011 (Map Amendment No. #)* will repeal and replace the current in force LEP Map sheets for land zoning,

minimum lot size, floor space ratio, and height of buildings to show the change of planning controls in respects of the nominated lots.

Council is the Planning Proposal Authority (PPA) in this matter. As PPA, Council is authorised under the Gateway Determination to finalise the planning proposal in accordance with the conditions imposed on the Gateway Determination, and make the Local Environmental Plan giving effect to the Planning Proposal.




If approved by Council, the Plan will be made by the Director Community, Planning and Environment under delegation and published on the NSW legislation website.

Financial and Economic Implications

Lot 4 and Lot 2 if rezoned, may be re-categorised for rating purposes.

Future redevelopment of the sites if proposed, will be at the cost of the landowner/developer. The provision of new or upgraded utilities such as water and sewer infrastructure to facilitate new development will be paid for by the land/owner developer. Developer contributions and water and sewer charges may be applied at the time.

Attachments

1.  Attachment A - Submission Summary
2.  Attachment B - Gateway Determination
3.  Attachment C - Planning Proposal

Item: 13.06

Subject: POST EXHIBITION REPORT - PLANNING PROPOSAL PP-2021-6399 BLACKWOOD STREET, PORT MACQUARIE.

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

1. Note the submissions received during public exhibition of the Planning Proposal (PP) - Blackwood Street, Port Macquarie.
2. Note the Gateway Alteration request (Attachment C) submitted to the Department of Planning and Environment on 17 November 2022.
3. Note the updated provisional Koala Plan of Management prepared by the proponent and submitted 22 November 2022 (Attachment B).
4. Note the additional capacity demand (up to 72+ equivalent persons) on the Port Macquarie Waste Water Treatment Plant, which is known and modelled demand consistent with Council's decision at the Ordinary Council Meeting held on 18 August 2022.
5. Note that under the NSW Government *Local Environmental Plan Making Guideline (September 2022)*, Council must comply with the timeframes set by the NSW Government for completing the Planning Proposal.
6. As a result of the consideration of submissions, and Government agency responses:
 - a) endorse the updated provisional Koala Plan of Management, and forward the plan to the Minister for Planning and Minister for Homes for approval;
 - b) endorse the Planning Proposal as publicly exhibited (Attachment D) under section 3.35 of the Environmental Planning & Assessment Act 1979 in relation to Lot 497 DP1258597, Blackwood Street, and
 - c) take the necessary steps under Section 3.36 of the Environmental Planning and Assessment Act 1979 to finalise Port Macquarie-Hastings Local Environmental Plan 2011 (Map Amendment) to give effect to the revised Planning Proposal, and
 - d) request the Minister as the LPMA for the Planning Proposal, to make the plan.
7. Delegate authority to the Chief Executive Officer to make inconsequential or minor administrative amendments to the Planning Proposal prior to forwarding it to the Department for finalisation.
8. Notify Council's decision to all persons who made a submission.

Executive Summary

This report provides a summary and consideration of submissions received following public exhibition of a site-specific Planning Proposal to rezone privately owned rural land at Blackwood Street, Port Macquarie. The "Port Macquarie-Hastings Local Environmental Plan (LEP) 2011 (Amendment No 57) - Blackwood Street Extension" Planning Proposal seeks to rezone part Lot 499 DP1258597 from RU1 Primary Production to part R1 General Residential and part C2 Environmental Conservation.

The intended outcome of the planning proposal is to facilitate future housing on a small area of land off Blackwood Street and conserve surrounding areas of high environmental value within Lot 499 DP1258597 for conservation purposes.

Council Staff have worked with the proponent and agencies to progress the Planning Proposal through to completion by 15 December 2022 consistent with the requirements of the NSW Government Gateway Determination issued in December 2022. However, the timeframe for completion of the planning proposal as required by the Gateway Determination is unable to be achieved.

Council has formally requested a three (3) month extension of the timeframe for completion of the planning proposal (Attachment C) from the Department of Planning and Environment. If granted, the amended timeframe for completion would be 15 March 2023. At the time of writing of the report, Council had been requested by the Department to provide a detailed schedule of the tasks and dates that show how Council will be able to meet a new completion date (if approved) of 15 March 2023.

Completion of the planning proposal is dependent on satisfying the terms of the Government Gateway granted in relation to the proposed rezoning, including an approved Koala Plan of Management (KPOM). The proponent has recently submitted draft amendments to their KPOM for consideration. This report considers the amendments and outlines the necessary steps to finalising a KPOM in relation to Lot 499 DP1258597.

The report documents feedback raised in submissions to the draft planning proposal that was publicly exhibited for minimum 28 days from 31 May 2022 to 30 June 2022.

Seven (7) submissions from (6) respondents, and four (4) submissions from State agencies were received in response to consultation and the public exhibition.

A range of issues were raised in response to the public exhibition including submissions both in support and opposed to the Planning Proposal. Those opposed to the proposal raised concerns including increased traffic movements on the local road network; changes to local character and local amenity; pedestrian and cyclist safety; increased on-road parking; increased delays at the John Oxley Drive/Oxley Highway roundabout; and loss of Koala habitat and local biodiversity.

Council staff have worked internally with Council's Traffic Engineers, Natural Resources Team, and the relevant Government agencies including the Department of Planning, the Department of Planning Industry and Environment - Biodiversity Conservation Division (BCD), Transport for NSW (TfNSW), the Department of Primary Industries (DPI) Agriculture, and the NSW Rural Fire Service (RFS) to address their requirements for finalising the planning proposal.

The matters raised by the RFS, TfNSW, and DPI Agriculture in their responses to public exhibition have generally been addressed. The matters raised by the BCD and Council's Natural Resource Management Team in relation to conservation of high environmental value land, completion of a satisfactory Koala Plan of Management (KPOM) for the rezoned area, and rezoning of the balance of the balance of rural land within Lot 499 have not been able to be resolved to their satisfaction, however there is sufficient merit to warrant the PP progressing.

It is also noted that the matters relating to servicing of sewerage infrastructure for future housing in the planned urban area is implicated by Council's resolution 18 August 2022 to not proceed with rezonings resulting in additional loading on the Port Macquarie Waste Water Treatment Plant pending completion of design and upgrade works. The report notes that this work is some years away from completion. However, in the preparation of the August report the subject site and its waste water servicing needs were accounted for as it had been a long standing request and staff determined that this PP would not be impacted by the capacity limitations identified in the report.

A summary of community submissions and responses is at Attachment A, and the key issues raised are discussed in this report together with agencies responses. No change to the Draft LEP Maps Land Zoning (LZN); Minimum Lot Size (LSZ); Height of Building (HOB); and Floor Space Ratio (FSR) is proposed in response to submissions received to the public exhibition. The updated Koala Plan of Management (Attachment B) must be approved prior to completion of a local environmental plan in relation to the subject land.

Port Macquarie-Hastings Council has sought an alternation to the Gateway Determination issued by the Department of Planning and Environment (DPE) in relation to the planning proposal to extend the timeframe for completion from 15 December 2022 to 15 March 2023 (Attachment C). The purpose being to allow finalisation of a Koala Plan of Management in relation to the site prior to rezoning.

The planning proposal will facilitate future urban housing while protecting and conserving important high environmental value (HEV) land in an appropriate conservation zone under Port Macquarie-Hastings Local Environmental Plan 2011.

The report recommends that Council endorse:

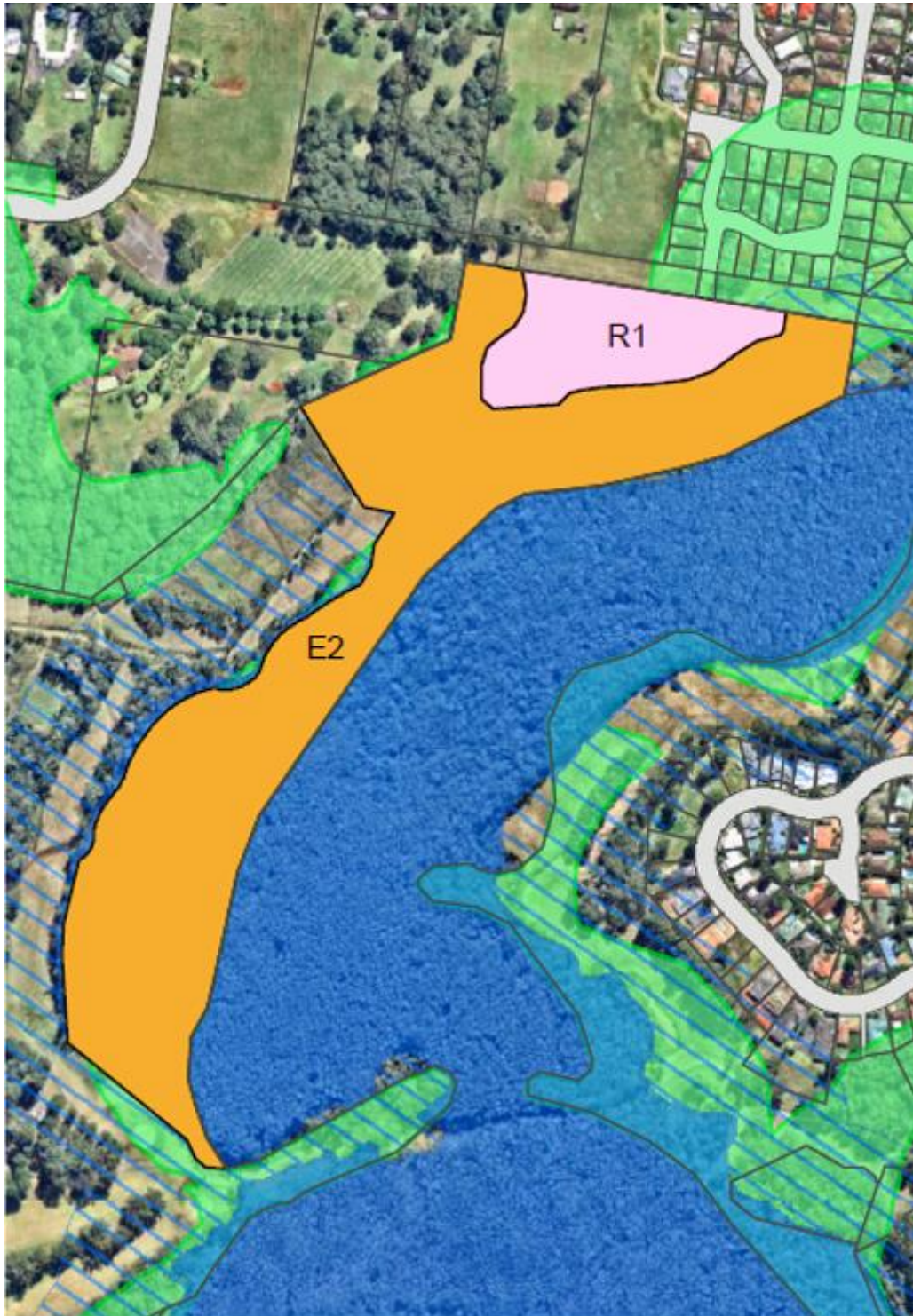
- The Planning Proposal (as exhibited) and updated provisional KPOM received 22 November 2022;
- Forwarding the necessary documentation to the NSW Government Department of Planning and Environment for approval; and
- Exercise the legislative functions necessary to request the Minister to finalise an amendment to *Port Macquarie-Hastings Local Environmental Plan (LEP) 2011* (Amendment No. 57) pending a revised Gateway, to give effect to the Planning Proposal.

Discussion

Council decision to prepare a Planning Proposal

Port Macquarie-Hastings Council endorsed a conceptual zoning layout and commencement of planning investigations for part Lot 499 DP 1258597 to determine its suitability for rezoning at its Ordinary Council meeting held on 15 September 2021. The

conceptual zone layout adopted by Council in September 2021 followed long running negotiations with the landowner and proponent towards an acceptable and agreed urban footprint. The conceptual zone layout adopted by Council is shown in Figure 1 below.



The Planning Proposal

The planning Proposal represents Council's position in relation to rezoning of part Lot 499. The intended outcome is to update the *Port Macquarie-Hastings Local*

Environmental Plan (LEP) 2011 to rezone part of Lot 499 DP1258597 at Blackwood Street, Port Macquarie for residential and environmental conservation purposes and amend the related development standards for height of building, floor space ratio, and minimum lot size for subdivision.

The objectives of the Planning Proposal are to set new rules for land zone, lot size, height of buildings, and floor space ratio for Part Lot 499 DP1258597 to achieve the Council intentions for the site:

The proposal involves amendments to the following Port Macquarie-Hastings Council LEP maps:

1. **(LZN) Land Zoning** to amend the Land Zoning map for part Lot 499 DP1258597:
 - a. to effect a change of zone from part RU1 Primary Production to part R1 General Residential and part C2 Environmental Conservation;
2. **(LSZ) Lot Size** in relation to land proposed to be zoned R1 General Residential:
 - a. to impose a minimum Subdivision Lot Size (LSZ) of 450sqm.
3. **(HOB) Height of Building** in relation to land proposed to be zoned R1 General Residential:
 - a. to impose a maximum Height of Building of 8.5m.
4. **(FSR) Floor Space Ratio** in relation to land proposed to be zoned R1 General Residential:
 - a. Lot 516 to impose a maximum Floor Space Ratio of 0.65:1.
5. **(KHA) Koala Habitat** to retain application of the LEP Koala Habitat Map to land to be zoned R1 General Residential and C2 Environmental Conservation.

Council's adopted zone concept provides conservation outcomes for the community and a development outcome for the landowner broadly consistent with:

- Endorsed urban expansion in the area (Council and state agency).
- Protection of Native Guava, a *Serious and Irreversible Impact Species (SIIIS)*, under the *Biodiversity Conservation Act, 2016*,
- Environmental protection of core Koala Habitat (*State Environmental Planning Policy (SEPP) Koala Habitat Protection*) 2020.
- Environmental Protection of Coastal Wetlands and Proximity areas on private land under the Coastal Wetlands (*State Environmental Planning Policy (SEPP) (Coastal Management)* 2018.)

Gateway Determination

The Department of Planning, Industry and Environment granted a conditional Gateway Determination 15 December 2021 allowing the Planning Proposal process to proceed to public exhibition. The timeframe set for completing the LEP is 12 months following the date of the Gateway Determination, or 15 December 2022. Conditional matters are:

1. *Prior to community consultation, the planning proposal is to be updated to:*
 - (a) *include supporting documents and studies that accurately reflect the revised zoning layout; and*

- (b) replace all references to E2 Environmental Conservation zone with C2 Environmental Conservation.
2. Public exhibition is required under section 3.34(2)(c) and schedule 1 clause 4 of the Act as follows:
 - (a) the planning proposal must be made publicly available for a minimum of 28 days; and
 - (b) the planning proposal authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in section 6.5.2 of A guide to preparing local environmental plans (Department of Planning and Environment, 2018).
 3. Consultation is required with the following public authorities/organisations under section 3.34(2)(d) of the Act and/or to comply with the requirements of relevant section 9.1 Directions:
 - Natural Resource Access Regulator
 - NSW Rural Fire Service
 - Department of Planning, Industry and Environment - Biodiversity and Conservation Division
 - Transport for NSW
 - Department of Primary Industries - Agriculture

Each public authority/organisation is to be provided with a copy of the planning proposal and any relevant supporting material and given at least 21 days to comment on the proposal.
 4. Prior to finalisation of the plan an approved Koala Plan of Management is to be completed to support the proposal.
 5. A public hearing is not required to be held into the matter by any person or body under section 3.34(2)(e) of the Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).
 6. The time frame for completing the LEP is to be 12 months following the date of the Gateway determination.

A copy of the Gateway Determination dated 15 day of December 2021 is provided in Attachment E of this report.

Koala Plan of Management

State Environmental Planning Policy (Biodiversity & Conservation) 2021 Chapter 3 Koala Habitat Protection 2020 applies. Under the SEPP the updated provisional KPOM must be considered and approved by both Council and the Department before the land can be formally rezoned for it to have effect. To ensure compliance with the SEPP, the Department included the following condition in the Government Gateway granted 15 December 2021:

- “4. Prior to finalisation of the plan an approved Koala Plan of Management is to be completed to support the proposal.”*

Council has been working with the proponent on updates to the exhibited KPOM in the lead up to this report. A final offer of a KPOM was provided to Council on 22 November 2022 with a request that the plan be endorsed at the Ordinary Meeting of Council on 8 December 2022 and forwarded to the Minister for a final decision.

The BCD and Council's Natural Resources Management Team have raised concern with the submitted KPOM, noting that it is inappropriate to exclude the balance of the primary production zone within Lot 499, particularly where HEV exists (Lot 499 DP1258597 is mapped as containing Potential High Environmental Values in the North Coast Regional Plan and Biodiversity Values as mapped on the Biodiversity Values Map). Other concerns include limitations on the jurisdiction and application of the plan, consideration of impacts only to within 100m of the planned R1 General Residential area, and an expectation for broader spatial distribution of offset plantings to facilitate safe movement of Koala to and from the Lake Innes Nature Reserve (LINR), not just a single line of trees.

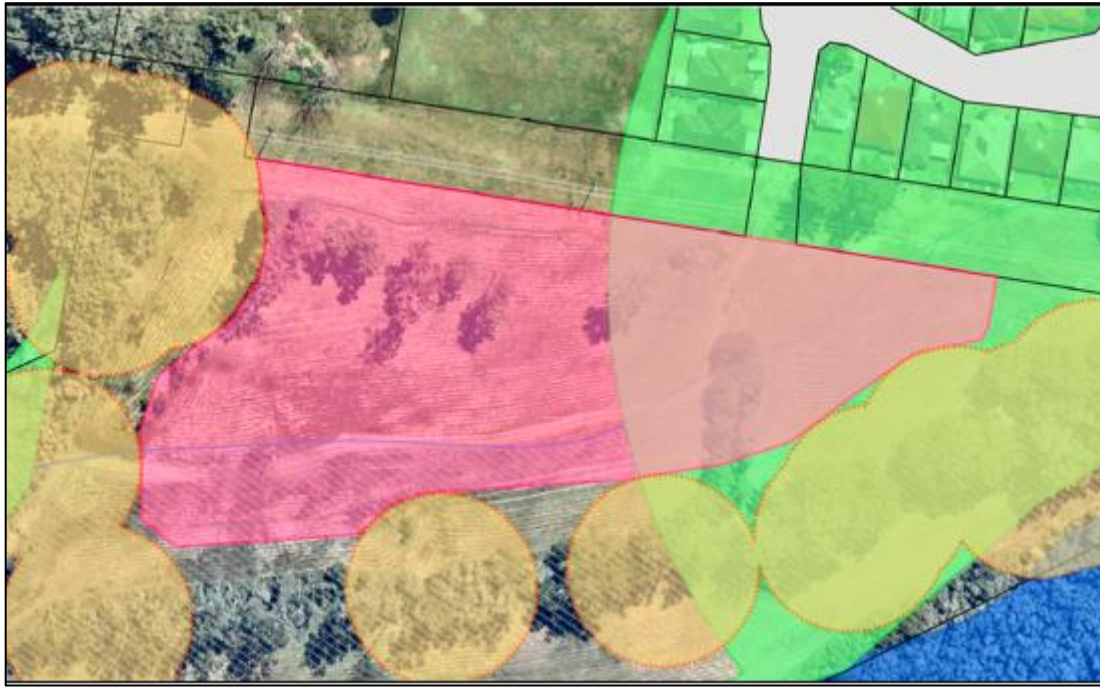
To progress the Planning Proposal to completion, Council has required amendments to the draft plan, and proposed to retain the existing Koala Habitat Map over the proposed development area (R1 General Residential) and over the balance of Lot 499 to ensure consideration at the time of future Development Applications of all relevant KPOMS. Whilst some of the issues raised by the BCD and Council's NRM staff remain unresolved, the updated KPOM is considered broadly satisfactory for Council endorsement.

Serious and Irreversible Impact Species (S/I/S) (Biodiversity Conservation Act, 2016).

The concept of serious and irreversible impacts is fundamentally about protecting threatened entities that are most at risk of extinction from potential development, and that there are some types of serious and irreversible impacts that the community expects will not occur unless outweighed by the social and economic benefits that the development will deliver to the State. An approval authority (ie Council) must not grant approval if they determine the proposal is likely to have a serious and irreversible impact on biodiversity values. Decisions must be made in accordance with principles set out in clause 6.7 of the *Biodiversity Conservation Regulation 2017*.

Rhodomyrtus psidioide (Native guava) has been listed as a critically endangered species under the *Biodiversity Conservation Act, 2016*, and is identified within the proposed investigation area.

The proposed zoning layout and containment of the future permitter road for the urban subdivision wholly with the R1 General Residential zoning as discussed in the report provides for legislated buffers (30m) to identified SIIS on site, and will negate the need for further studies and a decision to be made under Clause 6.7 of the *Biodiversity Conservation Regulation 2017*.



NSW Public Open Space Legacy Program 2020 Grant

Council received funding under the Legacy Program provided performance improvements can be achieved between 1 September 2020 and 30 June 2021. This matter was nominated for completion in Council's formal Participation Agreement with the NSW Department of Planning Industry and Environment under the Program. Under the agreement the Planning Proposal was required to be completed by 30 June 2021, however due to additional information requirements, this timeframe was compromised.

Alteration of Gateway Determination

It has not been possible to finalise the Planning Proposal within the timeframe set by the above Gateway Determination, and Council has sought a Gateway Alteration via the NSW Planning Portal to extend the timeframe for completion to 15 March 2023. A copy of Council's request for a Gateway Alteration is provided as Attachment C of the report.

At the time of writing of the report, the Department of Planning and Environment had not granted an alteration to the Gateway Determination.

Wastewater Treatment Plant Capacities

At the Ordinary Meeting held on 18 August 2022, Council considered a report regarding waste water treatment capacities which recommended that Council not proceed with any further rezoning of land resulting in increases in sewage loading within the catchments of the Port Macquarie, Kew / Kendall and Wauchope WwTPs until such time as all approvals and design works are in place for the respective upgrades.

After considering the report, Council resolved as follows:

RESOLVED: Pinson/Intemann

That Council:

- 1. Note the capacity issues of the Port Macquarie-Hastings Sewerage Schemes, as outlined in this report.*
- 2. Note that a Process Capacity Review and Optimisation Study for the Port Macquarie Wastewater Treatment Plant has been commissioned.*
- 3. Continue to implement Council's strategic planning program, including a) Complete the higher order strategies that will be used to complement and inform the Blueprint; b) Continue to progress the strategic land use planning actions identified in the Urban Growth Management Strategy – Background and Next Steps c) Continue to progress the 33 Housing Actions, Economic Development Actions and Making It Happen Actions included in the Urban Growth Management Strategy. d) Continue to progress those Planning Proposals reported to Council in Item 14.02 Update On Site Specific Planning Proposal Requests – BiAnnual Report at the Ordinary Council meeting 16 June 2022;*
- 4. Not proceed past Stage 6 Finalisation Stage of the Planning Proposal process for any existing or new Planning Proposals that will increase the loading to the Port Macquarie, Kew / Kendall and Wauchope Wastewater Treatment Plants until such time as all design work is complete and approvals are in place for the respective upgrades.*
- 5. Request the Chief Executive Officer to investigate additional resources to support Council's strategic planning team in Implementation of the strategic planning program outlined above.*
- 6. Request the Chief Executive Officer to provide a report to Council in November 2022 regarding Council's approach to Planning Proposal Assessment in response to the issues identified above and include in the report, details regarding the following; a) How much vacant residential land can be developed under the current zoning(s) b) Based on current (and past) growth, when is this projected to be exhausted c) Reaffirm the trigger points at which rezoning applications could proceed*
- 7. Request the Chief Executive Officer to provide a further report to Council regarding Council's approach to finalising Planning Proposals in the Port Macquarie/Thrumster Sewerage Scheme catchment once the outcomes identified in 2 (above) are known.*

As an existing and long standing Planning Proposal request that will increase the loading for the Port Macquarie Waste Water Treatment Plant, and consistent with Item 3.d of the above resolution, staff have continued to process this planning proposal towards completion.

Based on the proposed minimum lot size, and assuming a perimeter road within the R1 General Residential zoning and low density outcomes, this report notes a provisional ET loading of between 12 - 18 ET for the proposed 2-hectare urban footprint, or 12-18 dwellings. This equates to an additional load of up to 72+ equivalent persons (or 96+ equivalent persons for medium density outcomes). As noted under the Planning and Policy section of the report, Council is unable to 'hold' the Planning Proposal at Stage 6. A decision is required now as to whether to finalise the proposal, or not.

If endorsed for completion, and subject to a revised Gateway Determination granting additional time, the Planning proposal and adopted KPOM will be forwarded to the Department of Planning and Environment for completion.

Consultation and Public Exhibition

The Gateway determination required an exhibition period of 28 days. The proposal was publicly exhibited by Council via the NSW Planning Portal for minimum 28 days, from 31/05/2022 to 30/06/2022.

Council received 10 submissions during the consultation period; comprising six submissions from 5 community responders and four agency submissions. The table below summarises the submissions received.

Stakeholder	Planning Proposal	Support/Object
Total Submissions	9	
Landowners/Local Community	4	Object
Community organisations/Local businesses	Nil	
Developers/Planning Consultants	1	Conditional support.
Agencies and public authorities	4	Conditional support.

Engagement during the public exhibition period included consultation with public authorities and agencies, a dedicated Have Your Say web platform link to the NSW Planning Portal, hard copies at Council's office in Port Macquarie, and written advice to adjoining and adjacent landowners in proximity to the proposed development area.

Public Authorities included the NSW Rural Fire Service, the Department of Planning Industry and Environment, the Biodiversity Conservation Division, Transport for NSW, and the Natural Resources Access Regulator as the regulator for water laws in NSW.

Participation in response to the public exhibition was as follows:

- 2 individual submissions were received, via the NSW planning Portal
- 4 individual submissions were received via Council or Councilors email
- 4 submissions from public authorities and agencies.

The exhibited Planning Proposal is at Attachment D to this report.

4 submissions were made by state agencies including the NSW Biodiversity Conservation Division, the NSW Rural Fire Service, Transport for NSW (TfNSW), Departmental Primary Industries, (Agriculture) and the Department of Planning and Environment (DPE). There was no response to consultation with the Natural Resource Regulator in relation to the adjoining Lake Innes Nature Reserve.

Two (2) submissions were made in support, or partial support for certain aspects of the proposal of the Planning Proposal, while four (4) opposed the proposal.

Copies of the submissions have been provided under separate cover for the information of Councillors. A summary of the submissions received during the public exhibition is provided at **Attachment A**.

Key Issues*State agency submissions*

There are no unresolved matters as a result of consultation with the NSW Rural Fire Service (RFS), the Department of Primary Industries DPI (Ag), and Transport for NSW (TfNSW).

The NSW Rural Fire Service (RFS) in their response, set requirements for future residential subdivision development which are very specific in this instance given the significant bush fire threat from un-managed vegetation to the south (National Park). They are:

- compliance with the requirements of Planning for Bush Fire Protection guidelines;
- all future bush fire prevention measures and a perimeter road must be provided within the residential land use zone at the subdivision layout design.

The Department of Primary Industries (NSW DPI) concluded no further requirements for this proposal, noting that notwithstanding that part of the subject land has been identified as state significant agricultural land on the preliminary Draft State Significant Agricultural Land (SSAL) Map;

- the development history of the land and the strategic planning framework that applies to the site pre-dates the draft SSAL Map.
- that part of the land proposed to be zoned R1 General Residential is included in an Investigation Area – Urban Land, and within the urban growth area boundary for Port Macquarie identified by the North Coast Regional Plan 2036;
- that the land is bounded by existing residential and conservation land uses and there are no commercial agricultural operations in the near vicinity.

Transport for NSW (TfNSW), reviewed the application and noted that there was no technical assessment from the proponent to identify and evaluate the uplift in traffic and transport demand arising from the rezoning from rural to residential.

TfNSW noted that Council should be satisfied that the surrounding road network has available capacity to support additional traffic and transport demands generated by the proposed uplift in zoning. Any additional peak hourly demands directed towards John Oxley Drive and the Oxley Highway will be relevant to considering the cumulative demand of other Planning Proposals, including the Port Macquarie Health and Education Precinct. Consideration should be given to the need for extension of any existing active transport facilities and/or public transport services.

Council notes the further advice from TfNSW in relation to cumulative demands of this and future planning proposals, and active and public transport services. While the Planning Proposal will result in additional local and classified road network traffic movements, it is limited. Importantly, a decision to allow the planning proposal to proceed to finalisation is based on completion of the current limited urban release and no further urban development within Lot 499 DP1258597, or the broader South Linfield area.

Council support for the planning proposal assumes the 2ha R1 General Residential release area will be small scale, in keeping with the natural character and liveability of the area, and without significant increases in traffic movements through Annabella

Downs. A perimeter road and no further expansion of the road network within Lot 499 DP1258597 is also assumed.

Further north, an extension of Annabella Drive will link the developing South Linfield Precinct, and a collector road link to John Oxley Drive as per the associated DCP provisions for South Lindfield.

The Biodiversity and Conservation Division (BCD) of the Department of Planning Industry and Environment commented in respect of the BCD areas of responsibility and on behalf of the National Parks and Wildlife Service (NPWS) estate.

Unresolved concerns, including mapping of local koala linkages east-west, and north-south, together with clarification of the timetable for koala surveys, and an updated estimate distribution and abundance of koala following the 2019/2020 bushfires have generally been addressed in an updated Koala Plan of Management provided to Council on 22 November 2022.

A Vegetation Management Plan (VMP) to guide the protection, management and exclusion of public access (incl. roads) within the C2 Environmental Conservation zoning has not been finalised. While a draft VMP document was submitted to Council on 22 November 2022, there has not been time for relevant Council and or BCD staff to review and assess its adequacy at the time of writing of this report. A completed VMP is recommended prior to finalisation of the Planning Proposal, if granted an extension of time.

Community Submissions

The key feedback from the public received through the public exhibition process focused on resident concerns relating to the impact of increased housing development in the area.

Resident respondents expressed concern that the proposal will if approved, completely change the character and livability of their area, resulting in negative impacts on residential amenity, local road networks, the Lake Innes Nature Reserve, and the safety of future residents given the proximity and exposure of the subject area to natural hazards such as bushfire and local inundation.

In recommending that the Planning Proposal proceed in 2021, Council noted that there was an effective barrier to the west, south and east provided by the proposed environmental conservation zone. The primary aim of this conservation zone being to protect and conserve important environmental values in the area.

It is also an important planning mechanism for ensuring that any new housing development in the 2ha R1 General Residential release area, will be small scale, in keeping with the natural character and livability of the area, and without significant increases in traffic movements through Annabella Downs.

In relation to traffic, the rezoning in itself will not generate additional traffic.

Future development will generate additional traffic on Blackwood Street as the intended access point to the proposed 2ha urban area. Our assumptions are that a perimeter loop road off Blackwood Street is necessary to satisfy the NSW Rural Fire Service requirements for new subdivisions under Planning for Bushfire Protection 2019, and the protect important environmental values, including core koala habitat

and Serious and Irreversible Impact Species.

A comprehensive traffic impact assessment will be required to confirm traffic related matters at the time of any future development application/s (DAs) for subdivision or housing on the land. A DA for housing and/or subdivision cannot be approved until after completion of the Koala Plan of Management and the rezoning (Planning Proposal) process.

Options

The following options are available to Council:

1. Not proceed with the Planning Proposal.
2. Endorse the updated Koala Plan of Management November 2022 and the Planning Proposal as exhibited, and refer to the Department of Planning and Environment for approval.
3. Defer a decision on the Planning Proposal pending further work and/or review with Lot 499 DP 11258597 landowner, or other alternative action.

Option 2 is the recommended option for the reasons discussed in the report.

Option 3 to not proceed would preserve the status quo by retaining a primary production zoning of the areas included in the Planning Proposal. The current unsuitable zoning on the balance of Lot 499 not included in the Planning Proposal, while unsuitable, would be preserved having regard for location, ownership and future management of the area.

Community Engagement and Internal Consultation

Consistent with the requirements of the Gateway Determination and Council's *Community Participation Plan 2019*, the Planning Proposal was exhibited for 28 days from 31 May 2022 to 30 June 2021.

Public Authority consultation was carried out with the following agencies consistent with the DPIE's Gateway Determination, with each authority or organisation given at least 21 days to comment on the proposal:

- The Natural Resource Regulator
- The NSW Rural Fire Service
- The Department of Planning, Industry and Environment - Biodiversity and Conservation Division
- Transport for NSW
- The Department of Primary Industries - Agriculture

As part of the exhibition, community engagement was promoted through:

- Notices on Council's Public Notices web page
- Hard copies at Council's Port Macquarie Customer Services Centre
- Council's 'Have your Say' web page
- The NSW Planning Portal

Written advice about the exhibition was provided to:

- Adjoining and adjacent landowners in proximity to Lot 499 DP1258597.
- The Port Macquarie Crematorium (as adjoining owners).
- The key matters identified in the submissions have been considered in the *Key Issues* section of this report. All individuals/groups and agencies that made a submission have been notified of this matter being reported to Council.

Throughout the planning process, internal consultation in relation to the proposal has occurred with a range of staff from across the organisation including Utilities Planning and Design, Community Infrastructure, Environment and Regulatory Services, Development Assessment, and Community.

Planning and Policy Implications

The Planning Proposal proposes a Map only LEP Amendment. It explains the intended effect of *Port Macquarie-Hastings Local Environmental Plan (LEP) 2011* (Amendment No. 57) and sets out the justification for making the plan.

The Planning Proposal is consistent with the *North Coast Regional Plan* and Port Macquarie-Hastings Council's *Strategic Planning Principles* and *Planning Priorities* as set out in *Shaping Our Future 2040 - A Local Strategic Planning Statement for Port Macquarie-Hastings*.

If made, *Port Macquarie-Hastings Local Environmental Plan 2011 (Map Amendment No. #)* will repeal and replace the current in force LEP Map sheets for land zoning, minimum lot size, floor space ratio, and height of buildings to show the change of planning controls in respects of the nominated lots.

The Minister is the Local Plan Making Authority (LPMA) for this Planning Proposal. As the LPMA, the Minister may make the LEP with or without variation in the terms the LPMA considers appropriate; not make the LEP; defer the inclusion of a matter in the proposed LEP. If the LPMA decides not to make a proposed LEP or defers the inclusion of a matter in an LEP, the LPMA may specify procedures the Council as the Planning Proposal Authority must comply with before the matter is reconsidered by the LPMA.

A public hearing has not been required to be held into the matter under section 3.34(2) of the Act.

Financial and Economic Implications

There are no direct financial and economic implications in relation to this report. If rezoned, the proposed R1 General Residential area will be re-categorised for rating purposes. Future development will be at the cost of the landowner/developer and development contributions and water and sewer charges will apply. The provision of new utilities will be at the cost of the developer.

Council will incur future maintenance costs for infrastructure transferred to Council on completion of any future subdivision for housing, such as roads/ stormwater/sewer/water networks. Bushfire liability and related infrastructure is intended to be maintained by the developer.

Attachments

1.  Attachment A - Community Submissions Summary
2.  Attachment B - Updated KPOM Nov2022
3.  Attachment C - Gateway Request
4.  Attachment D - Exhibited Planning Proposal
5.  Attachment E - Gateway Determination

Item: 13.07

Subject: POLICY REVIEW - CLIMATE CHANGE RESPONSE POLICY - POST PUBLIC EXHIBITION

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

4.2.2 Promote strategies to mitigate climate change.

RECOMMENDATION

That Council:

- 1. Note the submissions and feedback relating to the draft Climate Change Response Policy received during public exhibition period**
- 2. Adopt the revised draft Climate Change Response Policy**
- 3. Thank those people who provided feedback during public exhibition period and advise on the outcome of Council's consideration of this matter**

Executive Summary

The Climate Change Response Policy was initially adopted by Council on 13 October 2021. The draft Policy (Attachment 1) was initially put to the March 2022 Ordinary Council meeting with changes made to improve the currency of the document and remove reference to Council's rescinded climate emergency declaration. At the October 2022 Ordinary Council Meeting, Council resolved not to rescind the Climate Change Response Policy. It was further resolved to place the draft Policy on public exhibition and report submissions to the December 2022 meeting.

During the exhibition period from 24 October 2022 to 20 November 2022, the Council Have Your Say webpage for the draft Climate Change Response Policy had 262 visits and 90 downloads of the draft Policy. There were 22 Have Your Say submissions with 18 in support, three not advising a position and one against the Policy in its current form. Also a formal petition lodging strong support for the Council's decision not to rescind the Climate Change Response Policy was received, signed by 89 individuals. There were also six formal/written submissions all supporting Council not rescinding this Policy, with some suggesting more urgency and action being required. The Engagement Report (Attachment 2) details the submissions with verbatim comments and personal information removed.

Key themes commented on in the submitted responses were that:

- the Policy was important to inform future decisions of Council and a moral responsibility to future generations (22% - 6 comments)
- Council needs to address its role and responsibility in responding to Climate Change (22% - 6 comments)
- the variety of environmental impacts Climate Change causes highlights the importance of developing this policy into action (19% - 5 comments)

- some responses suggested edits to the Policy were needed (detailed in Appendix A of Attachment 2) (19% - 5 comments)
- some responses were against the rescission of the Climate Emergency Declaration and called for it to be included in the Policy (15% - 4 comments)
- the response against the Policy outlined that in its current state, the Policy does not show enough Council commitment or actions on this issue (4% - 1 comment)

Based on feedback received minor changes have been made to the draft policy to improve clarity and currency and are highlighted in Attachment 3. No material changes have been made that fundamentally change the Policy from the draft version that went on public exhibition such that it may be adopted without further public exhibition required. This report provides the details from the engagement and seeks Council to determine whether or not to adopt a revised Policy.

Discussion

The Climate Change Response Policy articulates Council's position and response to climate change. It states that Local Government has a significant role in reducing greenhouse gas emissions and adapting to the impacts of climate change. The effects of climate change have the potential to impact our natural environment, damage Council assets, cause serious disruptions to the delivery of Council services, generate unbudgeted financial impacts and affect the wellbeing of our local community and others further afield.

Background

At the Ordinary Council meeting held on 16 February 2022, Item 12.01, Council resolved to rescind the Climate Change Emergency Declaration made by the previous Council and revise the adopted Climate Change Response Policy for public exhibition as detailed below:

That Council:

1. *Rescind the 'Climate Change Emergency Declaration' that was made by Port Macquarie-Hastings Council at the March 2021 Ordinary Council Meeting.*
2. *Request the Chief Executive Officer to revise the adopted Climate Change Response Policy to reflect Item 1 above.*
3. *Request the Chief Executive Officer to provide a further report to Council outlining the proposed amendments to the policy.*
4. *Note that the revised Climate Change Response Policy with proposed amendments, will be placed on public exhibition for a period of not less than 28 days.*
5. *Request the Chief Executive Officer to provide a further report to Council outlining submissions received during the exhibition period.*

At the Ordinary Council meeting held on 17 March 2022, Item 11.09, Council resolved in item 1 of the resolution to publicly exhibit the proposal to rescind the Climate Change Response Policy and report to Council's May 2022 Ordinary Council meeting as detailed below:

That Council:

1. *Publicly exhibit for 28 days the proposal to rescind the Climate Change Response Policy with a further report to be considered by Council at the May 2022 Ordinary Council Meeting following the public exhibition period.*

At the Ordinary Council meeting on 19 May 2022 Council resolved to defer the rescission motion decision further until after the Micromex Community Satisfaction Survey response is reported to Council as detailed below:

That Council:

1. *Note the State Member for Port Macquarie's assertion (as noted in the NSW State Parliament Hansard dated Thursday, 12 May 2022, attached to this Mayoral Minute) that in part, suggests that 'the Port Macquarie Hastings community is well past debating whether Climate Change exists; and that the community is well past who is responsible' [for Climate Change].*
2. *Note there is no directive through Legislation that explicitly specifies what impacts a Council must mitigate in regard to Climate Change.*
3. *Note there is no legislative requirement for Council to have a Climate Change Response Policy.*
4. *Note there is no NSW State Government funding specifically for the resourcing of a Climate Change Response Policy.*
5. *Include in July/August of 2022, through the upcoming Micromex Community Satisfaction Survey, the specific question "Which of the following statements do you agree with? (Please indicate (a), (b) or (c)):*
 - (a) *I support Port Macquarie-Hastings Council taking the approach to allocating ratepayer money into fixing pot holes, road maintenance, stormwater infrastructure and maintenance, sewer infrastructure and maintenance and water security assets or;*
 - (b) *I support Port Macquarie-Hastings Council taking the approach to allocating ratepayer money to Climate Change initiatives; or*
 - (c) *I support Port Macquarie-Hastings Council taking the approach to allocating ratepayer money to fixing pot holes, road maintenance, stormwater infrastructure and maintenance, sewer infrastructure and maintenance and water security assets, as well as Climate Change initiatives.*
6. *Defer the decision on the rescission of Council's Climate Change Response Policy until after the Micromex Community Satisfaction Survey response is reported to Council.*
7. *Request the Chief Executive Officer provide a report to the September 2022 Council Meeting on the Micromex Community Satisfaction Survey results in conjunction with a report on the Rescission or otherwise of the Climate Change Response Policy*

At the July 2022 Ordinary Council meeting (Item 11.01) Council resolved to delay both reports until the October 2022 Ordinary Council meeting so that a (Councillor) briefing on State and Federal Government climate change priorities could be presented prior to the October meeting as detailed below:

That Council:

1. *Request the Chief Executive Officer to extend the report for Outcome of Micromex Community Satisfaction Survey from September 2022 to October 2022.*
2. *Request the Chief Executive Officer to extend the report for Policy Review – Climate Change Response Policy – post public exhibition from September 2022 to October 2022.*
3. *Note the information contained in the Status of Reports from Council Resolutions report.*
4. *Request the Chief Executive Officer to provide a briefing that includes State and Federal Government priorities in regards to climate change.*
5. *Request the Chief Executive Officer to provide an update on progress on the Joint Integrated Transport Network Plan to the August 2022 Council Meeting.*

A separate briefing paper was provided to Councillors on 11 October 2022 outlining State and Federal priorities.

At the Ordinary Council meeting held on 20 October 2022, Item 11.07, Council resolved to publicly exhibit the revised Climate Change Response Policy and report to Council's December 2022 Ordinary Council meeting as detailed below:

That Council:

1. *Note the submissions and feedback relating to the proposal to rescind the Climate Change Response Policy received during the public exhibition period*
2. *Determine not to rescind the Climate Change Response Policy*
3. *Thank those people who provided feedback during public exhibition period and advise on the outcome of Council's consideration of this matter*
4. *Adopt the revised Climate Change Response Policy for the purposes of public exhibition for a period of not less than 28 days*
5. *Request that a further report be tabled at the December 2022 meeting of Council, detailing any submissions received from the public during the exhibition period.*

Public Exhibition

Council's decision to exhibit the draft Policy was to provide an opportunity for community feedback, with all submissions received to be considered. This engagement was targeted at our whole community using a variety of different channels and methods.

The Public Exhibition period went from Monday 24 October 2022 until Sunday 20 November 2022. The draft Climate Change Response Policy was placed on Council's Have Your Say portal. The community was asked to view the draft Policy and its changes, and provide any feedback through our Have Your Say submission form, or via email/post to Council. Respondents were also provided the opportunity to upload any supporting documents or images. Promotion was provided via Council E-newsletters, posters and social media.

An Engagement Report was produced (Attachment 2) outlining that Council's engagement webpage had 262 visits and 90 document downloads during the exhibition period. There were 22 Have Your Say submissions with 18 in support, three not advising a position and one against the Policy in its current form.

Key themes commented on in responses were:

Theme	No. of comments (%)	Feedback
Future generations/decisions	22% - 6 comments	Responses outline that the revised draft Policy was an important step to inform future decisions of Council and a moral responsibility to future generations. <i>"The proposed policy will help set a sound strategic direction and provides a good basis for future council decisions"</i>
Council responsibility	22% - 6 comments	That Council needs to address its role and responsibility in responding to Climate Change. <i>"Council must act responsibly and accept the part it has to play in acknowledging and protecting our local environment."</i>
Environmental impacts	19% - 5 comments	Responses outline the variety of environmental impacts Climate Change causes and the important of developing this policy. <i>"It is now well-established that these extreme weather events are exacerbated by our changing climate, and we need to act now to adapt and be more resilient..."</i>
Suggested edits	19% - 5 comments	Some responses included suggested edits to the Policy. Please view Appendix A.
Declare Climate Emergency	15% - 4 comments	Some responses were against the rescission of the Climate Emergency Declaration and called for it to be included in the Policy. <i>"I strongly urge Council to reinstate the Climate Emergency Declaration and language around the acknowledgment of the crisis in its statement."</i>
No Council commitment/action	4% - 1 comment	The responses against the Policy outlined that, in its current state, the policy does not show enough Council commitment or actions on this issue. <i>"The draft policy is too open-ended giving the Council too much power to decide what they think are acceptable policies for taking action."</i>

A formal petition outlining strong support for the Council's decision not to rescind the Climate Change Response Policy was received, signed by 89 individuals.

There were also six formal/written submissions all supporting Council not rescinding this Policy, with some suggesting more urgency and action being required. All responses were in support of the draft Policy and their feedback is summarised below:

Theme	Feedback
Climate Emergency Declaration	<p>Respondents emphasised the need to reinstate the Climate Emergency Declaration in this Policy.</p> <p><i>"The deletion of two paragraphs from the original Policy Statement, page 1, referencing Climate Emergency Declaration, seriously compromises the integrity of the whole policy, undermines its intentions, and need to be reinstated."</i></p>
Environmental Impacts	<p>Responses outline the variety of environmental impacts Climate Change causes and the important of developing this policy.</p> <p><i>"The COP 27 statements make it abundantly clear that there is little if no time for humanity to avoid the calamitous effects of climate change. Indeed, we are already experiencing them here in NSW with fire and floods."</i></p>

Overall, the majority of respondents were supportive of the draft Climate Change Response Policy. Key themes represented the community's support of this Policy for future generations to come and guide future decisions of Council. There was feedback surrounding the need for this Policy to respond to and mitigate impacts of climate change for our environment and community. Suggested updates were also provided requesting greater clarity, more action or currency updates.

The response against the Policy provided suggested edits and the inclusion of more actions before they could support the Policy.

All constructive and reasonable requests regarding the draft Policy have been incorporated into an updated draft Policy (Attachment 3) for Council to review and consider for adoption. The following amendments are highlighted in Attachment 3:

draft Policy	Updates to the draft Policy
Next review date: 13/10/2023	Next review date: remain at 2 years
the Community's Vision for Port Macquarie-Hastings as defined in the Towards 2030 Community Strategic Plan - "A sustainable high-quality of life for all" and subsequent draft Imagine 2050 Community Strategic Plan - "The most liveable, sustainable and innovative place in Australia"	the Community's Vision for Port Macquarie-Hastings as defined in the Imagine 2050 Community Strategic Plan - " <i>The most liveable, sustainable and innovative place in Australia</i> "
In 2015, Australia pledged to the Paris Agreement and adopted the UN Sustainable Development Goals. The Australian government has committed to a staged emissions reduction approach with a target of 26–28% reduction of emissions below 2005 levels by 2030. This target will be reviewed within the first period of the policy. Australia has yet to set a 2050 target.	In 2015, Australia pledged to the Paris Agreement and adopted the UN Sustainable Development Goals. In 2022 Australia updated its Nationally Determined Contribution under the Paris Agreement and legislated the nation's commitment to reduce greenhouse gas emissions by 43% below 2005 levels by 2030, and net zero by 2050.
In 2016, the NSW Government endorsed the Paris Agreement and took action consistent with the level of effort to achieve Australia's commitment to the Paris Agreement through implementation of the NSW Climate Change Policy Framework. The current aspirational objectives of NSW are to achieve net-zero emissions by 2050 and cut greenhouse gas emissions by 50% on 2005 levels by 2030.	In 2016, the NSW Government endorsed the Paris Agreement and took action consistent with the level of effort to achieve Australia's commitment to the Paris Agreement through implementation of the NSW Climate Change Policy Framework. NSW is currently committed to reduce greenhouse gas emissions by 50% below 2005 levels by 2030, and net-zero emissions by 2050.
In 2016, the NSW Government's North Coast Regional Plan 2036 set a goal for the region to be "The most stunning environment in NSW". Direction 3 of the Regional Plan requires " <i>management of natural hazards and climate change</i> ".	In 2017, the NSW Government's North Coast Regional Plan 2036 set a goal for the region to be "The most stunning environment in NSW". Direction 3 of the Regional Plan requires " <i>management of natural hazards and climate change</i> ". The five-yearly review was undertaken following devastating bushfires and flooding events and involved consultation with councils and other stakeholders. The North Coast Regional Plan 2041 aims to build increased resilience against natural hazards into planning and direct new development away from high-risk areas prone to bushfires and flooding. The plan also aims to diversify the economy, create vibrant communities and plan for a sustainable future whilst recognise the Mid North Coast and Northern Rivers as two distinctive subregions of North Coast NSW.

<p>The Sharma v Minister for the Environment [2021] judgement in which it was held that the Federal Minister is required to consider recognised principles of environmental law, such as Ecologically Sustainable Development and the Precautionary Principle when making decisions under the EPBC Act. The judgement included the consideration that the Minister has responsibility for the environment and the interests of Australians, and must ensure a healthy environment for the benefit of future generations. The decision in Sharma is the first time in the world that a government executive in their decision making has been held to owe a duty of care to young people to prevent them from harms associated with climate change.</p>	<p>The Sharma & Others v Minister for the Environment [2021] involved eight children seeking to block a coal mine approval by establishing a duty of care by the Federal Minister for the Environment to protect young Australians from the harm of burning that coal exacerbating climate change. The Federal Court judgement established a new duty of care to avoid causing personal harm to children but declined to issue an injunction to force the Minister to block the coal mine extension. It was the first time in the world that a government executive's decision making was required to consider future generational harm from projects that exacerbate climate change. The Minister stated the ruling would be appealed and approved the proposed mine expansion with the view that amount of new coal would otherwise be sourced and burnt from other mines elsewhere. The Appeal Minister for the Environment v Sharma [2022] was heard by the Full Federal Court of Australia which unanimously overturned the primary judge's decision to impose a duty of care on the Minister. It also noted the risks and dangers from global warming and possible catastrophe that may engulf the world and humanity were never in dispute.</p>
<p>The Bushfire Survivors for Climate Action Incorporated vs NSW Environment Protection Authority [2021] judgement in which the Land and Environment Court of NSW ordered the NSW Environment Protection Authority to develop environmental quality objectives, guidelines and policies to ensure environment protection from climate change.</p>	<p>The Bushfire Survivors for Climate Action Incorporated vs NSW Environment Protection Authority [2021] judgement in which the Land and Environment Court of NSW ordered the NSW Environment Protection Authority to develop environmental quality objectives, guidelines and policies to ensure environment protection from climate change. This was the first time an Australian court had directed a government agency to take action to address climate change. It found the EPA had failed to fulfil its duty to protect the environment of NSW from the threat of climate change because none of the instruments it presented adequately provided for protection from climate change. The NSW Environment Minister confirmed there would be no appeal and accepted the landmark court ruling for the NSW Government to make the required changes.</p>

Options

Council has the option to:

1. Adopt the updated draft Climate Change Response Policy, including amendments, or
2. Retain the existing policy, or
3. Resolve in some other manner.

Community Engagement and Internal Consultation

The draft Climate Change Response Policy was initially developed in July 2021 with the former Sustainability Advisory Sub-Committee which unanimously endorsed the Policy to Council for public exhibition. During the subsequent public exhibition, 26 submissions were received which were all supportive of the Policy being adopted. Council adopted the policy in October 2021

Following Council's resolution in March 2022 to place the rescission of the Climate Change Response Policy on public exhibition, the policy was exhibited from 29 March to 6 May 2022. Council received 237 submissions and one petition from the Medical Staff Council of Port Macquarie Base Hospital with 132 signatures from doctors and allied health professionals.

The Micromex Community Satisfaction Survey results summary, focussing on climate change related responses, had majority ratings for:

- "environmental and climate impact management that protects and conserves for future generations as important/very important";
- wanting 'more investment for 'Resilient' measures; and
- "would like to see Council invest more in climate change (adaption / mitigation / responsiveness)".

Following Council's resolution in October 2022 to place the draft Climate Change Response Policy on public exhibition, the policy was exhibited from 24 October to 20 November 2022. Council received 22 submissions and one petition with 89 signatures from individuals.

All three public exhibitions were promoted to the community through the Have Your Say page webpage including online survey. Media release, e-newsletters, posters and social media promotions were also utilised.

The majority of responses during the public exhibition periods described above were supportive of Council having a Climate Change Response Policy and not supportive of Council's proposal to rescind it.

Planning and Policy Implications

The updated revised policy will replace the current adopted Climate Change Response Policy.

Council's Climate Change Risk Assessment completed in August 2020 recommended Council commit to "actively consider climate change risk assessment

results in Council's strategic and other decision making and management planning processes."




The policy will support the Federal and State Government commitment to climate change response, providing proof of strategic alignment and ability to promptly progress with projects. The policy will improve the likelihood of accessing Federal and State funding for these projects.

The Climate Change Policy will assist Council towards its 2050 Community Strategic Plan vision to be the most liveable, sustainable and innovative place in Australia.

Financial and Economic Implications

The policy will improve the likelihood of accessing Federal and State funding for Climate Change response projects.

Attachments

1.  Draft Climate Change Response Policy (March 2022)
2.  Engagement Report - Public Exhibition of revised draft Policy
3.  Draft Climate Change Response Policy with amendments (Dec 2022)

Item: 13.08

Subject: POLICY REVIEW - PLANNING PROPOSAL POLICY

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Publicly exhibit the draft Planning Proposal Policy for a period of not less than 28 days.**
- 2. Note that a further report will be tabled at a meeting of Council in April 2023, detailing any submissions received from the public during the exhibition period.**

Executive Summary

An important component of public sector governance is establishing key policies and ensuring they are clear, available, regularly updated and monitored for compliance.

The Planning Proposal Policy was adopted by Council at the Ordinary meeting 11 December 2019 and came into effect on 5 February 2020.

At that time this Policy was a new policy to inform and educate the community regarding the process and requirements for the submission of Planning Proposals to amend the Council's Local Environmental Plan (LEP).

A Planning Proposal is a document that explains the intended effect of a proposed LEP or amendment to the LEP, and sets out the justification for making that plan or amendment. Council, as a Planning Proposal Authority under the NSW *Environmental Planning and Assessment Act 1979* (EP&A Act), is required to assess and prepare planning proposals to amend the LEP.

This Planning Proposal Policy has been reviewed in accordance with Section 4(f)(ii) of this Policy and to incorporate the requirements of the Department of Planning and Environment's (DPE) new Local Environmental Plan Making Guideline (the Guideline) which came into effect on 15 December 2021.

This Policy has been revised for consideration by Council and it is recommended that this Policy as provided within **Attachment 2**, be endorsed by Council and placed on public exhibition for a minimum period of 28 days.

Discussion

The Planning Proposal Policy aims to improve efficiencies and provide consistency in the components of the plan-making process that are required by the Department Planning and Environment (DPE) or any other government departments and within the control of Council.

The content of this Policy cannot be inconsistent with the planning legislation and the Department's key guideline documents for preparing planning proposals and local environmental plans.

The review of this Policy has been undertaken in accordance with Section 4(f)(ii) of this Policy, which states as follows:

A review of the Policy within 12 months of any general election of the Council. A review of this Policy can be initiated outside of this timeframe at the discretion of the General Manager to ensure that any relevant changes to legislation or guidelines that affect Planning Proposals are incorporated into this Policy.

This Policy has been reviewed to incorporate reference to the Guideline and remove sections of the Policy that are discussed in the Guideline.

The Guideline provides a single cohesive guiding document for the rezoning process to create a transparent, faster and more certain planning system. The Guideline replaces the following DPE guidelines:

- Local Environmental Plans: A guide to preparing local environmental plans (2018); and
- Planning Proposals: A guide to preparing planning proposals (2018).

The Guideline seeks to better explain the planning proposal system to rezone land and implements new changes to improve this process. A key improvement is clearly defined process timeframe expectations to ensure timely assessment of planning proposals, while still ensuring high quality and placed based planning outcomes.

The Planning Proposal Policy has been reviewed and simplified to refer the Proponent to the DPE Guideline to ensure compliance with this document and to minimise future amendments to this Policy. The other changes to this Policy are as follows:

Current Policy	Changes Proposed to Draft Policy
Definitions	Number of definitions reduced as included in State legislation and / or the Guideline and retained definitions moved to rear of Policy.
Policy Statement	Amended and expanded to include reference to EP&A Act and the Guideline
Objectives	Amended to remove objectives that are discussed in the Guideline and inclusion of reference to the Guideline, State and local strategies to ensure compliance with these documents.

Planning Scope	Amended to include both Council staff and Proponents in relation to all planning proposal applications.
What is a Planning Proposal?	Details included within the Guideline.
What is a Planning Proposal Application?	Details included within the Guideline.
Consideration of Planning Proposal Applications	Details included within the Guideline.
Pre-Lodgement Meetings	Amended to remove details included within the Guideline.
Planning Proposal Applications - Format and Lodgement Requirements	Amended to remove details included within the Guideline and maintain Council's requirements.
Planning Proposal Application Process	Amended to remove details included within the Guideline. Figure 1 amended to reflect the requirements of the Guideline.
Ownership of the Planning Proposal	Deleted as details contained within the Guideline.
Reclassification of Public Land	Deleted as details contained within the EP&A Act and the Guideline.
Including additional land and removing land	Deleted as details contained within the Guideline.
Withdrawing a Planning Proposal Application	Deleted as details contained within Figure 1.
Grouped LEP Amendments	Deleted as details contained within the Guideline.
Proponents Risks in making a Planning Proposal Application	Amended to include reference to the EP&A Act.
Planning Proposal Application Fees	Amended to remove details included within the Guideline and maintain Council's requirements.
Responsibilities and Authorities	Amended to remove details included within the Guideline. Amended to Policy Implementation and Review to include details to ensure Policy is implemented effectively and expand requirements for when Policy is to be reviewed.
References	Deleted as the Guideline includes details of the strategic planning framework for planning proposals.
Amendments	Changed to Policy History and to include revision of Policy if adopted by Council.

The adopted Policy is included here as **Attachment 1** while the revised draft Policy is included here as **Attachment 2**.

Options

Council has the options to:

1. Adopt the draft Planning Proposal Policy for exhibition; or
2. Request or make further amendments to this Policy, noting this may delay exhibition; or
3. Not adopt the recommendation and resolve in some other fashion.

This report recommends endorsement of the draft Policy for the purposes of public exhibition as per option 1 above.

Community Engagement and Internal ConsultationCommunity Engagement

It is recommended that this Policy be placed on public exhibition for not less than 28 days.

Internal Consultation

No internal consultation was considered necessary prior to public exhibition.



Planning and Policy Implications

If ultimately adopted, this Policy will be an adopted Policy of Council.

Financial and Economic Implications

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

Attachments

1.  Existing Planning Proposal Policy Adopted 11/12/2019
2.  Draft Planning Proposal Policy

Item: 13.09

Subject: POLICY REVIEW OF CONFLICT OF INTEREST - COUNCIL-RELATED DEVELOPMENT APPLICATIONS. POST EXHIBITION REPORT.

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

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

RECOMMENDATION

That Council;

- 1. Note that no submissions were received in respect of the draft Policy**
- 2. Adopt the amendments to the Conflict of Interest Policy - Council-Related Development Applications (Attachment 1).**

Executive Summary

At the September 2022 Ordinary Meeting Council resolved:

That Council:

- 1. Endorse the draft amended Conflict of Interest Policy - Development Applications for the purpose of public exhibition.*
- 2. Proceed to public exhibition of the draft amended Conflict of Interest Policy - Development Applications for a minimum period of 28 days.*
- 3. Receive a report following completion of the exhibition period outlining any submissions received and any subsequent changes recommended to the Policy.*

Following exhibition of the draft amended policy for a period of 28 days, no submissions were received.

This report recommends that the draft amended policy (Attachment 1) be adopted by Council, with additional amendments reflecting the amended requirements of the *Environmental Planning and Assessment (Conflict of Interest) Regulation 2022*. This Regulation was released whilst Council's draft amended Policy was being exhibited. The Regulation takes effect on 3 April 2023.

Discussion

Following Council's resolution in September 2022, the draft amended Conflict of Interest Policy - Development Applications (Attachment 2) was exhibited on Council's 'Have Your Say' webpage for a period of 28 days. No submissions were received during the exhibition period.

Whilst the draft amended Policy was on exhibition, the State Government released the *Environmental Planning and Assessment (Conflict of Interest) Regulation 2022* (Attachment 3) and associated Guideline (Attachment 4). The Regulation essentially requires all Councils to have a Policy on how they manage conflicts of interest arising from Council-related development applications.

In this regard, Council is well placed given the longstanding Policy it has had in place. The Regulation does however, introduce a number of specific requirements that need to be included in Council's Policy. The requirements of the Regulation and guideline and a response to address these requirements is summarised in the table below:

Regulation/Guideline Requirement	Response
Policy must be in place by 3 April 2023	Council has an existing Policy which largely meets the Regulation. The additional amendments to the Policy, as proposed, will ensure compliance with the Regulation and can be implemented by April 2023.
Council-related applications must be exhibited for 28 days.	Draft Policy updated to reflect this requirement. Whilst not expressly outlined in the Regulation or guideline, it is not intended to consider works such as driveways in road reserves or structures/connections in drainage reserves or similar works as 'Council-related' applications.
Council-related development applications must now be accompanied by either a management strategy statement, which explains how Council will potential conflicts of interest, or a statement that Council has no management strategy for the application.	Amendments have been included in the draft Policy to address this requirement.
Council must record conflicts of interest in connection with each Council-related development application, and the measures taken to manage to conflicts, in its existing DA register.	Administration processes will be updated to account for this requirement. An example management statement template included in the draft Policy (Attachment 1)

The guideline recommends that Council also consider further measures post development consent in order to manage potential conflicts. An example of this would be processing a construction certificate for Council related development. No criteria have been specified or mandated by the State at this point in time. Post consent matters are typically more objective and quantifiable by nature. This, coupled with the significant challenges in sourcing unrestricted building certifiers in regional areas, it is not proposed to introduce any measures in the draft Policy at this stage. Management will continue to monitor projects on a case-by-case basis as a matter of normal business to determine whether any additional probity measures are required for Council related development, post consent.

Noting the mandatory nature of the other requirements set out in the Regulation it is not considered necessary to re-exhibit the draft Policy addressing these matters. The essence of the draft Policy remains the same to that which was originally exhibited.

For completeness a 'track changes' document from the original Policy is provided in **Attachment 5**.

Options

There are a number of options available Council:

1. Do nothing, leave the Policy as is.
2. Make amendments to the Policy as outlined in the report and Attachment 1.
3. Make additional amendments to the Policy outlining different criteria to manage Council's interest in relevant applications.

This report recommends Option 2 be adopted. This option satisfies the newly introduced Regulation and is considered to effectively recognise when a conflict of interest arises and sets out a process to follow in these particular circumstances.

Allowing senior staff to determine when an external consultant is engaged for the assessment of an application is considered to provide the right balance in ensuring Council appropriately manages its varying roles. Requiring all applications lodged by Council or on Council land that receive submissions to be determined by Council (excluding those required to be determined by the State) following consideration by the Development Assessment Panel (DAP), is considered to be effective criteria to manage transparency and probity. The receipt of submissions is a good indicator as to when there may be a particular sensitivity with an application and referring all such applications to Council is recommended.

Community Engagement and Internal Consultation

Internal consultation has been undertaken with Council Development Services and Governance staff. Following exhibition of the draft amended Policy for 28 days on Council's 'have Your Say' webpage, no submissions were received.

Planning and Policy Implications

As outlined in the report, Council is required to have a policy in place outlining how it manages conflicts arising from council-related development applications by April 2033. The Policy in Attachment 1 is considered to meet this requirement.

Financial and Economic Implications

There are no financial and economic implications in relation to this report based on the recommended amendments to the Policy. If Council chose to rescind the Policy, there would be a minor saving in planning consultant fees (approximately \$10K per annum). If Council made other amendments to the Policy, there could be additional financial impacts. For example, if Council required an external consultant to assess all applications Council was a party to, this would have a financial impact potentially in the order of \$50K per annum, depending on the number and type of applications lodged over the year.

Attachments

1.  Conflict of Interest Policy - Council-Related Development Applications - final draft November 2022
2.  Conflict of Interest Policy - Development Applications - Exhibited draft September 2022
3.  Environmental Planning and Assessment Amendment (Conflict of Interest) Regulation 2022
4.  Council-related Development Application Conflict of Interest Guidelines
5.  'Track Changes' version of draft Policy

Item: 13.10

Subject: ENVIRONMENTAL LAND REZONING - COUNCIL OWNED LANDS

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

4.6.1 Develop and implement a range of programs for the environmental management of lands within the local government area.

RECOMMENDATION

That Council:

- 1. Endorse the draft Planning Proposal (Attachment 1), for environmental lands prepared under section 3.33 of the Environmental Planning and Assessment Act 1979.**
- 2. Forward the draft Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination under Section 3.34 of the Environmental Planning & Assessment Act 1979, and request that the Gateway Determination authorise Council to be the local plan-making authority.**
- 3. Delegate authority to the Chief Executive Officer to make any minor updates to the Planning Proposal prior to seeking a Gateway Determination, and/or as a result of the issue of Gateway Determination.**
- 4. Receive a report following the public exhibition period on any submissions received.**

Executive Summary

The purpose of this report is to prepare a Planning Proposal to apply environmental zonings of certain Council owned land only that has been identified for environmental preservation by way of Voluntary Planning Agreements, Koala Plans of Management and/or Vegetation Management Plans. The appropriate and intended zone is C2 Environmental Conservation.

This is an important piece of work that will remove 'perceived' residential land from Council's residential land supply analysis, which will make the overall data relating to undeveloped residential land supply more accurate.

This is an administrative rezoning, which ensures appropriate zoning of public land that is to be preserved in perpetuity for environmental purposes.

This piece of work is consistent with the council staff work program and addresses Operational Plan item: NRM 16.1

(ES 2.1) - Progress made towards incorporation of all High Environmental Value (HEV) areas into Conservation Zones by 2025 (ES 1.2) - Secure the future of our

areas of high environmental value (HEV) and our threatened ecological communities and species.

This proposal includes six matters in the LEP 2011 map series and seeks to make refinements and adjustments to ensure that land is correctly zoned for its intended purposes.

The applicable Council owned properties and their intended changes are tabled below:

	Location	Lot / DP	Current Zone	New Zone	LEP Map Changes
1	Mill Hill	Lot 26 DP 1213714 Lot 318 DP 1080621	Part R1 General Residential and part RU1 Primary Production	C2 Environmental Conservation	Remove the Lot Size and Floor Space Ratio and apply the Height of Buildings map on all properties
2	Mill Hill	Lot 316 DP 1080621	RE1 Public Recreation	C2 Environmental Conservation	Remove the Floor Space Ratio and Lot Size map
	Mill Hill	Lot 119 DP 0835923 Lot 147 DP 0840675 Lot 170 DP 0855808 Lot 237 DP1009629 Lot 188 DP 0876081 Lot 210 DP 0883039 Lot 257 DP 1035161	RE1 Public Recreation	C2 Environmental Conservation	No changes
3	Peard Street	Lot 32 DP 1228142	R1 General Residential	C2 Environmental Conservation	Remove the Floor Space Ratio and Lot Size map
4	Red Ochre	Lot 27 DP 1195164 Lot 224 DP 1208821 Lot 332 DP 1232716	R1 General Residential	C2 Environmental Conservation	Remove the Floor Space Ratio and

		Lot 215 DP 1212069			Lot Size map
5	Ruins Way	Lot 1140 DP 1248153	R1 General Residential	C2 Environmental Conservation	Remove the Floor Space Ratio and Lot Size map
6	Shelly Beach	Lot 24 DP 1201683	R1 General Residential	C2 Environmental Conservation	Remove the Floor Space Ratio and Lot Size map

This report contains an overview of each of the proposed administrative, map only amendments and the Draft Planning Proposal at Attachment 1 provides detailed information, including demonstration of strategic alignment and compliance with State Environmental Planning Policy and S9.1 Ministerial Directions.

The report recommends that Council forward the Planning Proposal to the Department of Planning and Environment requesting a Gateway Determination.

Discussion

Details of the proposed amendments to LEP 2011 are provided below. They comprise of updates to LEP maps only.

Matter 1. Mill Hill - Amendment to LEP Land Zoning Map at Map Series 013D

The land in **Figures 1 and 2** forms part of a KPOM, approved under DA1999/775 and is identified as part of the wider area in **Figure 3**.



Figure 1: Lot 318 DP 1080621



Figure 2: Lot 318 DP 1080621

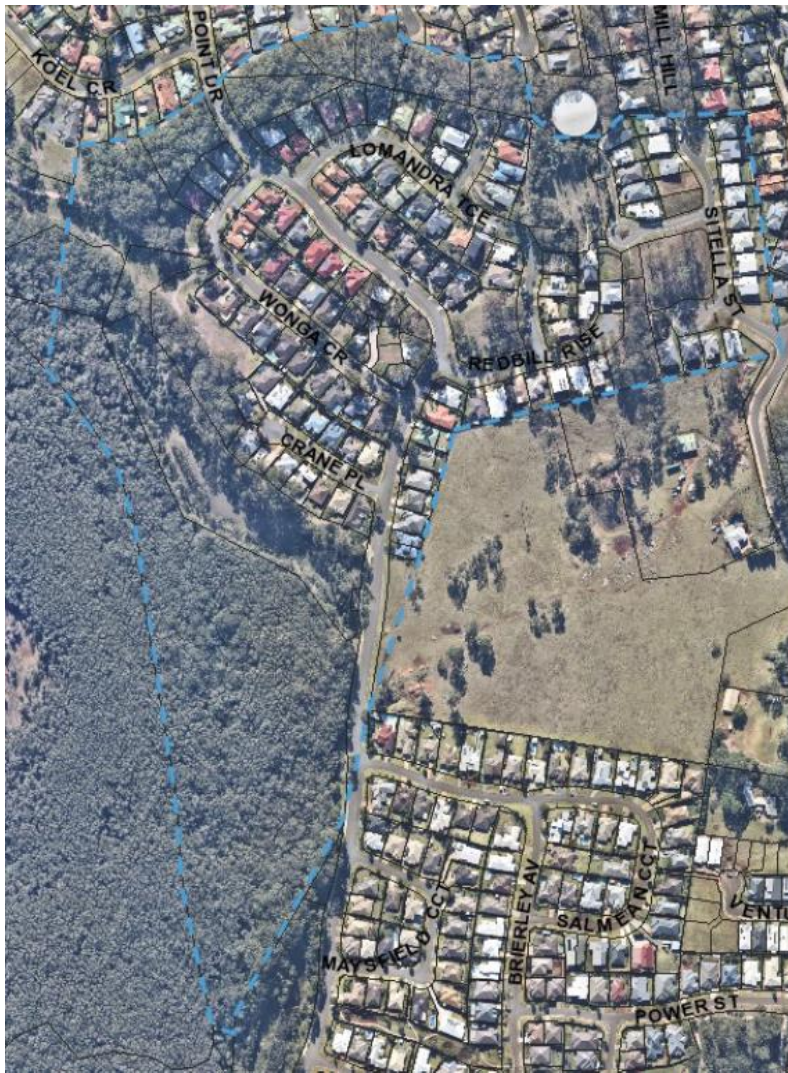


Figure 3. Area covered by Mill Hill KPOM

The KPOM identified seven vegetation communities and fauna habitats in the area, including significant land as potential and core koala habitat.

The aims and objectives of the KPOM are:

- To maintain and improve the existing koala habitat in the area;
- Minimise any impacts the development may have on the population; and
- Provide for the long-term conservation of the koala population in the area

The development that resulted in this KPOM included the subdivision of 12 hectares of the land into 91 residential blocks and three community title sites, associated infrastructure and open space. 11.8 hectares of vegetated land was retained in its current condition.

In ensuring that the development had a minimal impact on the local koala population, the KPOM provided ameliorative measures, including extending the existing reserve through the new development to link with vegetated corridor running east and north from the site (see **Figure 4**). The land was dedicated to Council to manage for environmental and community benefit.

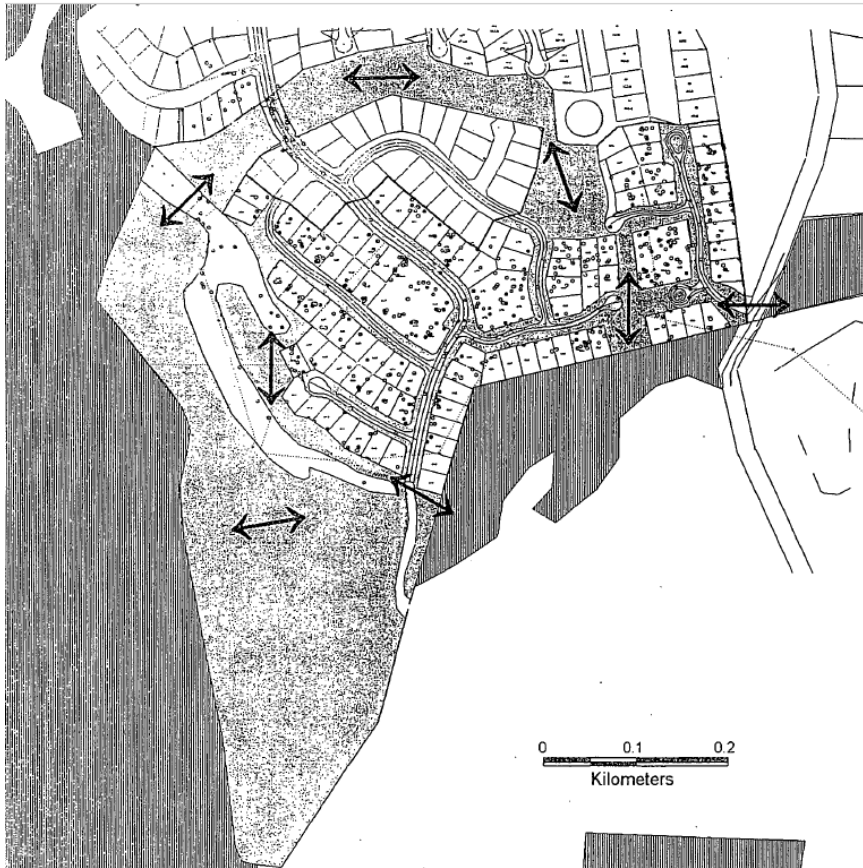


Figure 4. Open Space Areas and Koala Corridors identified in the KPoM

To ensure the protection of these environmental lands in perpetuity, they were dedicated to council as community land. The intention is to zone the subject land to C2 Environmental Conservation, consistent with the intent for the land and the objectives of the zone.

Proposal: Rezone Lot 26 DP 1213714 and Lot 318 DP 1080621 from R1 General Residential to C2 Environmental Conservation and rezone Lot 1 DP 1248244 from part R1 General Residential, part RU1 Primary Production to C2 Environmental Conservation; remove the Lot Size and Floor Space Ratio and apply the Height of Buildings map, to correspond with the zones.

Matter 2. Mill Hill - Amendment to LEP Land Zoning Map at Map Series 013D

The land in **Figures 5 - 12** forms part of the same KPoM as identified in Matter 1 above. However, the subject lands formed part of the 'existing reserve' and is therefore Council owned and zoned RE1 Public Recreation. Even so, this zone does not meet the objectives of the KPoM or provide the necessary protection afforded by the C2 Environmental zone; the intention is therefore to rezone these parcels to be consistent with the parcels identified in Matter 1.

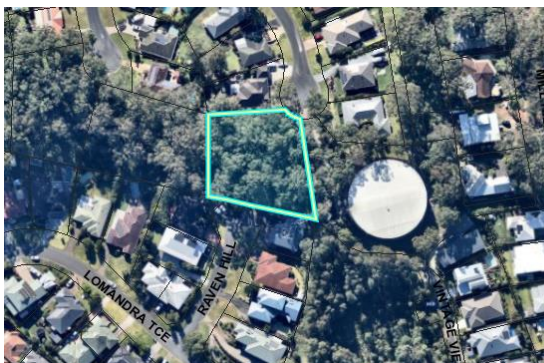


Figure 5: Lot 119 DP 0835923

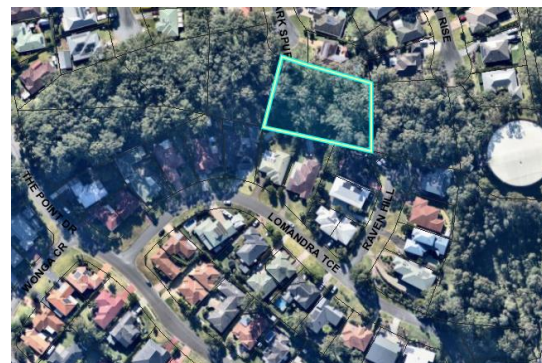


Figure 6: Lot 147 DP 0840675

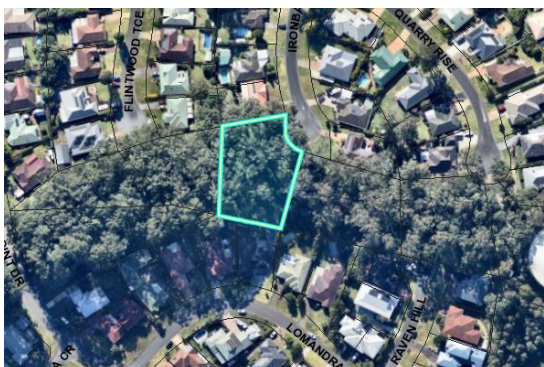


Figure 7: Lot 170 DP 0855808

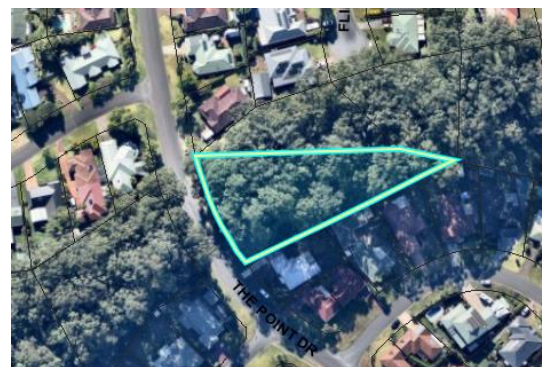


Figure 8: Lot 237 DP 1009629

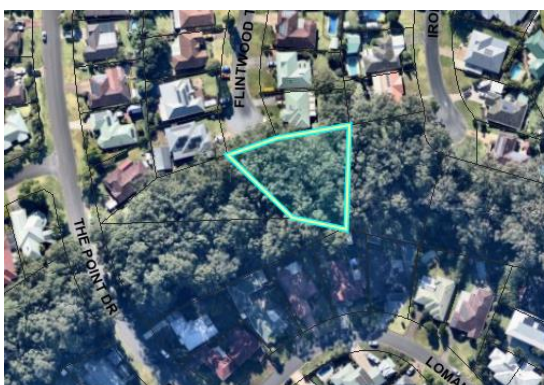


Figure 9: Lot 188 DP 0876081

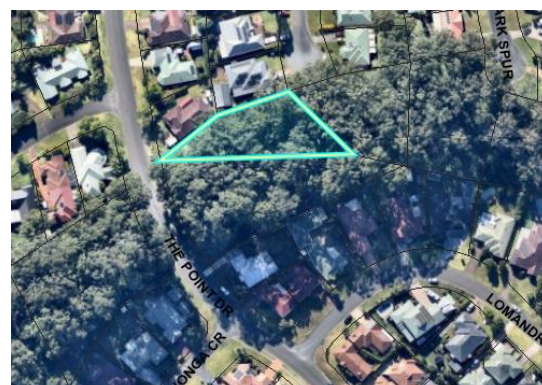


Figure 10: Lot 210 DP 0883039



Figure 11: Lot 257 DP 1035161

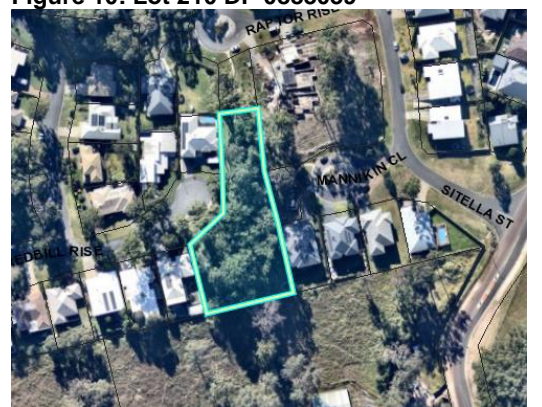


Figure 12: Lot 316 DP 1080621

Proposal: Rezone Lot 316 DP 1080621 from RE1 Public Recreation to C2 Environmental Conservation; and remove the Floor Space Ratio and Lot Size map

Rezone Lot 119 DP 0835923, Lot 147 DP 0840675, Lot 170 DP 0855808, Lot 237 DP1009629, Lot 188 DP 0876081, Lot 210 DP 0883039 and Lot 257 DP1035161 from RE1 Public Recreation to C2 Environmental Conservation map

Matter 3. Pead Street - Amendment to LEP Land Zoning Map at Map Series 013D

This site (see **Figure 13**) is supported by a VMP, prepared by Wild Things in 2015.



Figure 13: Lot 32 DP1228142

The VMP identified two Management Units (MU's), being Wet Sclerophyll Forest (Riverflat Eucalypt Forest Endangered Ecological Communities) and Dry Sclerophyll Forest (Blackbutt dominated) (see **Figure 14**) but also a high weed presence. The VMP sets out a plan of management for control and maintenance of weeds and bush regeneration works.

This undertaking formed part of the requirements of the development application, which allowed the adjacent lots. The land was dedicated to Council but the onus was on the developer to protect, maintain and enhance the VMP site for 10 years. Council staff regularly monitor and report on such sites and the findings of the June 2021 monitoring report highlighted a lack of compliance with the VMP. Specifically, there had been no recent weed control measures taken and no nest boxes had been installed. The recommendations of the monitoring report included rezoning the land from R1 General Residential to C2 Environmental Conservation to ensure its continued protection.



Figure 14: Site as identified in VMP

Proposal: Rezone Lot 32 DP 1228142 from R1 General Residential to C2 Environmental Conservation, and remove the Floor Space Ratio and Lot Size map

Matter 4. Red Ochre - Amendment to LEP Land Zoning Map at Map Series 013D

The subject land (refer to **Figures 15 - 18**) was approved under DA 2009/126 for the subdivision of 77 residential lots and three open space and drainage reserve lots.



Figure 15: Lot 27 DP1195164



Figure 16: Lot 224 DP1208821

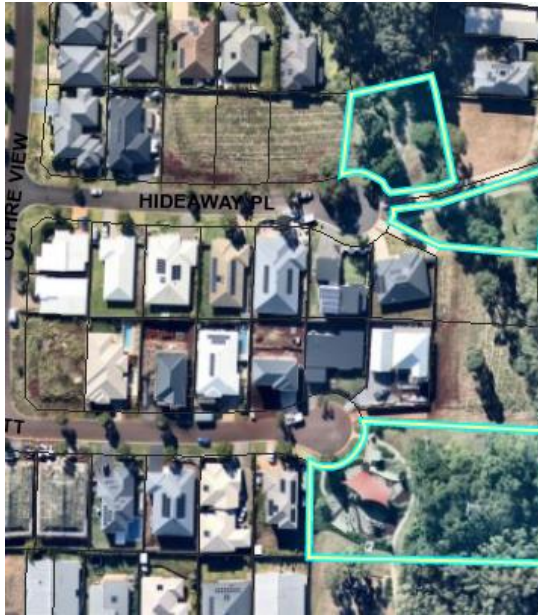


Figure 17: Lot 332 DP 1232716



Figure 18: Lot 215 DP 1212069

The development of this site was supported by a KPOM, which identified three core koala habitat areas and a requirement to retain, protect and enhance these habitat zones.

As part of the initial process to identify and manage these areas, a concept landscape management plan (see **Figure 19**) and concept VMP formed part of the approved development application. This concept plan identified that an extensive open space corridor is to be provided through the site in an east west and north-south direction. This work was undertaken to help identify the environmental land to be dedicated to Council.

The identified corridors have been provided within the designated open space reserves. The aim is to retain, enhance and link the koala habitat on the site and provide a wildlife corridor to the adjoining bushland and nearby Lake Innes Nature Reserve.



Figure 19: Landscape Management Plan

Proposal: Rezone Lot 27 DP 1195164, Lot 224 DP 1208821, Lot 332 DP 1232716, Lot 215 DP 1212069 from R1 General Residential to C2 Environmental Conservation, and remove the Floor Space Ratio and Lot Size map

Matter 5. Ruins Way - Amendment to LEP Land Zoning Map at Map Series 013D

The development of the land subject to this Matter (see **Figure 20**) allowed for approximately 110 residential lots. A KPoM was prepared to support the development application, which identified vegetation communities, including the presence of Tallwood and Swamp Mahogany, both being primary koala browse trees. Koala scats were also found on site. The site is identified as a key koala habitat as it falls within a regional corridor (refer to **Figure 21** for the wider koala movement corridor).



The purpose of the KPOM is: To maintain the viability of the current Koala population which occurs on site/ in the local area via: -

- retaining sufficient habitat on site to maintain lifecycle requirements;
- maintaining and enhancing linkages with other habitat adjacent to the site;
- increasing the net extent of primary browse species on the site to increase its carrying capacity and potentially allow population expansion in the medium to long term; and
- effectively mitigate threats to the viability of Koalas dependant on site induced by the proposal in the medium to long term.

The land has been dedicated to Council and rezoning to reflect its environmental purpose and value is timely.

Proposal: Rezone Lot 1140 DP 1248153 from R1 General Residential to C2 Environmental Conservation, and remove the Floor Space Ratio and Lot Size map

Matter 6. Shelly Beach - Amendment to LEP Land Zoning Map at Map Series

The land subject to this matter is identified in **Figure 22**. A VMP was prepared to support DA 2013/216, which was to provide a residential subdivision. The area associated with the VMP is identified in **Figure 23** and is split into three MU's, which form the retained vegetation.



Figure 22: Lot 24 DP 1201683

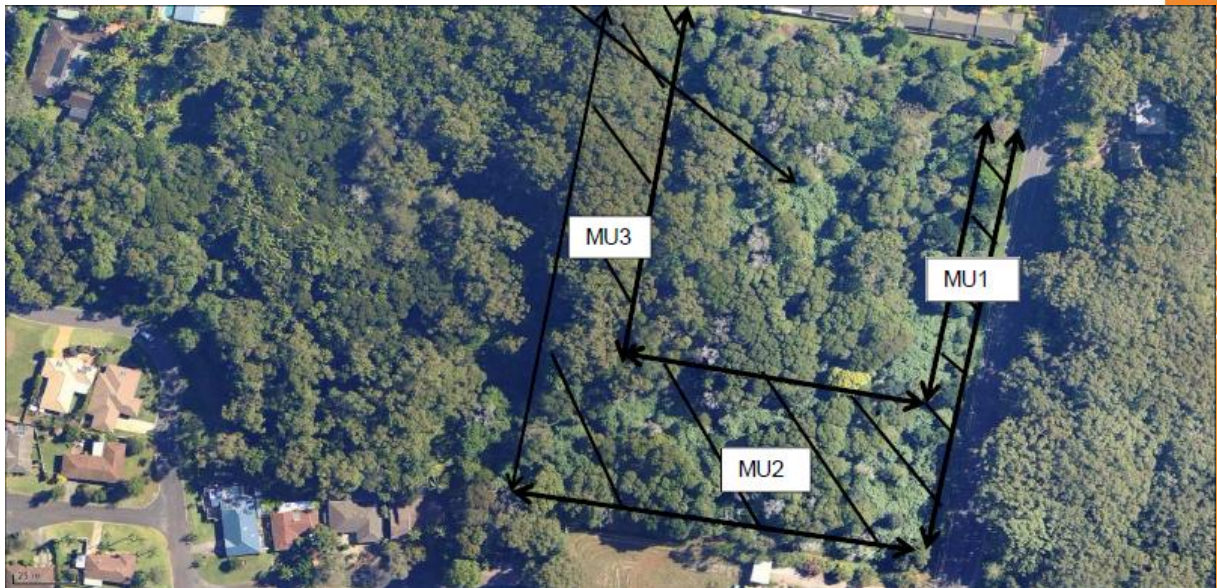


Figure 23: Management Units - retained vegetation subject to VMP

The VMP provides a mechanism to manage the identified environmental lands and to:

1. Provide suitable vegetation link between the Wrights Creek Reserve and Sea Acres Nature Reserve
2. Implement Regeneration treatments to establish and strengthen the vegetation link across the site between the Wrights Creek Reserve and Sea Acres Nature Reserve
3. Provide vegetative buffers to Pacific Drive using endemic species occurring within the immediate locality
4. Revegetate the vegetated link lands in a manner representative of the vegetation communities surrounding the site.

A Voluntary Planning Agreement is in place for this land and Clause 11.2 states that 'the Environmental Management Land is to be held by the Council for the purpose of the conservation and enhancement of the natural environment'. Subsequently, it is timely to rezone the land to confirm its said intent.

Proposal: Rezone Lot 24 DP 1201683 from R1 General Residential to C2 Environmental Conservation, and remove the Floor Space Ratio and Lot Size map

Options

This report addresses a number of proposed, administrative changes to Port Macquarie-Hastings LEP 2011, as discussed above. Council could opt to:

1. Do nothing (the matters raised would remain unresolved).
2. Omit or modify the Planning Proposal for any of the Matters raised.
3. Resolve to prepare a Planning Proposal to amend LEP 2011 for Matters one to six, as described in this report.

It is recommended that Council proceed with Option 3 as the land should be zoned to reflect its intent and removed from the 'perceived' undeveloped residential land supply area.

Community Engagement and Internal Consultation

There have been internal discussions with council's Natural Resource staff in the preparation of this report.

The DP&E's Gateway Determination will specify any further targeted consultation requirements.

Community consultation for Planning Proposals will be undertaken in accordance with Council's *Community Participation Plan 2019* and include notification on Council's website and notification to affected and adjoining for the duration of the exhibition. The exhibition material will also be available at all of Council's Customer Service Centres.

Planning and Policy Implications

The proposed amendments will:

- Ensure continuous improvement and accuracy of the LEP 2011.
- Facilitate the preservation of public environmental lands into perpetuity.

Financial and Economic Implications

The preparation of the Planning Proposal will be completed as part of Council's Land Use Planning program.

There are no expected economic impacts or financial impacts for Council in the proposed LEP 2011 amendments.

Attachments

1.  Draft Planning Proposal

Item: 13.11

Subject: REGIONAL INTEGRATED TRANSPORT STRATEGY

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

4.5.2 Plan for infrastructure that supports population growth.

RECOMMENDATION

That Council:

1. **Endorse the draft Regional Integrated Transport Strategy 2022-2042 for the purpose of public exhibition.**
2. **Endorse the draft Engagement Plan, noting that it is intended to place on public exhibition together, the draft Blueprint for Generational Equity, the draft Infrastructure Strategy and the draft Regional Integrated Transport Strategy, if endorsed, in recognition of the strategic importance and inter-relationships between the documents.**
3. **Place the draft Regional Integrated Transport Strategy on public exhibition for a period of not less than 28 days in accordance with the Engagement Plan.**
4. **Note that a further report will be presented to the April 2023 Ordinary Council Meeting following the public exhibition period, detailing the submissions received and any recommended changes to the three (3) draft documents for consideration by Council.**

Executive Summary

This report is a follow up report to a previous report to Council presented at the 17 March 2022 Ordinary Council Meeting. At this meeting Council resolved as follows:

That Council:

1. *Note the progress of the development of the draft Port Macquarie - Hastings Regional Integrated Transport Strategy as outlined at the Councillor Briefing in February 2022.*
2. *Note the importance of ensuring that the draft Port Macquarie-Hastings Regional Integrated Transport Strategy aligns with the future Port Macquarie - Hastings Blueprint should it be adopted.*
3. *Request the Chief Executive Officer arrange a Councillor Workshop to review the draft Port Macquarie - Hastings Regional Integrated Transport Strategy prior to it being finalised for further consideration by Council for public exhibition.*

Since the 17 March 2022 Meeting the following has occurred:

- Adoption by Council of the Community Strategic Plan (CSP) *Imagine 2050* in June 2022.
- The draft Port Macquarie Hastings Blueprint for Generational Equity was endorsed by Council for the purposes of public exhibition at the November 2022 Ordinary Council Meeting.
- A Councillor Workshop was held on 3 November 2022 to consider the strategic intent of the draft Regional Integrated Transport Strategy and the draft Blueprint for Generational Equity to ensure alignment between the two documents.
- The draft Infrastructure Strategy was endorsed by Council for the purposes of public exhibition at the November 2022 Ordinary Council Meeting.
- The draft Regional Integrated Transport Strategy has been drafted to ensure alignment of the Strategy with the intent of the draft Blueprint for Generational Equity, the Community Strategic Plan and the draft Infrastructure Strategy.
- The draft Regional Integrated Transport Strategy is provided as Attachment 1.

Following the adoption of this Regional Integrated Transport Strategy, further planning will be undertaken which will outline the activities prioritised to be undertaken by Council to fulfil the objectives of this Strategy. This will ensure that leadership is exercised and the strategic and operational planning identified in this draft Strategy is converted into outcomes.

The draft Regional Integrated Transport Strategy is structured in three parts. The structure considers high level transport national concepts and applies them in a local context to interpret the key issues particular to Port Macquarie Hastings and the achievement of the Community's vision.

Part 1 - Context

- Roles and Responsibilities
- Strategic Planning context
- Geographic and Demographic context

Part 2 - Considerations for the Development of the RITS including

- Challenges and Opportunities
- Community input

Part 3 - Vision, Objectives, Priorities & Directions

Part 3 will set the foundations for the successful provision of our transport network, and the achievement of the strategic objectives.

The purpose of this report is to seek endorsement from Council to place the draft Regional Integrated Transport Strategy on public exhibition.

Discussion

The preparation of the draft Regional Integrated Transport Strategy responds to Action 11.2 of Council's Local Strategic Planning Statement (LSPS) - *Shaping Our Future 2040* which was adopted by Council in September 2020.

The draft Regional Integrated Transport Strategy is proposed as an important Thematic Strategy in Council's draft Strategic Planning Framework and is informed by the Lead Strategy, the draft Infrastructure Strategy.

The draft Regional Integrated Transport Strategy plans for all modes of transport in conjunction with land use planning. The Strategy provides direction for the provision of Council's core transportation infrastructure which includes the following categories:

- Heavy and light vehicle movement including freight
- Active Transport including walking and cycling
- Public Transport including buses, rail and ferries
- Parking

Air Travel is considered insofar as it relates to the Port Macquarie airport's interconnections with the other elements of the LGA's transport network.

The draft Regional Integrated Transport Strategy takes a LGA-wide view and aims to:

- Address challenges in the existing transport network within the Port Macquarie Hastings LGA
- Address forecast growth in the LGA and the transport needs of the community, businesses and visitors;
- Guide actions for improvement of transport infrastructure, services, policy and behaviour.

Council faces a number of challenges and opportunities in providing integrated transport for our community into the future including:

- Population growth and demographic change - a growing and ageing population will require different transportation solutions and supporting infrastructure and services;
- Natural hazards and resilience - the increasing frequency of natural hazards (bushfires, flooding, coastal erosion) will place further demands on our transport infrastructure requiring it to be more resilient;
- Technological change - an increasing array of technologies are opening up new ways of planning and maintaining transport infrastructure, some of which may be quite disruptive and require us to be adaptive;
- Financial sustainability - there is a growing fiscal gap between the revenue that Council receives and the demand for expenditure on an increasing array of services and supporting transport infrastructure.
- Geospatial change - there is a generally low density of housing and dispersed network of settlements placing pressure on transport networks in peak periods.
- Improved health and wellbeing - active transport can contribute to health benefits from daily exercise and improved mental health through increased social connectivity.
- Multi-Agency involvement - through a documented articulation of our transport future and objectives and collaboration with other levels of government opportunities exist to maximise alignment and community benefit from cross jurisdictional transport solutions.

It is therefore important that all areas of Council's investment in transport are guided by a set of common principles and supported by co-ordinated plans which consider all forms of our transport assessed by Quadruple Bottom Line. This will deliver best value for our community.

This is Port Macquarie-Hastings Council's first ever draft Regional Integrated Transport Strategy. This first iteration outlines the objectives that Council will seek to address in the implementation of its transport investment and identifies key priorities that will shape the evolving strategic and operational planning work for Council's future delivery of transport solutions.

The draft Regional Integrated Transport Strategy provides the following vision for our Transport:

"We have a well-connected, safe, accessible and sustainable transport system that helps create great places, positively contributes to the health and wellbeing of our community and a strong economy, while protecting our natural environment and the unique character of our towns and villages"

Sustainable transport is achieved when we balance social, economic and environmental needs efficiently.

The draft Strategy then identifies the following seven objectives. Our transport delivers:

1. Easier living for all
2. Improved health and wellbeing
3. Safer travel
4. Increased prosperity
5. A cleaner, greener environment
6. Improved resilience to major disruptions
7. Value for our community

These objectives align with Council's Community Strategic Plan - *Imagine 2050* our Local Strategic Planning Statement - *Shaping our Future 2040* and the current NSW Government's Future Transport Strategy 2056 - *Our vision for transport in NSW*

The draft Strategy then describes seven key priorities. If addressed holistically, these priorities will improve management, planning and delivery of transport infrastructure in Port Macquarie-Hastings across all transport sectors while supporting sustainable outcomes for our community.

1. Plan for and deliver a safe, well-connected and efficient transport network for all users
2. Co-ordinate transport, infrastructure and land use planning
3. Expand and improve the active transport network
4. Plan and advocate for convenient, connected and accessible public transport
5. Build resilience into the transport network
6. Influence travel behaviour to promote sustainable choices
7. Collaborate with key stakeholders to deliver innovative, sustainable transport solutions.

It is important to note that this draft Strategy is not a transport infrastructure audit. It is not intended to identify every transport need or capacity constraint in the LGA. Nor is it intended to provide a list of the projects that Council should undertake. Details of

specific transport projects will be detailed in supporting strategic plans and action plans.

Options

Council has the option to:

1. Resolve to adopt the recommendation and place the draft Strategy on public exhibition; or
2. Seek further information; or
3. Resolve not to adopt the recommendation and resolve in some other fashion.

This report recommends Option 1.

Community Engagement and Internal Consultation

Development of the draft Regional Integrated Transport Strategy has been informed by previous engagement with the community on the development of Council's Community Strategic Plan and Local Strategic Planning Statement, literature reviews, various State Transport Strategies and strategic work undertaken, Transport for NSW and existing global frameworks.

Council's Executive Team have had a number of briefings throughout the drafting process and Senior Leadership Team members responsible for the management of the various asset classes identified in this Strategy have reviewed the draft documents and provided input.

The draft Engagement Plan is provided as Attachment 2. The plan intends to engage on the draft Strategy and place on public exhibition the draft Blueprint for Generational Equity, the draft Infrastructure Strategy along with the draft Regional Integrated Transport Strategy, if endorsed, in recognition of the strategic importance and inter-relationships between the documents.

A further report will be presented to the April 2023 Ordinary Council Meeting following the public exhibition period, detailing the submissions received and any recommended changes to the three (3) draft document for consideration by Council.

Planning and Policy Implications

This draft Regional Integrated Transport Strategy is a lead thematic strategy in Council's draft Strategic Planning Framework and as such will play a key role in informing and guiding supporting strategies and actions plans within this Framework which relate to the delivery of our transport infrastructure.

Financial and Economic Implications

There are no direct financial and economic implications in relation to this report, however successful implementation of this strategy and the strategic objectives will require that resources, both human and financial, will need to be directed to the key focus areas outlined in this Strategy and actions identified in supporting strategic plans and action plans.

Attachments

1.  Draft Regional Integrated Transport Strategy
2.  PMHC Draft Engagement Plan Blueprint for Generational Equity, Draft Infrastructure Strategy, Draft Regional Integrated Transport Strategy

Subject: CONFIDENTIAL SESSION

RECOMMENDATION

- 1. That Council move into Confidential Session to receive and consider the following items:**

Item 14.01 Budget and Reporting Application

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

Item 14.02 Electricity Contracts

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

Item 14.03 Purchase of Tuffins Lane Sports Precinct Land, Port Macquarie

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

- 2. That pursuant to Section 10A subsections 2 & 3 and 10B of the Local Government Act 1993 (as amended), the press and public be excluded from the proceedings of the Confidential Session of Council on the basis that the items to be considered are of a confidential nature.**
- 3. That the resolutions made by Council in Confidential Session be made public as soon as practicable after the conclusion of the Confidential Session and such resolutions be recorded in the Minutes of the Council Meeting.**