

Ordinary Council

Business Paper

date of meeting: Thursday 14 November 2024

location: Council Chambers, 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.

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 14 November 2024

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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 October 2024 be confirmed.

PRESENT

Members:

Mayor Adam Roberts
Councillor Lauren Edwards
Councillor Mark Hornshaw
Councillor Lisa Intemann
Councillor Chris Kirkman
Councillor Nik Lipovac
Councillor Danielle Maltman
Councillor Rachel Sheppard
Councillor Hamish Tubman

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)
Group Manager Governance (Michael Ferguson)
Legal Counsel (Anthea Gilmore)
Governance Officer (Tania Ellis)

The meeting opened at 10.01am.

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

Pastor Greg Campion from the Grace Church delivered the Local Government Prayer.

04 APOLOGIES

Nil.

05 CONFIRMATION OF MINUTES

RESOLVED: Maltman/ Edwards

That the Minutes of the Ordinary Council Meeting held on 15 August 2024 be confirmed.

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

06 DISCLOSURES OF INTEREST

Councillor Maltman declared a Non-Pecuniary - Less than Significant interest in Item 13.02 Lake Cathie Natural Resource Management Monthly Update Report. The reason being that Councillor Maltman is a non-financial life member and former President of the community organisation Revive Lake Cathie Incorporated. Councillor Maltman intends to remain in the meeting, participate and vote in the matter as this perceived conflict will not influence her decision making in the matter.

07 MAYORAL MINUTES

Nil.

08 CONFIDENTIAL CORRESPONDENCE TO ORDINARY COUNCIL MEETING

Nil

09 ITEMS TO BE DEALT WITH BY EXCEPTION

RESOLVED: Lipovac/Maltman

That Items 10.02, 10.14, 10.15, 10.16 and 10.17 be considered as a block resolution.

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

RESOLVED: Maltman/Edwards

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

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

10.02 MAYORAL DISCRETIONARY FUND ALLOCATIONS - 1 AUGUST TO 2 OCTOBER 2024

BLOCK RESOLVED: Maltman/Edwards

That Council note that there were no allocations made from the Mayoral Discretionary Fund for the period 1 August to 2 October 2024 inclusive.

10.14 INVESTMENTS AND LOANS - AUGUST 2024

BLOCK RESOLVED: Maltman/Edwards

That Council note the Investment and Loans Report for August 2024.

10.15 INVESTMENTS AND LOANS - SEPTEMBER 2024

BLOCK RESOLVED: Maltman/Edwards

That Council note the Investment and Loans Report for September 2024.

10.16 MONTHLY BUDGET REVIEW - SEPTEMBER 2024

BLOCK RESOLVED: Maltman/Edwards

That Council:

- 1. Adopt the adjustments in the September 2024 Adjustments section of the Monthly Budget Review – September 2024 report and associated attachment.**
- 2. Amend the 2024-2025 Operational Plan to include all budget adjustments approved in this report.**

10.17 CONTRACTS AWARDED UNDER S377 LOCAL GOVERNMENT ACT

BLOCK RESOLVED: Maltman/Edwards

That Council note the contracts awarded under s377 of the Local Government Act 1993 for the period 1 July 2024 to 30 September 2024.

10.01 CREATION OF OFFICE OF DEPUTY MAYOR

RESOLVED: Sheppard/Lipovac

That Council:

- 1. Create the Office of Deputy Mayor.**
- 2. Set the term of the Office of Deputy Mayor to be 12 months.**
- 3. Elect the Deputy Mayor by way of open voting, if more than one nomination for Deputy Mayor is received.**

CARRIED: 9/0

FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman

AGAINST: Nil

The Chief Executive Officer, acting as Returning Officer, called for nominations for the Office of Deputy Mayor.

The Returning Officer, advised that a nomination for the Office of Deputy Mayor had been received for Councillor Edwards, nominated by four Councillors and accepted by Councillor Edwards.

As there was only one nomination, the Returning Officer declared Councillor Edwards elected to the Office of Deputy Mayor for the period of 12 months as resolved by Council.

The Chief Executive Officer congratulated Councillor Edwards on the election to the Office of Deputy Mayor.

Deputy Mayor, Councillor Edwards, thanked the Council for her election as Deputy Mayor.

Item 10.02 Mayoral Discretionary Fund Allocations - 1 August to 2 October 2024, has been addressed previously within the meeting.

10.03 STATUS OF REPORTS FROM COUNCIL RESOLUTIONS

RESOLVED: Edwards/Tubman

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

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

10.04 NOTICE OF MOTION - NSW STATE AND FEDERAL GOVERNMENT MINISTERS - HOUSING AND INFRASTRUCTURE

RESOLVED: Edwards/Lipovac

That Council request the Chief Executive Officer, at the earliest convenience, to request opportunities for Port Macquarie-Hastings Councillors to meet with the following NSW State and Federal Government Ministers to discuss matters relating to Housing and Infrastructure:

- 1. The Hon. Rose Jackson MLC, Minister for Water, Housing, Homelessness, Mental Health, Youth and the North Coast.**
- 2. The Hon. Jenny Aitchison MLA, Minister for Regional Transport and Roads.**
- 3. The Hon. Clare O'Neil MP – Minister for Housing and Homelessness.**
- 4. The Hon. Catherine King MP – Minister Infrastructure, Transport, Regional Development and Local Government.**

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

10.05 NOTICE OF MOTION - LIBRARY FACILITIES

MOTION:

MOVED: Hornshaw/Intemann

That Council:

-
1. Request that the Chief Executive Officer provide Councillors by end December 2024, a written brief detailing the following information about Council's policies and obligations in relation to publications and videos held in Council's library collections that contain sexually explicit content:
 - a. Accessibility of materials to people of different age groups, and any potential options for ensuring access is age appropriate
 - b. Consideration of complaints or concerns raised by community members
 - c. Child safety, including NSW Child Safe Standards
 - d. Wellbeing of general patrons
 - e. Wellbeing of Council staff
 - f. Prevention of peoples from using materials for criminal purposes, including but not limited to grooming, domestic and gendered violence.
 - g. The Classification (Publications, Films and Computer Games) Act 1995 and whether Council libraries meet the definition of 'publish' under the act, and whether Council has any obligation to obtain a classification of any 'submittable publications' prior to displaying or distributing such a publication via its library network.
 - h. Any other matter staff identify as relevant
 - i. Whether Council is meeting any required obligations.
 2. Request that the Chief Executive Officer provide Councillors written information by the same date, in relation to implications of the judgement *Gaynor v Minister for Communications* [2024] FCA 1186 in relation to Council's library facilities.

AMENDMENT

MOVED: Sheppard/Edwards

That Council request that the Chief Executive Officer provide Councillors by end December 2024, a written brief detailing the following information about Council's policies and obligations in relation to publications and videos held in Council's library collections that contain sexually explicit content:

- a. Accessibility of materials to people of different age groups, and any potential options for ensuring access is age appropriate
- b. Consideration of complaints or concerns raised by community members
- c. Child safety, including NSW Child Safe Standards
- d. Wellbeing of general patrons
- e. Wellbeing of Council staff
- f. Prevention of peoples from using materials for criminal purposes, including but not limited to grooming, domestic and gendered violence.
- g. The Classification (Publications, Films and Computer Games) Act 1995 and whether Council libraries meet the definition of 'publish' under the act, and whether Council has any obligation to obtain a classification of any 'submittable publications' prior to displaying or distributing such a publication via its library network.
- h. Any other matter staff identify as relevant
- i. Whether Council is meeting any required obligations.

LOST: 4/5

FOR: Edwards, Intemann, Sheppard and Tubman

AGAINST: Hornshaw, Kirkman, Lipovac, Maltman and Roberts

THE AMENDMENT ON BEING PUT WAS LOST

THE MOTION ON BEING PUT WAS CARRIED

RESOLVED: Hornshaw/Intemann

That Council:

1. Request that the Chief Executive Officer provide Councillors by end December 2024, a written brief detailing the following information about Council's policies and obligations in relation to publications and videos held in Council's library collections that contain sexually explicit content:
 - a. Accessibility of materials to people of different age groups, and any potential options for ensuring access is age appropriate
 - b. Consideration of complaints or concerns raised by community members
 - c. Child safety, including NSW Child Safe Standards
 - d. Wellbeing of general patrons
 - e. Wellbeing of Council staff
 - f. Prevention of peoples from using materials for criminal purposes, including but not limited to grooming, domestic and gendered violence.
 - g. The Classification (Publications, Films and Computer Games) Act 1995 and whether Council libraries meet the definition of 'publish' under the act, and whether Council has any obligation to obtain a classification of any 'submittable publications' prior to displaying or distributing such a publication via its library network.
 - h. Any other matter staff identify as relevant
 - i. Whether Council is meeting any required obligations.
2. Request that the Chief Executive Officer provide Councillors written information by the same date, in relation to implications of the judgement *Gaynor v Minister for Communications [2024] FCA 1186* in relation to Council's library facilities

CARRIED: 5/4

FOR: Hornshaw, Intemann, Kirkman, Maltman and Roberts

AGAINST: Edwards, Lipovac, Sheppard and Tubman

Councillor Hornshaw tabled supplementary information to Item 10.05 Library Facilities.

10.06 OUTCOME OF CONSTITUTIONAL REFERENDUM - REDUCTION IN COUNCILLOR NUMBERS

RESOLVED: Intemann/Maltman

That Council note the outcome of the Constitutional Referendum conducted at the 2024 Local Government Elections being that the number of Councillors for Port Macquarie-Hastings Council will be reduced to seven (7), comprising the Mayor and six (6) Councillors at the 2028 Local Government Elections.

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

Councillor Tubman left the meeting, the time being 11:22am.

Councillor Tubman returned to the meeting, the time being 11:23am.

Councillor Kirkman left the meeting, the time being 11:26am.

Councillor Kirkman returned to the meeting, the time being 11:27am.

10.07 COUNTBACK ELECTION

MOTION

MOVED: Intemann/Sheppard

That Council:

1. Pursuant to section 291A(1)(b) of the Local Government Act 1993, declare that casual vacancies occurring in the office of a Councillor within 18 months after the last ordinary election of Councillors for the Council on 14 September 2024 that are required to be filled, are to be filled by a countback of votes cast at that election for the office in accordance with section 291A of the Act and directs the Chief Executive Officer to notify the Electoral Commissioner for NSW of Council's decision within 7 days of this decision.
 2. Note the 51.89% Yes vote in the constitutional referendum held at the 2024 Local Government elections to reduce Councillor numbers from nine (9) to seven (7).
 3. Note that under clause 294 of the Act, a Referendum to change Councillor numbers takes effect immediately, such that, pursuant to the 2024 Referendum result referred to in clause 2, above, the first two (2) vacancies that may occur during this Council term are not to be filled.
 4. Note that prior to voting on the Referendum, Councillors and the community were advised in media and Council reports that the Referendum would not take effect until the 2028 Local Government election, contrary to the actual implications under clause 294 of the Act.
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5. In view of the lack of any pre-voting advice being given to Councillors or the community on the immediate restrictive implications of a Yes vote in the Referendum to reduce Councillor numbers, write to the Minister of Local Government, the Hon Ron Hoenig, through Member for Port Macquarie, the Hon Leslie Williams, requesting consideration of relief being given to council and the community from the relevant requirements of clause 294 of the NSW Local Government Act during this council term.
 6. Request the Chief Executive Officer to provide Councillors with a copy of the letter as sent consequent to clause 5, above.

LOST: 4/5

FOR: *Intemann, Lipovac, Sheppard and Tubman*
AGAINST: *Edwards, Hornshaw, Kirkman, Maltman and Roberts*

THE MOTION ON BEING PUT WAS LOST

MOTION

RESOLVED: *Roberts/Maltman*

That Council:

1. **Note that with the successful constitutional referendum held at the 2024 Local Government elections that resulted in a reduction of Councillor numbers from 9 to 7, the first 2 vacancies that may occur during this Council term are not to be filled in accordance with the result of the referendum.**
2. **Pursuant to section 291A(1)(b) of the Local Government Act 1993, declare that casual vacancies occurring in the office of a Councillor within 18 months after the last ordinary election of Councillors for the Council on 14 September 2024 that are required to be filled, are to be filled by a countback of votes cast at that election for the office in accordance with section 291A of the Act and directs the Chief Executive Officer to notify the Electoral Commissioner for NSW of Council's decision within 7 days of this decision.**

CARRIED: 7/2

FOR: *Edwards, Hornshaw, Kirkman, Maltman, Roberts, Sheppard and Tubman*
AGAINST: *Intemann and Lipovac*

SUSPENSION OF STANDING ORDERS

RESOLVED: *Roberts/Lipovac*

That Standing Orders be suspended to allow Item 10.12 to be brought forward and considered next.

CARRIED: 9/0

FOR: *Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman*
AGAINST: *Nil*

The Audit, Risk and Improvement Committee Chair - Stephen Coates joined the meeting for this item

10.12 AUDIT, RISK AND IMPROVEMENT COMMITTEE END OF TERM REPORT

RESOLVED: Sheppard/Edwards

That Council

1. **Note the information contained within this report.**
2. **Request the Chief Executive Officer to schedule an information session with the Audit, Risk and Improvement Committee Chairperson for interested Councillors to discuss the end of Term Audit, Risk and Improvement Committee report by the end of December 2024.**

CARRIED: 9/0

FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman

AGAINST: Nil

10.08 FORMATION OF AND COUNCILLOR MEMBERSHIP TO COMMITTEES AND GROUPS

RESOLVED: Sheppard/Edwards

That Council:

1. **Form the following Committees and Groups and appoint Councillor representation to them included in the respective charters as indicated:**

Committee / Steering Group	Councillor Representation
Audit, Risk and Improvement Committee	Councillor Sheppard and alternative Councillor Edwards
Local Traffic Committee	Mayor Roberts
Port Macquarie-Hastings Sports Council	Chair Councillor Lipovac and alternative Councillor Intemann
Development Assessment Panel	No Councillor representation
Hastings Youth Voice	No Councillor representation
Port Macquarie-Hastings Sporting Fund Sub-committee	To be determined

Audit, Risk and Improvement Committee representation to be for a period of 2 years

2. **Conduct a workshop with Councillors no later than February 2025 to review Council's Committee structure to determine its suitability to engage appropriately with the Community.**
3. **Continue to operate the existing section 355 Committees for the operation and management of respective Council halls and facilities.**
4. **Note that staff are currently developing a Community Engagement Strategy to meet Council's current and future engagement needs and**

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- determine that Council be provided with a briefing before the end of December 2024, which details the status of development of the Community Engagement Strategy, including how it meets criteria for Community Engagement Strategies as described the Office of Local Government Integrated Planning and Reporting Handbook (2021).
5. Form a “Review of Discontinued Committees Working Group”, and determine that:
- a. the Working Group be chaired by Councillor Edwards, and membership comprises the Chair, Chief Executive Officer, or her delegate, relevant staff as identified by the Chief Executive Officer, and any interested councillor.
 - b. The objectives of the Working Group are to:
 - i. establish the scope of a review of those committees, subcommittees and steering groups that were discontinued without review in the previous term, as at February 2022 and
 - ii. identify potential funding sources for the review,
 - iii. report the outcome of 5(b)(i) and 5(b)(ii) to the November 2024 Ordinary Meeting of Council, through the Chief Executive Officer, with a view to enabling outcomes from a review to be incorporated into the workshop identified in clause 3 above.
 - c. The future of the Working Group be determined following consideration of the Working Group’s report to Council.
6. That the determination of a Councillor representative on the Port Macquarie-Hastings Sporting Fund Sub-Committee be deferred until a future Council meeting to allow investigation of various options available for the continued operation of this sub-committee.
7. Delegate authority to the Chief Executive Officer to approve any compliant recommendations from the Port Macquarie-Hastings Sporting Fund Sub-Committee for funding requests until otherwise determined by Council.

CARRIED: 9/0

FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman

AGAINST: Nil

10.09 2024 LOCAL GOVERNMENT NSW ANNUAL CONFERENCE

RESOLVED: Lipovac/Maltman

That Council determine no Councillors will attend the 2024 Local Government NSW Annual Conference to be held at the Tamworth Regional Entertainment and Conference Centre from 17 to 19 November 2024.

CARRIED: 9/0

FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman

AGAINST: Nil

10.10 DISCLOSURES REGISTER - ANNUAL RETURNS 2023-2024

RESOLVED: Roberts/Sheppard

That Council:

- 1. Note the information in the Disclosure Register for 2023-2024.**
- 2. Note that the Chief Executive Officer determines Designated Persons of the organisation under delegation.**
- 3. Note that a further report will be presented to an Ordinary Council Meeting tabling the outstanding Annual Disclosure Returns as detailed in this report.**

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

The Chairperson tabled the disclosures register of the Annual Returns 2023-2024 listed above.

10.11 DISCLOSURE OF INTEREST RETURN - DESIGNATED PERSONS

RESOLVED: Roberts/Kirkman

That Council note the Disclosure of Interest return for the following positions.

- 1. Community Infrastructure - Contracts Administrator**
- 2. Community Utilities - Project Manager Cowarra Thrumster Major Projects**
- 3. Community Utilities - Group Manager Utilities Operations**
- 4. Community Infrastructure Planning and Design - Engineer Stormwater**
- 5. Community Utilities - Senior Asset Officer**

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

The Chairperson tabled the disclosures of interest return of the Designated Persons listed above.

Item 10.12 Audit, Risk and Improvement Committee End of Term Report, has been addressed previously within the meeting.

Councillor Sheppard left the meeting, the time being 12:03pm.

10.13 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

RESOLVED: Lipovac/Maltman

That Council:

- 1. Endorse the actions of staff in referring to audit the draft Annual Financial Statements for the year ended 30 June 2024.**
- 2. That the Statement by Councillors and Management be signed by the Responsible Accounting Officer, the Chief Executive Officer, the Mayor and one Councillor as required by the Local Government Act 1993.**
- 3. Note that a further report will be tabled for consideration by Council at the November 2024 Ordinary Meeting of Council for the adoption of the final Annual Financial Statements for the year ended 30 June 2024, together with the auditor's report.**

CARRIED: 8/0

FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts and Tubman

AGAINST: Nil

Item 10.14 Investments and Loans - August 2024, has been addressed previously within the meeting.

Item 10.15 Investments and Loans - September 2024, has been addressed previously within the meeting.

Item 10.16 Monthly Budget Review - September 2024, has been addressed previously within the meeting.

Item 10.17 Contracts Awarded under s377 Local Government Act, has been addressed previously within the meeting.

Councillor Sheppard returned to the meeting, the time being 12:05pm.

10.18 OPPORTUNITY FOR LOCAL FIRMS TO DO BUSINESS WITH PORT MACQUARIE HASTINGS COUNCIL

RESOLVED: Lipovac/Maltman

That Council:

- 1. Note the information provided in this report.**
- 2. Note a future report will be presented to the Ordinary Council meeting in October 2025, that details Council's commitment to supporting local business through its tendering and purchasing process during the financial year.**

CARRIED: 9/0

FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman

AGAINST: Nil

Councillor Maltman left the meeting, the time being 12:06pm.

10.19 POLICY REVIEW - DRAFT POLICY FRAMEWORK - FOLLOWING PUBLIC EXHIBITION

RESOLVED: Edwards/Intemann

That Council:

1. **Defer consideration of the Draft Policy Framework until the November 2024 Ordinary Council meeting.**
2. **Request the Chief Executive Officer provide the Draft Policy Framework Procedure in conjunction with the Draft Policy Framework to the November 2024 Ordinary Council meeting for the consideration of Council**

CARRIED: 8/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Roberts, Sheppard and Tubman
AGAINST: Nil

Councillor Maltman returned to the meeting, the time being 12:08pm.

Councillor Hornshaw left the meeting, the time being 12:09pm.

Councillor Tubman left the meeting, the time being 12:09pm.

11.01 RECOMMENDED ITEMS FROM THE SEPTEMBER 2024 MEETING OF THE PORT MACQUARIE-HASTINGS SPORTING FUND

RESOLVED: Lipovac/Roberts

That Council endorse the Port Macquarie-Hastings Sporting Fund Sub-Committee recommendations as follows:

1. **Payment of \$250 to Zac Stubbs to attend World Martial Arts Tournament in Japan on 13 October 2024.**
2. **Payment of \$250 to Ollie McCormick to attend World Martial Arts Tournament in Japan on 13 October 2024.**

CARRIED: 7/0
FOR: Edwards, Intemann, Kirkman, Lipovac, Maltman, Roberts and Sheppard
AGAINST: Nil

12.01 MAJOR EVENT GRANTS 2025 - ROUND 1

RESOLVED: Lipovac/Kirkman

That Council, pursuant to provisions of Section 356 of the Local Government Act 1993, grant financial assistance from the Major Events Grant Program Round 1, 2025, to the total amount of \$15,500 for the following major events:

a) Laurieton Multisport Challenge	\$2,500
b) LatinFest	\$3,000
c) Water Ski Australia National Titles	\$5,000
d) Reflections Cadet Cup	\$5,000

CARRIED: 7/0

FOR: Edwards, Intemann, Kirkman, Lipovac, Maltman, Roberts and Sheppard

AGAINST: Nil

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

Councillor Tubman returned to the meeting, the time being 12:16pm.

13.01 NOTICE OF MOTION - TRAFFIC CONGESTION

RESOLVED: Roberts/Maltman

That Council:

1. Note that the Integrated Transport Plan developed in partnership with Transport for NSW, which articulates key priorities regarding congestion, road safety and modal shift (public transport and active transport), was adopted by Council at the Ordinary Meeting held on 15 August 2024.
2. Receive an update by the December 2024 Ordinary Council Meeting as relevant on the status of project development, funding availability and advocacy to other levels of government for the following locations of key traffic congestion concern:
 - Upgrading of the Oxley Highway between Wrights Road and Lake Road.
 - Duplication of Lake Road between Ocean Drive and Chestnut Road, including turning lane capacity to/from Ocean Drive into Lake Road.
 - Provision of a connection between Port Macquarie's Industrial Area off Lake Road to the Health & Education Precinct, which includes the Port Macquarie Base Hospital, and the Lake Innes precinct.
 - Network functionality in Wauchope on the High Street corridor.
 - Hastings River Drive Duplication between Boundary Street and Hughes Place.
 - John Oxley Drive Duplication from the Ruins Way to Kingfisher Drive, including the Major Innes Drive intersection.

-
- **Key intersection upgrades across the LGA on the state, regional and local road networks to improve traffic flow and road safety.**
3. **Note the NSW Government will be developing a North Coast Strategic Regional Integrated Transport Plan for the North Coast in 2025, which will further inform NSW Government investment priorities into the future, thereby being of high importance to ensure key priorities from the Port Macquarie-Hastings Integrated Transport Plan across the state, regional and local road networks are included within that regional plan.**

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

13.02 LAKE CATHIE NATURAL RESOURCE MANAGEMENT MONTHLY UPDATE REPORT

Councillor Maltman declared a Non-Pecuniary - Less than Significant interest in this item. The reason being is that she is a non-financial life member and former President of the community organisation Revive Lake Cathie Incorporated. Councillor Maltman remained in the meeting, participated and voted in the matter as this perceived conflict did not influence her decision making in the matter.

RESOLVED: Intemann/Maltman

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

CARRIED: 9/0
FOR: Edwards, Hornshaw, Intemann, Kirkman, Lipovac, Maltman, Roberts, Sheppard and Tubman
AGAINST: Nil

The meeting closed at 12.37pm.

.....
Adam Roberts
Mayor

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.

RECOMMENDATION

That Council determine that the attachment to Item Number 10.10, 10.11 and 10.22 be considered as confidential, in accordance with Section 10A(2)(d)(l)c) of the Local Government Act 1993

Discussion

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

- | | |
|--------------------------------|---|
| Item No: | 10.10 |
| Subject: | Legal Fees |
| Attachment Description: | CONFIDENTIAL - Legal Matters Greater Than \$10,000 2024-2025 Financial Year |
| Confidential Reason: | Relates to commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. (Local Government Act 1993 - Section 10A(2)(d)(i)). |
| Item No: | 10.11 |
| Subject: | 2024-2025 Quarterly Budget Review Statement and Operational Plan Status Report as at 30 September 2024 |
| Attachment Description: | CONFIDENTIAL - September 2024 Quarterly Budget Review - Consultancy Engagements |
| Confidential Reason: | Relates to commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. (Local Government Act 1993 - Section 10A(2)(d)(i)). |
| Item No: | 10.22 |
| Subject: | Property Investment Portfolio - Annual Report |
| Attachment Description: | CONFIDENTIAL - Status Update - Priority Properties - Strategic Property Investment |
| Confidential Reason: | Relates information that would confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. (Local Government Act 1993 - Section 10A(2)(c)). |

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 30
OCTOBER 2024**

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 the Mayoral Discretionary Fund allocations for the period 3 to 30 October 2024 inclusive.

Executive Summary

To advise of the Mayoral Discretionary Fund allocations for the period 3 to 30 October 2024 inclusive.

Discussion

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

Annual Donation to all Primary and High Schools in the LGA for End of Year Award Presentations	\$1,455.00
Annual Gold Sponsorship to the Hastings Education Fund	\$1,000.00
Donation to Dyslexia MNC for “Go Red for Dyslexia” - lighting Glasshouse and Town Square “Red” on 15/10/24	97.00
Total allocation	\$2,552.00

Options

This report is for noting only.

Community Engagement & Internal Consultation

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

Planning & Policy Implications

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

Financial & Economic Implications

There are no economic implications in relation to this report.

The allocations made during this reporting period were funded from the Mayoral Discretionary Fund as included in the 2024-2025 Operational budget.

Attachments

Nil

Item: 10.02

Subject: STATUS OF REPORTS FROM COUNCIL RESOLUTIONS

Presented by: Business and Performance, Keith Hentschke

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

NOVEMBER 2024 REPORTS						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Supply of Electricity - Regional Councils NSW Power Purchase Agreement.	15/02/2024 Item 13.09	The JO PPA process has been delayed. This is due to volatility of the NSW energy market throughout May 2024 which resulted in reluctance of energy providers to provide long term pricing commitments	DBP		Jun-2024 Oct-24	Nov-24
Notice Of Motion - Homelessness and Disadvantaged Persons 143 Gordon Street	15/08/2024 Item 11.01	Request the Chief Executive Officer provide a report to the November 2024 Ordinary Council meeting	DCPE	Nov-24		



NOVEMBER 2024 REPORTS Continued						
Draft Procurement Strategy	15/08/2024 Item 10.20	Note that a further report will be tabled at the November 2024 Ordinary Council meeting detailing the submissions received from the public during the exhibition period.	DBP	Nov-24		
Draft Development Servicing Plan (DSP), 2024 Public Exhibition	18/07/2024 Item 13.05	A future report be tabled at the completion of public exhibition	DCU	Nov-24		
Annual Financial Statements for Year Ended 30 June 2024	17/10/2024 Item 10.13	A future report to be tabled at the November 2024 Ordinary Council Meeting	DBP	Nov-24		
Policy Review - Draft Policy Framework	17/10/2024 Item 10.19	Draft Policy Framework Procedure and Draft Policy Framework be tabled at the November 2024 Ordinary Council Meeting	DBP	Nov-24		
Formation of Councillor Memberships and Groups	17/10/2024 Item 10.08	Provide a report of the outcome of Bi and Bii to the November 2024 Ordinary Council Meeting	DPB	Nov-24		

DECEMBER 2024 REPORTS						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Review: Audit, Risk and Improvement Committee	15/08/2024 Item 10.10	Request the Chief Executive Officer engage a suitably qualified external assessor to conduct a review of the effectiveness of the Audit Risk and Improvement Committee, as required by the Guidelines for Risk Management and Internal Audit for Local Government in NSW for a report to be presented to Council in December 2024.	DBP	Dec-24		
Stormwater Management Policy	15/08/2024 Item 13.01	A future report be tabled at the completion of public exhibition	DCI	Dec-24		
Roads Policy Suite	15/08/2024 Item 13.02	A future report be tabled at the completion of public exhibition	DCI	Dec-24		

FEBRUARY 2025 REPORTS						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Council owned lots at North Shore: Progress of Sale	19/09/2018 Item 09.24 14/12/2023 Item 13.09	Due diligence ongoing. Options for sale of land will be prepared for Council consideration as part of the broader property review due in May.	DBP		Nov-23 Mar-24 May-24 Jul-24 Dec-24 Nov-24	Feb-25
Draft Budget Development Policy	20/06/2024 Item 10.04	Draft Budget Development Policy to be presented to Council before March 2025	DBP	Prior to March 2025		
Draft MR538 and MR600 Corridor Strategy - Following public exhibition	19/05/2022 Item 14.04	Alignment of the Corridor Strategy with the Integrated Transport Plan will be required. The Draft Corridor Strategy shall be reviewed on completion of the Integrated Transport Plan	DCI		Feb-24 Aug-24	Feb-25
Request Council to Continue Acceptance of Kempsey Shire Council Waste at Cairncross Landfill	20/06/2024 Item 13.10	A future report be tabled at the completion of the arrangement	DCU			Feb-25

FEBRUARY 2025 REPORTS Continued						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Classification as "Operational" Land - 52 John Oxley Drive, Port Macquarie - post exhibition.	20/06/2018 Item 14.05	To be incorporated in strategic property portfolio review to be undertaken in 2022/2023 Reclassify the property to operational land, this is a statutory process involving a planning proposal which includes Council fees, public exhibition, submissions, a public hearing, council resolutions and Depot Planning approval. It is estimated that this would take at least 6-9 months.	DCPE	Future Report	Mar-20 Nov-20 Mar-21 Apr-21 Jun-21 Sep-21 Feb-22 Jun-22 Jun-23	Feb-25
JULY 2025 REPORTS						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Community Grants Program 2024-2025	15/08/2024 Item 11.05	Receive a report to the July 2025 Council Meeting on outcomes of the 2024-2025 Grants Program	DCPE	Jul-25		
Port Macquarie Airport - Pilot Training and	18/07/2024 Item 12.01	A future report following the additional 12	DBP	Jul-25		



Aircraft Noise - Fly Neighbourly Agreement Trial 12 Month Review		month extension				
FEBRUARY 2026 REPORTS						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Statement of Business Ethics	16/11/2023 Item 10.20	Na	GMP	2026		
DECEMBER 2026 REPORTS						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Administering 2028 Local Government Election	Na	Na	GMG	Na	Na	Dec-26
JULY 2027 REPORTS						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Councillor Numbers for 2028 Local Government Election	Na	Na	GMG	Na	Na	Jul-27
FUTURE REPORTS						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
NSW National Parks and Wildlife Services Land Revocation	18/05/2024 Item 13.11	Note that a further report will be presented to Council detailing the outcome of the compensation process discussions with NPWS and seeking a Council resolution to proceed with the transfers.	DCPE	Future Report		



FUTURE REPORTS Continued						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
T-22-04 Water SCADA	18/0/2024 Item 14.01	Further report to be presented after contract awarded	DCU	Future Report		
Tacking Point Lighthouse Construction of Accessible Walkway	20/06/2024 Item 14.04	Further report to be presented after contract awarded	DCPE			
Planning and Land Use Discussion Paper	20/06/2024 Item 13.03	A report to Council following public exhibition	DCPE	Following Council Election		
Draft Port Macquarie-Hastings Local Infrastructure Contributions Plan 2024	20/06/2024 Item 13.06	A report to Council following public exhibition	DCPE			
Places to Play Plan	20/06/2024 Item 11.04	A further sub plans report to Council for consideration 2024-2025	DCPE			
Living and Place Strategy and Supporting Documents	18/04/2024 Item 13.04	A report to Council following public exhibition	DCPE	Future Report		
Draft Recreation and Open Space Action Plan and Sporting Infrastructure Priorities	18/04/2024 Item 11.03	A report to Council following public exhibition	DCPE	Future Report		
Classification of Council Land - Waapangal Road Thrumster	18/04/2024 Item 13.07	A report to Council following public exhibition	DCPE	Future Report		
Biodiversity and Land Acquisition for offsets update	20/04/2023 Item 14.02	Further report to be presented for further consideration	DBP	Future Report		Estimated 2024



FUTURE REPORTS Continued						
Report	Date and Item of Resolution	Status	Reporting Officer	Due Date from Council resolution	Previous Anticipated Date/s for Report	Current Anticipated Date for Report
Environmental Land Rezoning - Council owned land	08/12/2022 Item 13.10	A report to Council following public exhibition	DCPE	Future Report		
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	Future Report (Prior to development)	Dec-20 Jun-21 Oct-21 Jun-22 Dec-22	
T-22-10 Inlet Odour Management Works	21/09/2023 Item 14.02	Present a future report to Ordinary Council Meeting after contract awarded for Council's information	DCU			
Sancrox Employment Land Environmental Lands and Services Planning Agreement Assessment Report	15/02/2024 Item 13.06	A further report to council following public exhibition on submissions received.	DCPE			

CYCLIC REPORTS	Reporting Officer	Reporting Cycle	Month	Altered Report Date	Reason for Altered Date
Mayoral Discretionary Fund Allocations	CEO	Monthly	Every		
Monthly Budget Update	DBP	Monthly	Every (except July)		
Investments	DBP	Monthly	Every		
Recommendations by the Port Macquarie-Hastings Sporting Fund Sub-Committee	DCPE	Monthly	Every (except Feb)		
Lake Cathie Natural Resource Management update (13/01/2022 Item 05.01) (18/05/2023 Item 13.04) Continue with monthly reporting for the Lake Cathie Natural Resource Management Update Report, and review the frequency of reporting no later than the November 2023 Ordinary Council Meeting.	DCPE	Monthly	Every		
Recreation Action Plan – Status The cycle of Recreation plan has changed due to Recreation Action Plan being adopted in February 2023	DCPE	Annually	February		
Annual Drinking Water and Recycled Water Reports	DCU	Annually	February		
Contracts Awarded under Delegation by the Chief Executive Officer	DBP	Quarterly	Feb, Apr, Jul, Oct.		
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		
Camden Head Lookout Bimonthly report on progress of group, development and preliminary works and progress toward the longer term of works (Item 11.01 18/07/2024)	DCPE	Bimonthly	Sep, Nov, Feb, April, June and Aug.		
Community Inclusion Plan - Update of Tasks, Measures and Actions	DCPE	Biannual	Feb, Aug		
Glasshouse Strategic Plan Update	DBP	Biannual	Feb, Aug		
2022-2026 Delivery Program – Six Monthly Progress	DBP	Biannual	Feb, Aug		
Grant Application Biannual Report (16/02/23 - Item 11.05) (21/08/19 - Item 11.02)	DCPE	Biannual	Feb, Aug		



CYCLIC REPORTS	Reporting Officer	Reporting Cycle	Month	Altered Report Date	Reason for Altered Date
Major Events Grants Round 1 Round 2	DCPE	Biannual	Sept Apr		
Chief Executive Officer's Performance Review	CEO	Annually	Aug		
Operational Plan – Quarterly Progress	DBP	Quarterly	May, Nov (other 2 quarters reported with DP 6 monthly progress report)		
Quarterly Budget Review Statement	DBP	Quarterly	Feb, May, Nov		
Mayoral and Councillor Fees (Setting of)	CEO	Annually	May		
General Fund Operating Performance	CEO	Biannual	June Dec		
Update on Site Specific Planning Proposal Requests	DCPE	Biannual	Jun, Dec		
Kooloonbung Creek Flying Fox Camp Management Plan - Annual Update (16/06/2021 - Item 12.03)	DCPE	Annually	Jun		
Port Macquarie-Hastings Destination Management Plan 2020-2024 (20/05/2020 - Item 12.01)	DCPE	Annually	Jun		
Council Policy - Status	CEO	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		
Audit, Risk and improvement Committee Annual Report	CEO	Annually	Sep		
Annual Disclosure of Interest Returns	CEO	Annually	Oct		
Professional Development of Councillors (15/09/2021 - Item 09.07)	CEO	Annually	Oct		
Opportunity for Local Firms to do Business with Port Macquarie-Hastings Council	DBP	Annually	Oct		
Council Meeting Dates	CEO	Annually	Nov		

CYCLIC REPORTS	Reporting Officer	Reporting Cycle	Month	Altered Report Date	Reason for Altered Date
Legislative Compliance Register	CEO	Annually	Nov	Dec	There has been significant work on legislative compliance register and this will come back to Council in December
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 - Implementation of Actions (03/11/2021 - Item 12.05)	DCPE	Annually	Nov		
Koala Recovery Strategy Annual Report (19/09/18 - Item 12.05)	DCPE	Annually	Nov		
Annual Financial Statements for the Year Ended 30 June 2023	DBP	Annually	Nov		
Code of Conduct Complaints Annual Report	CEO	Annually	Dec		

Attachments

Nil

Item: 10.03

Subject: OATH OR AFFIRMATION OF OFFICE

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

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

RECOMMENDATION

That Council note that the Mayor and all Councillors undertook their Oath, or Affirmation, of Office before Council's Chief Executive Officer on Thursday 17 October 2024.

Executive Summary

As per the Local Government Act 1993, the Mayor and Councillors are required to undertake an Oath or Affirmation of Office prior to attendance of their first Council meeting.

Discussion

The Local Government Act, Section 233A states:

- "(1) A councillor must take an oath of office or make an affirmation of office at or before the first meeting of the council after the councillor is elected.
- (2) The oath or affirmation may be taken or made before the general manager of the council, an Australian legal practitioner or a justice of the peace and is to be in the following form:

Oath

I [name of councillor] swear that I will undertake the duties of the office of councillor in the best interests of the people of [name of council area] and the [name of 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

I [name of councillor] 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 [name of council area] and the [name of 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.

- (3) *A councillor who fails, without a reasonable excuse, to take the oath of office or make an affirmation of office in accordance with this section is not entitled to attend a meeting as a councillor (other than the first meeting of the council after the councillor is elected to the office or a meeting at which the councillor takes the oath or makes the affirmation) until the councillor has taken the oath or made the affirmation.*
- (4) *Any absence of a councillor from an ordinary meeting of the council that the councillor is not entitled to attend because of this section is taken to be an absence without prior leave of the council.*
- (5) *Failure to take an oath of office or make an affirmation of office does not affect the validity of anything done by a councillor in the exercise of the councillor's functions.*
- (6) *The general manager must ensure that a record is to be kept of the taking of an oath or the making of an affirmation (whether in the minutes of the council meeting or otherwise)."*

This report notes that all Councillors undertook an Oath, or Affirmation, of Office before Council's Chief Executive Officer on Thursday 17 October 2024, immediately prior to the October 2024 Ordinary Council meeting.

Options

There are no options as it is a requirement under the Local Government Act that the Mayor and Councillors take an Oath or Affirmation of Office and this report is for notation only.

Community Engagement & Internal ConsultationInternal Consultation

- Chief Executive Officer
- Group Manager Governance

Planning & Policy Implications

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

Financial & Economic Implications

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

Attachments

Nil

Item: 10.04

Subject: NOTICE OF MOTION - COUNCILLOR ATTENDANCE AT MEETINGS

Councillor Nik Lipovac has given notice of an intention to move the following motion:

RECOMMENDATION

That Council, during the end of each 12-month period (October to September) of this 4-year term, request the Chief Executive Officer to provide a report at the October Meeting on the number of Ordinary and Extraordinary Meetings each Councillor has attended and the number of Public Forums each Councillor has attended.

Comments by Councillor Lipovac

Ratepayers are entitled to know their elected Councillors are turning up to as many meetings as they can as it's a critical part of our job. This is about transparency and accountability. For example, a Business run by a Board of Directors will have their attendance summarised and noted in an Annual Report.

Comments by Chief Executive Officer

This report is achievable and able to be developed during business as usual activities and staff do not have any concerns with this motion.

Attachments

Nil

Item: 10.05

Subject: NOTICE OF MOTION - CODE OF CONDUCT PROVISIONS FOR RETURNS OF INTEREST

Councillor Rachel Sheppard has given notice of an intention to move the following motion:

RECOMMENDATION

That Council amend the Code of Conduct by including additional supplementary provisions as detailed below:

- 4.23A** If a Councillor or Designated Person does not lodge a Return of Interest, the Chief Executive Officer or delegate will bring this to the attention of the Councillor or Designated Person and will request they lodge the Return. Should the Councillor or Designated Person fail to lodge a Return after reasonable requests, this will be documented in the associated report in which the Return is presented to Council, by identifying the party who has not lodged a required Return of Interest, and their position in the organisation.
- 4.23B** In the case that a Councillor or Designated Person submits a Return of Interests that, in the opinion of the Chief Executive Officer or delegate, is visibly incomplete, contains unclear responses, is illegible or is otherwise visibly non-compliant with the requirements of completing the return, the Chief Executive Officer, or delegate, will bring all areas of visible noncompliance to the attention of the Councillor or Designated Person and will request the Councillor or Designated Person to lodge a corrected return.
- 4.23C** If, following application of clause 4.23B, a Councillor or Designated Person insists on lodging a Return of Interests that, in the opinion of the Chief Executive Officer or delegate, is visibly incomplete, contains unclear responses, is illegible or is otherwise visibly non-compliant with the requirements of completing the return, this is documented in the associated report in which the Return is presented to Council, by identifying the noncompliant Return of Interest and specifying the ways in which it is considered noncompliant.
- 4.23D** With respect to clauses 4.23B and 4.23C, the analysis with respect to the measure of completeness will be based on examination of whether individuals have completed all parts of the Returns of Interests form. This does not examine whether the information provided in the forms is in fact accurate. It is further noted that the responsibility of correctly completing the return is held by the Councillor or Designated Person, and not the Chief Executive Officer or their delegate.

Comments by Councillor Sheppard

This motion seeks to support transparency and confidence in Council decision-making by strengthening Council's Code of Conduct provisions in relation to annual disclosures of personal interests by Councillors and designated persons.

Under the Model Code of Conduct for Local Councils in NSW (the Model Code of Conduct), Councillors and designated persons are required to lodge annual disclosures of their personal interests. These disclosures must be tabled to Ordinary Council Meetings, and made publicly available.

These disclosures are known as 'Returns of Interest'. As noted by the Office of Local Government Guide to Completing Returns of Interest, "These operate as a key transparency mechanism for promoting community confidence in council decision making, whether by Councillors or by staff or others under delegation." Personal interests that are required to be disclosed include interests in property, sources of income, income from trusts, interests in corporations, interest as a developer or close associate of a developer, interests in unions or professional associations, among other interests.

At present, there is ambiguity as to whether Council is permitted to decline visibly non-compliant Returns of Interest. This motion seeks to introduce a mechanism to Council's Code of Conduct to ensure that if a Councillor or designated person declines to lodge a Returns of Interest or insists on lodging a visibly noncompliant Returns of Interest, that this is formally brought to the attention of Council. Doing so will support transparency and confidence in Council decision-making, by ensuring that noncompliance is identified and addressed.

Comments by Chief Executive Officer

Council staff are currently undertaking similar processes with respect to returns of interest being lodged to improve the quality of returns of interest. Staff have no concerns with the contents of this motion.

Attachments

Nil

Item: 10.06

Subject: **QUESTION WITH NOTICE - STATE OR FEDERAL ACTIVE TRANSPORT GRANT FUNDING OPPORTUNITIES.**

Presented by: **Business and Performance, Keith Hentschke**

RECOMMENDATION:

That the response provided to Councillor Edwards Question on Notice regarding State Or Federal Active Transport Grant Funding Opportunities be noted.

The following Question With Notice has been received from Councillor Lauren Edwards.

Question from Councillor Lauren Edwards,

That Council request the Chief Executive Officer to report to the November 2024 Ordinary Council meeting on current State or Federal Active Transport Grant Funding opportunities and whether Port Macquarie-Hastings Council has or will apply for any of these before applications close.

Comments by Councillor

Nil

Comments by Chief Executive Officer

There are currently two active transport grants available to Council. The NSW Get Active Grant provides funding to local councils to support the development and delivery of walking and bike riding projects, including both design and construction projects. Three locations are planned to be applied for under this program, including:

- Detailed design of the Oxley Highway active transport corridor between the Health and Education Precinct and Port Macquarie Town Centre. This location is identified as a short-term action in the Integrated Transport Plan (ITP).
- Construction of Stage 1 and 2 of the Comboyne footpaths improving safety and pedestrian access where there were previously missing links and crossings. This project was identified as part of the walking and cycling review that has been drafted and has had design work completed.
- Construction of a shared path on the northern side of Hastings River Drive between Hughes Place and Boundary Street. This project involves construction of a missing link of shared path and will achieve the outcome of commencing works which are associated with the consent conditions for the Hastings River Drive upgrade. This upgrade is an identified priority within the ITP.

The second grant available to Council currently is the Active Transport Fund. This fund is a Federal Government grant that provides funding for the design and

construction of new or existing bicycle and walking pathways to encourage active transport. Staff have identified five potential projects which have originated from the ITP and walking and cycling review. Further detailed planning will be required before a final list of locations has been decided upon. Initial considerations include locations in Port Macquarie, North Shore and Wauchope.

Attachments

Nil

Item: 10.07

Subject: COUNCIL MEETINGS DATES FOR 2025

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

1.3.1 Provide effective leadership and equity.

RECOMMENDATION

That Council:

1. Set the Ordinary Council Meeting dates for the 2025 as the third Thursday of each month (with the exception of an earlier meeting in December due to the proximity of Christmas) being:
 - 20 February
 - 20 March (Wauchope)
 - 17 April
 - 15 May
 - 19 June
 - 17 July
 - 21 August
 - 18 September
 - 16 October (Laurieton)
 - 20 November
 - 11 December
2. Set the Ordinary Council meetings to commence at 10:00am on the dates as listed in 1 above.
3. Conduct a public forum the Monday evening prior to each Ordinary Council Meeting commencing at 5pm, with the exception of the March 2025 and October 2025 public forums where they will be held at 9am immediately preceding the commencement of the Ordinary Council meeting.

Executive Summary

It is proposed that the Council Meeting Schedule for 2025 be based on the third Thursday of each month (with the exception of an earlier meeting in December due to the proximity of Christmas); and that the March and October Council Meetings be set aside for the "Taking the Council to the Community" program and be held at off-site locations.

Discussion

It is proposed to set the Council Meeting schedule for 2025 on a cycle of the third Thursday of each month (with the exception of an earlier meeting in December due to the proximity of Christmas).

The proposed meeting schedule for 2025 is as follows:

- 20 February
- 20 March (Taking the Council to the Community - Wauchope)
- 17 April
- 15 May
- 19 June
- 20 July
- 21 August
- 18 September
- 16 October (Taking the Council to the Community - Laurieton)
- 20 November
- 11 December

It is also proposed that Ordinary Council meetings commence at 10am on each of the days listed above. It is noted that Easter in 2025 is from 18 April to 21 April and the 2025 Local Government Conference will be held 23 to 25 November 2025 and neither event conflicts with the proposed dates.

This is also an opportunity for Council to determine whether to continue holding off-site Council meetings twice a year. Each meeting held off-site costs approximately \$2,500-\$3,000 in equipment and venue hire and staff time over and above a normal Council meeting held in the Council Chamber. Council is also live streaming its Council meetings that are held in the Council Chamber for all the community to see at the same time, which is also undertaken at remote sites. It is noted however as Council has no control of internet facilities at these sites it is possible that technical issues may prevent the live streaming and remote access capabilities for Councillors at the time of the meeting.

Should alternate dates and times be determined, consideration should be given for off-site meetings and to the opening times of the venues used to allow sufficient time to be able to establish all the technical equipment to facilitate the meeting. Consideration must also be given to finishing times of meetings at off-site venues if the meeting were to continue past the closing time of the venue and Council may be required to adjourn the meeting and continue at another time and venue.

Options

An alternative meeting schedule and/or cycle or meeting locations may be adopted. As noted above, when considering alternate starting times consideration must be given to the availability of venues for off-site meetings to ensure that sufficient time is provided prior to the meeting commencing to establish the technical equipment required and also finishing times to ensure that they will be within the opening hours of the venue.

Community Engagement and Internal Consultation

- Chief Executive Officer
- Director Business and Performance
- Group Manager Governance
- Governance Officer

AGENDA

ORDINARY COUNCIL
14/11/2024

Planning and Policy Implications

There are no planning or policy implications.

Financial and Economic Implications

There are no financial or economic implications.

Attachments

Nil

Item: 10.08

Subject: DISCLOSURE OF INTEREST RETURN - DESIGNATED PERSONS

Presented by: Business and Performance, Keith Hentschke

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 Disclosure of Interest return for the following positions.

- 1. Elected Member - Councillor**
- 2. Business and Performance - Health, Safety and Wellbeing Manager**
- 3. Community Utilities - Waste Transfer Station Team Leader**

Executive Summary

This report informs Council of the lodgment of a return disclosing the interests of designated persons which are required under Clause 4.21 of Council's Code of Conduct.

The returns for the abovementioned positions will be tabled at this meeting.

Discussion

Clause 4.21 of Council's Code of Conduct requires Councillors and Designated Persons to prepare and submit written returns of interests. The following position has been deemed a designated person under the Local Government Act:

- Health, Safety and Wellbeing Manager
- Waste Transfer Station Team Leader

Clause 4.24 requires the General Manager (or Chief Executive Officer) to keep a Register of the Returns and Clause 4.25 requires the returns must be tabled at the first meeting of the Council after the last day the return is required to be lodged.

The disclosure returns will be held in the Disclosure Register in the Governance Section of Council and, as required by Section 6 of the *Government Information (Public Access) Act 2009*, they are available for public inspection by appointment or they are available on Council's website noting residential addresses of staff may be redacted in accordance with the Local Government Act.

Options

Lodgment of a Return by a Designated Person is a requirement under Clause 4.21 of Council's Code of Conduct.

Community Engagement and Internal Consultation

Internal Consultation

- Group Manager Governance.
- Chief Executive Officer.

Planning and Policy Implications

There are no planning or policy implications.

Financial and Economic Implications

There are no financial or economic implications.

Attachments

Nil

Item: 10.09

**Subject: AUDIT RISK AND IMPROVEMENT COMMITTEE FOUR- YEAR
WORKPLAN AND FOUR-YEAR STRATEGIC INTERNAL AUDIT
PLAN**

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

1.3.3 Ensure there is appropriate management of risk to mitigate impact for Council and the community.

RECOMMENDATION

That Council:

- 1. Adopt the Port Macquarie- Hastings Council Audit Risk and Improvement Committee Strategic Workplan**
- 2. Adopt the Four-year Strategic Audit Plan for the period 1 July 2024 to 30 June 2028**

Executive Summary

The guidelines for Risk Management and Internal Audit for Local Government in NSW of November 2023 (Core requirement 1) require the governing body of Council to endorse the Four-Year Strategic Workplan (The workplan). The workplan attached has been developed to ensure all matters listed in section 428A of the Local Government Act are reviewed by the Committee.

The guidelines for Risk Management and Internal Audit for Local Government in NSW of November 2023 (Core requirement 3) requires the internal audit function to undertake internal audit activities in accordance with a four-year strategic workplan that has been endorsed by the Governing Body, therefore the Four-Year Strategic Internal Audit Plan (the audit plan) for the period 2024 to 2028 has been developed and is presented for endorsement.

Discussion

Both the workplan and audit plan have been presented and endorsed by the Audit, Risk and Improvement Committee at the meetings held on 1 August 2024 and 28 June 2024 respectively.

The workplan in conjunction with the audit plan meet the requirements of the guidelines for Risk Management and Internal Audit for Local Government in NSW of November 2023 including:

- Consideration of the Council's strategic objectives
- Risks facing the council
- The work of other review activities

- An assurance map
- Stakeholders' expectations

It is considered that sufficient flexibility has been built into the workplan and the audit plan to accommodate the need to consider emerging risks.

The workplan has been designed as a rolling four-year plan, encompassing the annual plan and will be reviewed on an annual basis.

The audit universe and draft audit plan was developed and presented to the Senior Leadership Team on 5 March 2024 for feedback. The updated audit plan was presented to the Executive Leadership Team on 28 May 2024 for feedback and endorsement.

The resulting audit plan has twenty-seven audits scheduled over the 4-year period. This is inclusive of allowing for one management initiated review each year. Additional time has been allocated to advisory in the first two years. This is designed to be able to:

- be responsive to managements needs in relation to the transformation program, providing more timely feedback and forward focused
- increase the maturity of Council in relation to Internal Audit.

Advisory services may include:

- advising on the design and implementation of new policies, processes, systems and products
- providing forensic services
- providing training
- facilitating discussions about risk and controls

A pool of internal audits with indicative scopes has been developed, which can be drawn from the management-initiated reviews to assist in ensuring the audit plan is responsive to management needs and to allow the audit plan to be responsive to Council's emerging risks.

Key Information in the audit plan

- The plan has been linked to Council's business units, directorates, strategies and goals. Audit coverage has been demonstrated in the plan against business units and directorates to align with current reporting processes, providing meaningful information to management.
- Pages nine to eleven is the overview of the planned activity in the strategic plan for the period 1 July 2024 to 30 June 2028.
- Pages twelve and thirteen are the annual audit plan for 1 July 2024 to 30 June 2028.
- Forecast activity is found on pages fourteen to twenty.
- Estimated resourcing is found on page 25.
- Communication plan is found on page 26.
- Assurance map commences on page 27.

Internal Consultation

The workplan has been developed by Internal Audit in consultation with Senior Managers

Extensive consultation, review of Council documents, development of the assurance map, and risk assessment has been undertaken to create the audit plan aligning with the requirements of Principal 9 Plan Strategically of the Global Internal Audit Standards (Institute of Internal Auditors).

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.  Audit, risk and Improvement Committee Four-Year Strategic Workplan
2.  Four - Year Strategic Internal Audit Plan 2024-2028

Item: 10.10

Subject: LEGAL FEES

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 information in the Legal Fees report.

Executive Summary

At the July 2018 Ordinary Council meeting, Council resolved for a report to be provided to the September 2018 Ordinary Council meeting listing a breakdown of legal fees on a case by case basis for matters costing more than \$10,000 in the 2017-2018 financial year. As a result of the September 2018 Ordinary Council meeting, Council requested an updated report to be provided to Council each quarter.

There were one matter costing more than \$10,000 in the 2024-2025 financial year as at the end of September 2024.

Discussion

At the July 2018 Ordinary Council meeting, Council resolved:

1. *Note the information contained within the Question from Previous Meeting - Enforcement of Unlawful Activity Policy report.*
2. *Request the General Manager undertake a review of the Regulatory Enforcement Policy in relation to its adequacy for assessing the cost benefits of taking enforcement action, prior to such action taking place.*
3. *Request the General Manager report back to a future meeting of Council as soon as practicable on the findings of the review referred to in 2) above.*
4. *Request the General Manager provide a report to the September 2018 Council meeting listing a breakdown of legal fees on a case by case basis for matters costing more than \$10,000 in the 2017-2018 financial year.*

A report was then provided to the September 2018 Ordinary Council meeting that related to point 4 of the resolution above. As a result, at the September 2018 Ordinary Council meeting, Council resolved:

That Council:

1. *Note the information in the Legal Fees report.*
2. *Request the General Manager to provide an updated report quarterly to Council.*

Attached is a confidential file that provides the information that relates to point 2 of the resolution above. This includes a breakdown of legal fees on a case by case basis for matters costing more than \$10,000.

The attachment titled "Legal matters greater than \$10,000 2024-2025 Financial Year" is confidential as it contains information that relates to commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it (*Local Government Act 1993* - Section 10A(2)(d)(i)).

Options

This report is for notation only. Council may resolve to request further information however as this contains commercial in confidence information, any discussion on the details contained in the attachment would need to be referred to a confidential session of Council or provided to Councillors out of session.

Community Engagement and Internal ConsultationInternal Consultation

- Director Business and Performance

Planning and Policy Implications

There are currently 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. Legal Matters Greater Than \$10,000 2024-2025 Financial Year (Confidential)

Item: 10.11

Subject: 2024-2025 QUARTERLY BUDGET REVIEW STATEMENT AND OPERATIONAL PLAN STATUS REPORT AS AT 30 SEPTEMBER 2024

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 Quarterly Budget Review Statements as at 30 September 2024.
2. Note the 2024-2025 Operational Plan First Quarter Status Report as at 30 September 2024.
3. Authorise the deferral of the following Actions/Projects, with the Status of Council approved Action Deferred / Not Progressing
 - WAS 09 Water Network Planning - Trunk Mains Upgrade- Chalmers St (O'Briens)
 - WAS 11 Water Network Planning - Trunk Mains Upgrade - Sancrox Residential Area
 - WAS 12 Water Network Planning - Trunk Mains Upgrade- Yarramundi Rd Trunk Mains
 - WAS 13 Water Network Planning - Trunk Mains - Yippin Creek Northern Trunk Mains
 - WAS 21 Water Network Planning - Transit Hill Reservoir instrumentation, pipework and valves renewal
 - WAS 33 Reservoirs - Trunk Main from Bonny Hills to Kew (Area 15) reservoir
 - WAW 09 Wastewater Network - Reticulation Mains and Rising Mains - Camden Haven Sewer Pump Station (SPS) #11 - Rising main renewal works
 - WAW 10 Wastewater Network - Reticulation Mains and Rising Mains - Camden Haven Sewer Pump Station (SPS) #15 - Rising main renewal works
 - WAW 21 Wastewater Network - Reticulation Mains and Rising Mains - Camden Haven Sewer Pump Station (SPS) #23 Catchment Relining
 - WAW 22 Wastewater Network - Reticulation Mains and Rising Mains - Port Macquarie Sewer Pump Station #71 Catchment Investigations

- **WAW 28 Sewer Pumping Stations (SPS) - Port Macquarie Sewer Pump Station (SPS) #05 - Pump Station Upgrade**
- **WAW 29 Sewer Pumping Stations (SPS) - Port Macquarie Sewer Pump Station (SPS) #06 - Pump Station Upgrade**
- **WAW 31 Sewer Pumping Stations (SPS) - Wauchope Sewer Pump Station (SPS) #01 - Pump Station Upgrade**

Executive Summary

The Quarterly Budget Review Statement (QBRS) is a statutory report prepared in accordance with sections 202 and 203 of the *Local Government (General) Regulation 2021* (Regulations).

In addition, the Integrated Planning and Reporting Guidelines provide that the QBRS refers to the estimate of income and expenditure in the revenue policy of the Operational Plan, details the actuals and revises the actuals for the remainder of the year. The quarterly frequency allows budget adjustments to be made, if necessary. It is the mechanism by which the community and councillors are informed of progress against the Operational Plan (original budget) and last revised budget.

To support stronger connectivity between finance and corporate strategy, transparency and oversight of the progress of the Actions contained in the 2024-2025 Operational Plan, this report provides both the Quarterly Budget Review Statement and 2024-2025 Operational Plan First Quarter Status Report as at 30 September 2024. These had previously been reported separately.

The Operational Plan actions/projects requested for deferral in this report from the Water and Sewer funds are the result of the ongoing review of the capital works program for these funds as part of the development of the Long-Term Financial Plan 2026-2029. Deferral will facilitate the prioritisation of cash funding for the key priority projects to be delivered by these funds over the next few years, including the Thrumster Wastewater Treatment Plant and Water Treatment/Filtration Plant at Cowarra Dam.

Discussion

Quarterly Budget Review Statement

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

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

Attachment 4 - September 2024 Quarterly Budget Review Statement details the mandated components of the QBRS as prescribed in the NSW Local Government Code of Accounting Practice and Financial Reporting and provides commentary on significant variances or financial impacts.

Attachment 4 also provides detail on consultancy engagements undertaken during the period. The Confidential **Attachment 5 - Confidential - September 2024 Quarterly Budget Review - Consultancy Engagements** relates to information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting or proposes to conduct business (Local Government Act 1993 - Section 10A(2)(c)).

Summary of Results for Quarter 1

	YTD Actuals (\$000)	YTD Budget (\$000)	YTD Actuals as a % of Budget	Projected Year End (\$000)
Total Income	139,916	138,734	100.9%	277,275
Total Expenses (Operating)	47,632	52,005	91.6%	218,795
Operating Result before Capital - Surplus/(Deficit)	82,114	81,738	100.5%	(11,528)
Capital Expenditure	32,861	44,863	73.2%	223,890

The projected operating result has remained relatively the same compared to the original budget. This will need to be closely monitored during the remainder of the year.

Income is tracking slightly above budget, due to returns on investments being higher than expected for the financial year to date (YTD). The timing of when the roads and bridges grants have been received has also impacted capital grants and contributions, which is tracking 203.8% above YTD budget.

Operating expenditure is tracking under YTD budget. This is a result of lower than budgeted employee and material and contract costs; however, whether this trend continues will depend upon the spend profile of some large maintenance programs over the remainder of the year. This will continue to be monitored in the remaining quarters of the year.

Capital expenditure is also significantly under YTD budget by \$12.0m. The YTD underrun is largely impacted by timing of contractor payments which are likely to equalise during the remainder of the year. It is noted however that when considering the overall annual capital works program, \$11.0m expenditure has been identified as requiring deferral to the following financial year, (refer to Monthly Budget Review - October 2024 report, also included in this agenda item).

The return on Council’s investments as at 30 September 2024 was 3.32% which was higher than budgeted, but 1.18% below the spot benchmark of 4.50%. This is due to sustained higher interest rates and Council holding term deposits made in a low inflation environment, when rises were not expected.

Budget variations and carry-overs adopted throughout the financial year have generally not materially impacted most of the forecasted T-Corp ratios set out in the adopted original budget; however, the projected Operating Performance Ratio,

Unrestricted Current Ratio and rates outstanding have worsened and will need monitoring during the remainder of the year.

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


Statement by Responsible Accounting Officer

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

Responsible Accounting Officer Statement

It is my opinion that the Quarterly Budget Review Statement for Port Macquarie-Hastings Council for the quarter ended 30 September 2024 indicates that Council's projected financial position at 30 June 2025 will be less than satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

The operating deficit will be addressed through ongoing review with budget managers to identify potential savings, as well as the development and implementation of a formal improvement plan.



Rod Archer September 30, 2024
Responsible Accounting Officer - Port Macquarie-Hastings Council

2024-2025 Operational Plan Status Report

This status report represents first quarter progress of the 2024-2025 operational year and provides details to inform both Council and the community on progress of Actions/Projects contained within the 2024-2025 Operational Plan.

Delivery against the 2024-2025 Operational Plan to date is 95%.

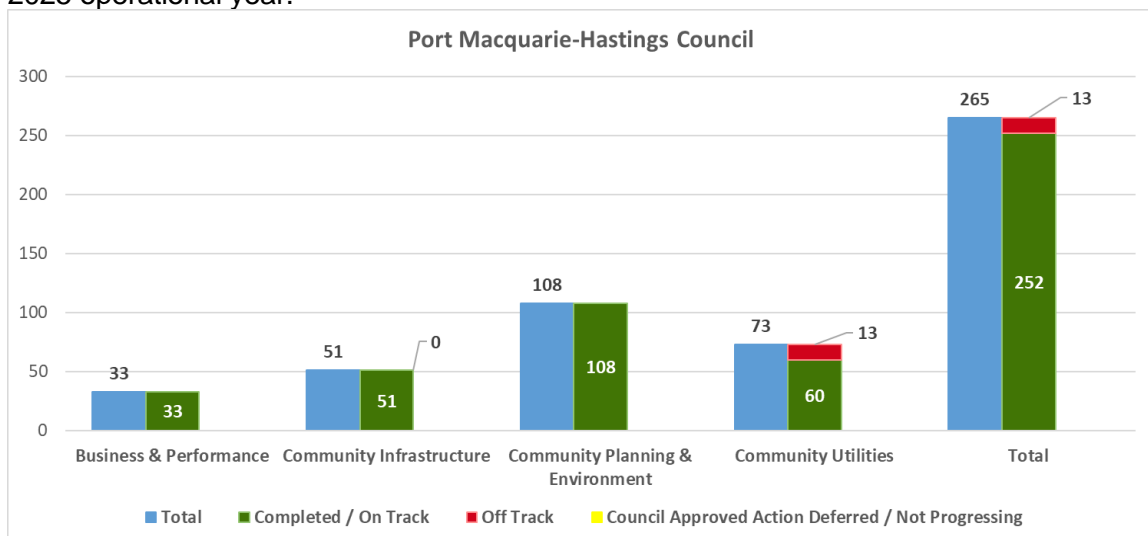
Reporting for the 2024-2025 Operational Plan continues as per the Action/Project status categories and definitions contained within the following table.

Status		When to Report this status
✓	Completed	The Action/Project has met the Performance Measurement criteria detailed in the Operational Plan.
●	Progressing as Scheduled	The Action/Project is continuing to progress and is expected to meet the Performance Measurement criteria and timeline detailed in the Operational Plan.
●	Council approved Action Deferred / Not Progressing	The Action/Project has been deferred to outer years, or the Project will not continue. There has been a Council Resolution to: <ul style="list-style-type: none"> • defer or cease the Action/Project via a Council Report • inclusion in outer year's adopted Operational Plans • or as an approved budget carry forward request or other adjustment via a Council Report.
●	Off Track	The Action/Project will not meet the Performance Measurement criteria detailed in the Operational Plan.

To date, Council has not yet resolved to approve the deferral or cessation of any Action contained in the 2024-2025 Operational Plan. For this reason, this status is not used in first quarter reporting.

The 2024-2025 Operational Plan contains a total of 265 Actions/Projects with 252 identified as Completed or Progressing as Scheduled and 13 Off Track.

For the purpose of this report, Operational Plan outcomes have been categorised by directorate and are detailed below, with the accompanying table detailing the number of Operational Plan actions and their status by Directorate for Quarter 1 of the 2024-2025 operational year.



2024-25 Operational Plan Summary of Action/Project Progress						
Port Macquarie-Hastings Council	Total	Completed/ On Track	Action Deferred/ Not Progressing	Off Track	Completed/ On Track %	Delivery %
Business & Performance	33	33	0	0	100%	100%
Community Infrastructure	66	51	0	0	100%	100%
Community Planning & Environment	108	108	0	0	100%	100%
Community Utilities	58	60	0	13	82%	82%
Total	265	252	0	13	95%	95%

Delivery % (95%) is calculated as the percentage of Completed/On Track Actions /Projects (252) against the total number of Actions/Projects (265).

Details of outcomes achieved against each Operational Plan Action/Project are provided in **Attachment 1 - 2024-2025 Operational Plan Quarterly Progress Report Quarter ended 30 September 2024.**

Actions identified as Off Track are detailed in **Attachment 2 - 2024-2025 Operational Plan Quarterly Exception Report Quarter ended 30 September 2024.**

There are 13 Actions/Projects identified as Off Track and seeking Council approval to defer the Action to a later date. The total budget for these deferrals is \$11,020,000 and is one of the requested adjustments in the Monthly Budget Review Report - October 2024 separately tabled at this meeting.

The Operational Plan actions/projects requested for deferral from the Water and Sewer funds are largely the result of the ongoing review of the capital works program for these funds as part of the development of the Long-Term Financial Plan 2026-2029. Deferral will facilitate the prioritisation of cash funding for the key priority projects to be delivered by these funds over the next few years, including the Thrumster Wastewater Treatment Plant and Water Treatment/Filtration Plant at Cowarra Dam.

Details of the Action and associated commentary is provided below for information.

Community Utilities

Water Supply

- WAS 09 Water Network Planning - Trunk Mains Upgrade - Chalmers St (O'Brien's)

Budget \$340,000

Project identified for deferral due to the need to reprioritise the Water works program. Delivery of the Cowarra Water Supply Scheme project has required a complete review of the Water Fund works program to ensure affordability and financial sustainability of the Water Fund reserves.



To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this Action.

- WAS 11 Water Network Planning - Trunk Mains Upgrade - Sancrox Residential Area

Budget \$380,000

Project identified for deferral due to the need to reprioritise the Water works program. Revised cost estimate for the Cowarra Water Supply Scheme has required a complete review of the water works program to ensure affordability and financial sustainability of the Water fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this Action.

- WAS 12 Water Network Planning - Trunk Mains Upgrade- Yarramundi Rd Trunk Mains

Budget \$255,000

Project identified for deferral due to the need to reprioritise the Water works program. Delivery of the Cowarra Water Supply Scheme project has required a complete review of the Water Fund works program to ensure affordability and financial sustainability of the Water Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

- WAS 13 Water Network Planning - Trunk Mains - Yippin Creek Northern Trunk Main

Budget \$240,000

Project identified for deferral due to the need to reprioritise the Water works program. Delivery of the Cowarra Water Supply Scheme project has required a complete review of the Water Fund

works program to ensure affordability and financial sustainability of the Water Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

- WAS 21 Water Network Planning - Transit Hill Reservoir instrumentation, pipework and valves renewal

Budget \$100,000

Project identified for deferral due to the need to reprioritise the Water works program. Delivery of the Cowarra Water Supply Scheme project has required a complete review of the Water Fund works program to ensure affordability and financial sustainability of the Water Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

- WAS 33 Reservoirs - Trunk Main from Bonny Hills to Kew (Area 15) reservoir

Budget \$7,600,000

The Monthly Budget Review report for October 2024 submitted to Council under separate cover, seeks to reduce this budget to \$400,000 to allow the progress of further Cultural Heritage studies as discussed below.

Project identified for deferral due to the requirement for further Cultural Heritage studies to be undertaken in relation to the site. Design and Environmental approvals are continuing to progress on the Trunk Main from Bonny Hills to Kew Project, however, construction of Stage 1 now expected to take place in the 2025-26 financial year and will be dependent on the outcome of the study.

As a result, Council approval is sought to defer the commencement of Stage 1 construction to the 2025-26 operational year, subject to the outcome of Cultural Heritage studies.

Wastewater

- WAW 09 Wastewater Network - Reticulation Mains and Rising Mains - Camden Haven Sewer Pump Station (SPS) #11 - Rising main renewal works

Budget \$150,000

Project identified for deferral due to the need to reprioritise the Wastewater works program under the Sewer Fund. Delivery of the Thrumster Wastewater Scheme has required a complete review of the Sewer Fund Wastewater works program to ensure affordability and financial sustainability of the Sewer Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

- WAW 10 Wastewater Network - Reticulation Mains and Rising Mains - Camden Haven Sewer Pump Station (SPS) #15 - Rising main renewal works

Budget \$600,000

Project identified for deferral due to the need to reprioritise the Wastewater works program under the Sewer Fund. Delivery of the Thrumster Wastewater Scheme has required a complete review of the Sewer Fund Wastewater works program to ensure affordability and financial sustainability of the Sewer Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

- WAW 21 Wastewater Network - Reticulation Mains and Rising Mains - Camden Haven Sewer Pump Station (SPS) #23 Catchment Relining

Budget \$305,000

After further investigation it has been determined that relining is not required at this location. To enable more efficient utilisation of resources, reallocation of this budget to the trunk main works within the Wauchope Sewer Pump Station 02 catchment area has been requested via a budget variation.

As a result, Council approval is sought to reallocate this budget to Wauchope Sewer Pump Station 02.

- WAW 22 Wastewater Network - Reticulation Mains and Rising Mains - Port Macquarie Sewer Pump Station #71 Catchment Investigations

Budget \$500,000

Project identified for deferral due to the need to reprioritise the Wastewater works program under the Sewer Fund. Delivery of the Thrumster Wastewater Scheme has required a complete review of the Sewer Fund Wastewater works program to ensure affordability and financial sustainability of the Sewer Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

- WAW 28 Sewer Pumping Stations (SPS) - Port Macquarie Sewer Pump Station (SPS) #05 - Pump Station Upgrade

Budget \$100,000

Project identified for deferral due to the need to reprioritise the Wastewater works program under the Sewer Fund. Delivery of the Thrumster Wastewater Scheme has required a complete review of the Sewer Fund Wastewater works program to ensure affordability and financial sustainability of the Sewer Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

- WAW 29 Sewer Pumping Stations (SPS) - Port Macquarie Sewer Pump Station (SPS) #06 - Pump Station Upgrade

Budget \$250,000

Project identified for deferral due to the need to reprioritise the Wastewater works program under the Sewer Fund. Delivery of the Thrumster Wastewater Scheme has required a complete review of the Sewer Fund Wastewater works program to ensure affordability and financial sustainability of the Sewer Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

- WAW 31 Sewer Pumping Stations (SPS) - Wauchope Sewer Pump Station (SPS) #01 - Pump Station Upgrade

Budget \$200,000

Project identified for deferral due to the need to reprioritise the Wastewater works program under the Sewer Fund. Delivery of the Thrumster Wastewater Scheme has required a complete review of the Sewer Fund Wastewater works program to ensure affordability and financial sustainability of the Sewer Fund reserves.

To support a review of Council's Long-Term Financial Plan, a critical needs analysis of this project has identified that the Action can be deferred to a later date as part of the annual water main renewals program.

As a result, Council approval is sought to defer this action.

These items are currently identified as Off Track.

Delivery Status of Significant Projects

At the Ordinary Meeting on 16 November 2023, Council requested that, given the significance of Thrumster Wastewater Treatment Plant and Water Treatment/Filtration Plant at Cowarra Dam - Pre-Construction as State Significant Infrastructure Projects, Quarterly Operational Plan Status Reports and additional commentary in relation to the key projects be provided.

WAW 02 Wastewater Treatment Plant (WWTP) - Thrumster Wastewater Treatment Scheme

The Thrumster Wastewater Scheme supports the significant residential growth in the western region of Port Macquarie, encompassing Thrumster and Sancrox. The scheme aims to meet the growing demand for wastewater services, while minimising environmental impacts and promoting community health and safety. The scheme has received State Significant Infrastructure (SSI) status, highlighting its importance to regional growth.

The scheme includes the construction of a new wastewater treatment plant (WWTP), new pipelines for improved connectivity, and other essential infrastructure such as a water recycling plant in Thrumster.

2024-25 Operational Plan Status

On Track.

Environmental Impact Statement (EIS) submitted with exhibition period complete. Comments on EIS and Agencies Advice received, engagement of the Consultant for response to advice and comments is ongoing.

Expression of Interest for participation in Early Tenderers Involvement is complete, and second workshop with three shortlisted respondents already organized and remaining workshops are organized.

Completion of Early Tenderers Involvement phase is scheduled for November 2024.

Issue of Select Request for Tender is Pending Financial Affordability Assessment.

WAS 04 Water Network Planning - Cowarra Water Scheme

The Cowarra Water Supply Scheme including a new water treatment plant (WTP), clear water reservoir and trunk main to service the water reticulation systems of Sancrox, Thrumster, Port Macquarie and Camden Haven regions.

The project aims to deliver reliable filtered water for the growing population of Port Macquarie-Hastings. The Cowarra Water Supply Scheme strives to guarantee a sustainable and high-quality water supply. With an estimated current population of 86,400 projected to grow by 16.5% to approximately 100,700 by 2041, the scheme is specifically designed to provide reliable filtered water, ensuring the wellbeing of our residents well into the future.

2024-25 Operational Plan Status

On Track.

Response to community comment and Agencies' advice on the Environmental Impact Statement is planned for submission in November.

Early Tenderers Involvement will be completed by mid-October. A select Request for Tender will be issued to the shortlisted respondents late 2024 or early 2025, prior to contact award.

TPT 12 Ocean Drive Duplication - Construction Phase

On Track.

Works are on track for the Ocean Drive Duplication Upgrade. Arch extensions and associated retaining walls are almost complete. Southbound carriageway construction expected to commence late 2024 or early 2025. Major traffic switches are planned in Quarter 2 of 2024/25 to provide access to construct the southbound carriageway and key intersections.

2023-2024 Carry Overs and 2024-25 Monthly Budget Adjustments

In addition to the 265 Actions adopted and included in the 2024-2025 Operational Plan, Council has approved 62 additional Actions/Projects (55 - 2023-2024 Carry Overs; 7 2024-2025 Monthly Budget adjustments) with 10 completed and the remaining 52 On Track.

A listing of these projects can be found in **Attachment 3 - 2023-2024 Carry Over and 2024-2025 Budget Adjustment Report as at 30 September 2024.**

Options

Council may adopt the recommendation or amend as required.

The Quarterly Budget Review Statement is a statutory report prepared in accordance with sections 202 and 203 of the Local Government (General) Regulation 2021 ('Regulations'). The consideration of the 2024-2025 Operational Plan Quarterly Progress Report Quarter ended 30 September 2024 in conjunction with the Quarterly Budget Review Statement aligns with the principles of the Integrated Planning and Reporting guidelines.

Community Engagement & Internal Consultation

Not applicable.

Internal consultation was undertaken with:

- Chief Executive Officer, Directors, Executive and Group Managers;
- All staff reporting against the 2024-2025 Operational Plan;
- Business Performance Analyst (Corporate Reporting);
- Planning and Reporting Development Officer; and
- Planning and Reporting Officer.

Planning & Policy Implications

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

Financial & Economic Implications

As indicated in the QBRS, the projected operating result for Council on a consolidated basis, as at 30 September 2024, is a deficit of \$11.528m. As at 30 September 2024 there was a cash balanced budget for 2024-2025.





This report has no direct financial implications. Quarterly Budget Review Statements align with the reporting period referenced in this report.

Despite a balanced budget position, there are a number of factors impacting the operating deficit including:

- Council's main revenue stream of rates and annual charges is restricted each year by a Rate Peg set by IPART. This presents challenges in meeting increased service delivery expectations from a growing community, whilst having limited revenue raising avenues, and in recent years has seen costs increase at a higher rate than the revenue has been generated.
- Global economic factors and domestic events such as natural disasters, have impacted material and resource costs, as well as supply chains, with significant cost escalations being experienced;
- Strategic increases in maintenance expenditure across core areas such as roads, drainage and parks; and
- Impact of cost shifting from other levels of government.

As noted in the development of the Operational Plan and original budget, the impacts of the above have been mitigated in the short term in part by the strategic use of Council's internal reserves. Although a negative operating result is manageable in the short-term, considering the above factors and in light of Council's overall financial position, the importance of ensuring Council's ongoing financial sustainability is recognised. On this basis, Council will continue to focus on improving the general fund operating result in particular, through the Improvement Plan.

Attachments

1.  2024-2025 Operational Plan - Quarterly Progress Report as at 30 September 2024
2.  2024-2025 Operational Plan - Quarterly Exception Report as at 30 September 2024
3.  2023-2024 Carry Over and 2024-2025 Budget Adjustment Report as at 30 September 2024
4.  September 2024 Quarterly Budget Review Statement
5. September 2024 Quarterly Budget Review - Consultancy Engagements (Confidential)

Item: 10.12

Subject: MONTHLY BUDGET REVIEW - OCTOBER 2024

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 October 2024 Adjustments section of the Monthly Budget Review – October 2024 report and associated attachment.**
- 2. Amend the 2024-2025 Operational Plan to include all budget adjustments approved in this report.**

Executive Summary

This report details monthly budget adjustments recommended for the month of October 2024. The Council-adopted 2024-2025 budget position at the commencement of the financial year was a balanced budget. The budget adjustments contained in this report maintain this position and forecast a balanced budget as at the end of October 2024. This is outlined in the table below.

Monthly Budget Review Summary

Original Budget as at 1 July 2024	Balanced	\$0
<i>Plus adjustments:</i>		
July Review	Balanced	\$0
September Review	Balanced	\$0
October Review	Balanced	\$0
Forecast Budget Position for 30 June 2025	Balanced	\$0

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 originally adopted 2024-2525 budget position along with any proposed movement of funds.

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

October 2024 Adjustments

The commentary below is to be read in conjunction with the “Forecast Budget Statement for the Year Ended 30 June 2025” on page 3 of this report. Further details on individual transactions are provided in Attachment 1: October 2024 Budget Review.

Grants totalling \$3,310k were recognised during the month of October 2024. These include grants for Koala Habitat Mapping (\$300k), Flood Recovery Works at Vince Inmon Cricket Nets (\$159k), Bridge Assessments for the Port Macquarie Hastings Region (\$321k), King Creek Bridge (\$978k) and Black Creek Causeway (\$1,552k).

Budget Variance Requests were approved by the Executive during the month for the Koala Action Plan of Management (\$121k) and Hastings River Flood Study Update (\$18k).

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

Works Program Review

As part of the ongoing monitoring of the 2024-2025 Operational Plan progress, the status of capital works expenditure has been reviewed. This review has focused on the current and projected status of the projects and the latest process has identified some projects which need to be re-prioritised to future financial years.

As such, projects totalling \$11,020,000 are proposed to be deferred from the 2024-2025 works program and considered for incorporation into future Operational Plans. The specific projects are outlined in the ‘2024-2025 First Quarterly Budget Review Statement and Operational Plan Status Report as at 30 September 2024’, a report also going up to the agenda of this Council meeting. Details for each project are outlined in Attachment 2: “2024-2025 Operational Plan - Quarterly Exception Report as at 30 September 2024”.

Forecast Budget Statement for the Year Ended 30 June 2025

	2024-25 Original Budget ‘\$000	Carry Overs ‘\$000	Approved Adj YTD ‘\$000	Prior Month Forecast ‘\$000	Current Month Adj ‘\$000	Works Program Review ‘\$000	2024-25 Full Year Forecast ‘\$000
Operating Activities Movements							
Income from continuing operations							
Rates and Annual Charges	121,907		0	121,907			121,907
User Charges and Fees	48,186		0	48,186			48,186
Interest Received	11,114		0	11,114			11,114
Grants and Contributions	85,166	3,994	(130)	89,030	3,310		92,340
Other Operating Receipts	7,038		0	7,038			7,038
Expenses from continuing operations							
Employee Costs	(71,850)		0	(71,850)			(71,850)
Materials and Contracts	(59,571)	(347)	(340)	(60,258)	(521)		(60,779)
Depreciation	(59,851)		0	(59,851)			(59,851)
Interest Paid	(3,029)		0	(3,029)			(3,029)
Other Operating Payments	(20,757)		0	(20,757)			(20,757)
Loss on Disposal of Assets	(3,050)		0	(3,050)			(3,050)
Operating result from continuing operations	55,303	3,647	(470)	58,480	2,789	0	61,269
Restricted Asset Movements							
Transfer from Restricted Assets	105,532	7,315	1,332	114,179	121	(11,020)	103,280
Transfer to Restricted Assets	(62,827)		0	(62,827)			(62,827)
Net Revenues (Used in)/Provided by in Restricted Assets	42,705	7,315	1,332	51,352	121	(11,020)	40,453
Property, Plant and Equipment Movements							
Purchase of Assets	(205,452)	(10,962)	(862)	(217,276)	(2,910)	11,020	(209,166)
Developer Provided Assets	(8,000)		0	(8,000)			(8,000)
Net Revenues (Used in)/Provided by Property, Plant and Equipment Activity	(213,452)	(10,962)	(862)	(225,276)	(2,910)	11,020	(217,166)
Financing Activities Movements							
Proceeds from Borrowings and Advances	59,360			59,360			59,360
Repayments of Borrowings and Advances	(6,817)			(6,817)			(6,817)
Net Revenues (Used in)/Provided by Financing Activity	52,543	0	0	52,543	0	0	52,543
Net Result (Incl Depreciation)	(62,901)	0	0	(62,901)	0	0	(62,901)
Add Back: Non Cash Items	62,901		0	62,901			62,901
Budget Surplus/(Shortfall)	0	0	0	0	0	0	0

Note that ‘Other Operating Payments’ includes items such as waste levy and 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 a balanced budget.

Statement by Responsible Accounting Officer

“The adopted original budget result for 2024-2025 was a balanced budget. As at 31 October 2024 this position remains a balanced budget and this position is considered acceptable”.

Attachments

1.  October 2024 Budget Review

Item: 10.13

Subject: INVESTMENTS AND LOANS - OCTOBER 2024

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 and Loans Report for October 2024.

Executive Summary

- All of Council's investments are in accordance with section 625 of the Local Government Act 1993 and Council's Investment Policy.
- Council's investment portfolio met compliance requirements in October 2024 and for the financial year to date.
- Returns on invested funds are exceeding year to date budget expectations by \$1,094,041. Note that interest rate cuts later in 2024-2025, which are predicted by some analysts, may reverse this trend.
- For the financial year to date, Council's Investment portfolio (excluding cash holdings) provided a return of 1.08% (actual) or 3.33% (annualised), marginally under-performing against the benchmark AusBond Bank Bill Index return of 1.46% (actual), or 4.51% p.a. (annualised).
 - This is due to sustained higher interest rates and Council holding term deposits made in a low inflation environment, when rises were not expected.
- The loans portfolio is currently attracting average rates lower than new investments, meaning that Council is currently experiencing a positive net exposure to interest rates.

Discussion

Clause 212 of Local Government (General) Regulation 2021, states the Responsible Accounting Officer must provide Council with a monthly report detailing all funds invested under Section 625 of the Local Government Act 1993 (the Act). The report must include certification that the investments have been made in accordance with the Act and the Regulations, as well as the revised Investment Order issued by the Minister for Local Government and Council's Financial Investment Policy.

This report provides details of Council's investment and loan portfolios as at 28 October 2024. Attachments 1 (Port Macquarie Hastings Council Investment Report), and 2 (Port Macquarie Hastings Council Portfolio Valuation), have been prepared by

Council’s Investment Advisors, Arlo Advisory and provide detailed information on the performance of Council’s investment portfolio for October 2024.

Investment Portfolio

Council’s investments largely relate to:

- Funds which are externally restricted under the Local Government Act (e.g. Water and Sewer) which cannot be spent on general operations, or
- Monies held for specific purposes. These funds will be spent depending on the required timing of future works and delivery plans of individual projects.

A breakdown of the investments by external and internal restriction as at 28 October 2024 is provided below.

	Amount \$000	% of total
Externally Restricted		
Water Fund	157,964,326	39%
<i>Water Reserve</i>	91,031,583	23%
<i>Developer Contributions</i>	66,932,742	17%
Sewer Fund	54,088,826	13%
<i>Sewer Reserve</i>	27,729,732	7%
<i>Developer Contributions</i>	26,359,094	7%
Waste Fund	25,240,875	6%
General Fund	128,209,876	32%
<i>General Reserves</i>	40,943,131	10%
<i>Developer Contributions</i>	87,266,745	22%
Total externally restricted	365,503,903	91%
Internally Restricted		
General Fund	38,188,874	9%
Total internally restricted	38,188,874	9%
Total investments	403,692,777	100%

The 2024-25 Long-Term Financial Plan shows Water, Sewer and Waste investments (\$237.3 million or 59% of total investments) will be exhausted over the next 10 years to deliver projects including Cowarra Water Treatment Plant, Thrumster Sewerage Treatment Plant and Kew Sewerage Treatment Plant Upgrade.

General Fund investments are almost completely allocated as follows:

- Developer Contributions: \$87.3 million, or 22% of total investments, must be expended in relation to adopted plans to fund growth related infrastructure. It cannot be spent on existing infrastructure or projects not listed in relevant plans.
- Unexpended grants: \$34.3 million, or 8% of total investments, relates to grant funds for specific purposes that have been received but not yet expended.
- Deposits and bonds: \$7.9 million, or 2% of total investments, relates to security bonds which will be returned to suppliers on completion of works.



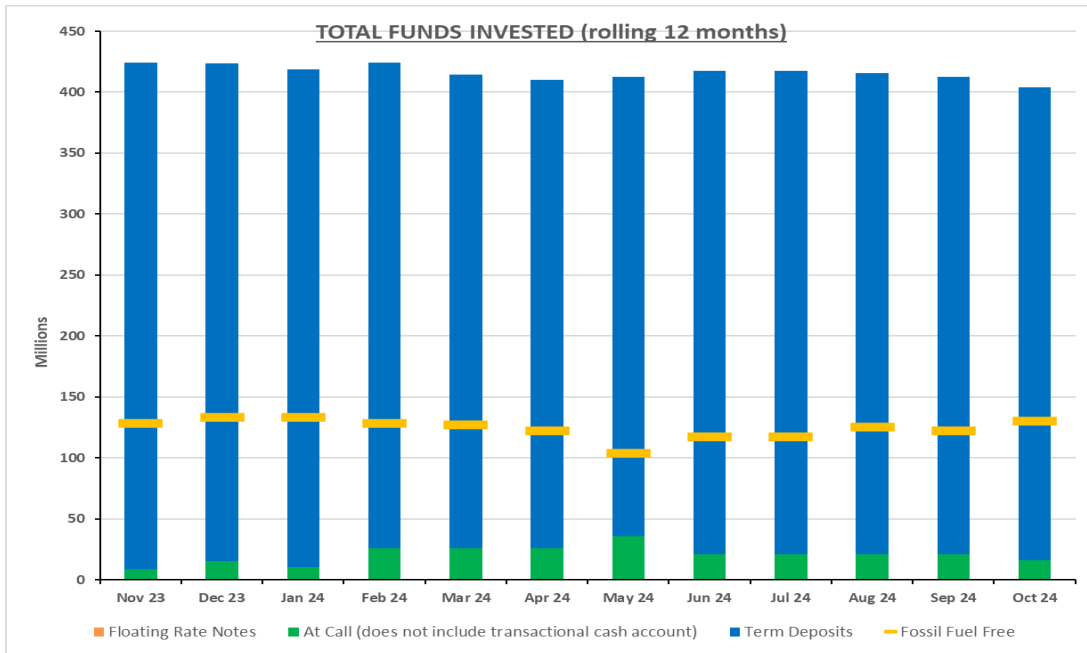
- Working capital: \$7.1 million, or 1.7%, is maintained as a working capital reserve. Sound financial management requires holding a level of funds in reserve for urgent or emerging priorities and the amount held is not significant for an organisation of this size.
- Committed works: \$3.8 million or 1% of total investments, relates to committed works that will be delivered in 2024-25 or future years.
- Plant replacement: \$4.5 million, or 1% of total investments, relates to planned replacement of vehicles and major plant and is funded by plant hire fees.
- Employee Leave Entitlements: \$3.8 million or 1% of total investments.

Remaining investments are split across numerous internal reserves held for specific purposes. These reserves contain funding for a range of projects already included in Council’s 10 year works program.

- 1.
2. Movements in investments during October 2024 are detailed below.

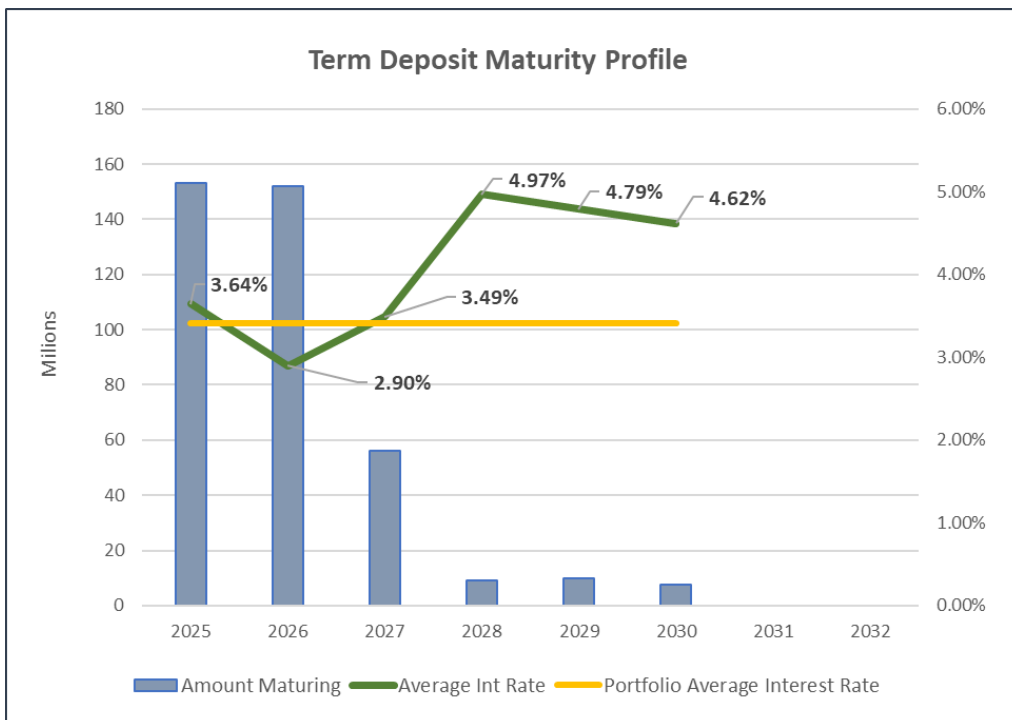
Activity	Amount \$	Institution	Rate	Term	Funds Fossil Fuel
Matured	4,000,000	Westpac	4.58%	2yr	Yes
Matured	3,000,000	AMP	1.00%	3yr	Yes
Matured	5,000,000	NAB	0.80%	4yr	Yes
Withdrawal	5,000,000	Westpac	4.60%	On Demand	Yes
Total Matured	17,000,000				
Deposit	0	Westpac	4.60%	On Demand	Yes
Invested	4,000,000	Bank Vic	4.69%	2yr	No
Invested	4,000,000	Suncorp-ANZ	4.60%	3yr	No
Total New Investments	8,000,000				
Net Investment Movement being the difference in principal invested at end of month & excluding Investment Earnings	-9,000,000				

The following graph shows total investments by type on a rolling 12-month basis.



The maturity profile of investments (excluding the cash management account which is at call) is illustrated below and shows that maturities are well balanced across the next 3 to 5 years in accordance with Council’s Investment Policy.

The average interest rate of maturities in 2024-25 reflects longer-term investments prior to the interest rate decline during the COVID-19 pandemic. The Movements in Investments table above demonstrates investments with lower interest rates maturing during October 2024 and largely being reinvested at higher rates. This will further support Council’s performance against metrics such as budget and the AusBond Bank Bill Index.



The following is a summary of Council’s exposure to financial institutions that fund fossil fuels.

Financial institutions funding fossil fuels	Purchases since 01/07/24	Purchases since 01/07/24	Amount invested at 28/10/24	Amount invested at 28/10/24
Yes	10,020,000	28%	273,692,777	68%
No	26,000,000	72%	130,000,000	32%
	36,020,000		403,692,777	

Further commentary on fossil fuel investments is provided by Arlo Advisory in the attached Monthly Investment Report ([Attachment 1](#)).

When investing, Council seeks multiple quotes from a range of financial institutions across the ratings spectrum. Where a bank is not lending to the fossil fuel industry, is offering the highest rate, and complies with the various Policy risk limits, Council preferences that bank, in accordance with the Investment Policy.

The following table shows the interest returns as of 28 October 2024 for 2024-25 and the portfolio performance against benchmark (bank bill Index).

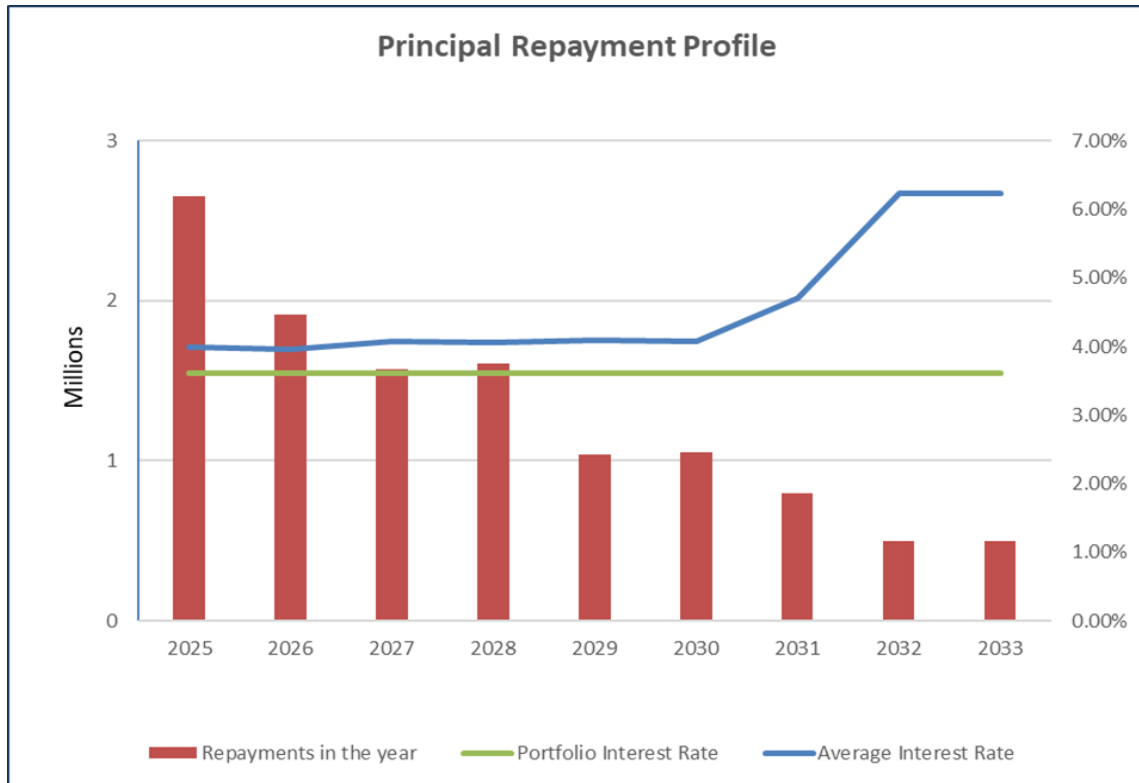
Item	Performance
Interest for the Month (\$)	996,739
Interest YTD (\$)	4,668,304
% of Annual Budget Rec'd	44%
Portfolio Performance FYTD Actual (%)	1.08%
AusBond Bank Bill Index FYTD Actual (%)	1.46%
Performance Compared to Bank Bill Index (%)	-0.38%

Loan Portfolio

A detailed table of council’s borrowings is provided at Attachment 3. The following table summarises Council’s loans by Fund and interest expense for October 2024.

Fund	Amount Borrowed	Outstanding Balance	Weighted Average Interest Rate	Accrued Interest for Month	Remaining Repayments FYTD
General	66,144,755	11,295,048	4.29%	41,131	2,910,068
Waste	1,500,000	342,342	3.44%	1,000	178,582
Total	67,644,755	11,637,390		42,131	3,088,650

The maturity profile of the loans portfolio is shown below, providing details of when outstanding loan balances will be paid down, including the average interest rate payable.



Summary - Net Position Investments and Loans

Interest Analysis for the Month	Values \$
Investment Interest Income	996,739
Loan Interest Expense	(42,131)
Net Interest Income for the Month	954,608
Investments Vs Borrowings	
Total Current Investment Balance	403,692,777
Total Current Loan Balance	(11,637,390)
Net Position	392,055,387

As interest rates rise, Council can invest funds at higher rates, currently locking in rates in the vicinity of 4.6%. With much of the loan portfolio locked in at average rates lower than this, Council is experiencing a positive net exposure to interest rates. However, pressure may be put on this position moving forward as future loans are expected to attract higher rates.

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 exceeded on YTD basis. Returns are currently marginally below benchmark.

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 2012* and Council's Investment Policy.

Rod Archer
Responsible Accounting Officer

Attachments

1.  Port Macquarie Hastings Council Investment Report - 28 October 2024
2.  Port Macquarie Hastings Council Portfolio Valuation - 28 October 2024
3.  Port Macquarie Hastings Council Loan Repayments - 2024-2025

Item: 10.14

Subject: PORT MACQUARIE-HASTINGS COUNCIL ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

1.4.2 Manage Council's financial assets, and provide accurate, timely and reliable financial information for management purposes and provide plain English community reporting.

RECOMMENDATION

That Council adopt the Port Macquarie-Hastings Council Annual Financial Statements, incorporating the General Purpose Financial Statements and Special Purpose Financial Statements for the year ended 30 June 2024.

Executive Summary

The external audit of the Annual Financial Statements for the year ended 30 June 2024 is now complete, with an unqualified audit opinion issued. The Local Government Act 1993 requires that Council hold a public meeting for the purpose of considering the Annual Financial Statements together with the auditor's report.

Discussion

Section 413 of the Local Government Act 1993, provides as follows:

- 413 (1) *A Council must prepare financial reports for each year and must refer them for audit as soon as practicable (having regard to the requirements of section 416(1)) after the end of that year.*
- (2) *A council's financial reports must include:*
- (a) *a general purpose financial report: and*
 - (b) *any other matter prescribed by the regulations, and*
 - (c) *a statement in the approved form by the Council as to its opinion on the general purpose financial report.*
- (3) *The general purpose financial report must be prepared in accordance with this Act and the regulations, and requirements of:*
- (a) *the publications issued by the Australian Accounting Standards Board, as in force for the time being, subject to the regulations, and*
 - (b) *such other standards as may be prescribed by the regulations.*

Clause 214 of the Local Government (General) Regulation 2021 imposes additional requirements for preparation of a Council's financial reports as follows:

- 214 (1) *For the purpose of Section 413(2)(b) of the Act, any matters required by the Code [Local Government Code of Accounting Practice and Financial Reporting] or the Manual [Local Government Asset Accounting Manual] to be included in Council's financial reports are prescribed matters.*
- (2) *For the purpose of section 413(3)(b) of the Act, the Code and the Manual are prescribed standards.*

Section 416(1) of the Local Government Act 1993 requires that: "A Council's financial reports for a year must be prepared and audited within the period of 4 months after the end of that year".

In accordance with Sections 418 and 419 of the Local Government Act 1993, Port Macquarie-Hastings Council notified the public seven days prior, that the audited Financial Statements and Auditor's Reports would be presented at the Ordinary Council Meeting on 17 November 2024.

In accordance with Section 420 of the Local Government Act 1993, any person may make a submission in writing to Council with respect to the Audited Financial Statements or Auditor's Reports. Copies of the audited Financial Statements have been displayed at Council's offices in Laurieton, Port Macquarie and Wauchope.

General Purpose Financial Statements

The General Purpose Financial Statements presents Council's consolidated financial statements for the year ended 30 June 2024. The report incorporates five primary financial statements:

- **Income Statement:** Summarises Council's financial performance for the year, listing all income and expenses. It also displays Council's original adopted budget to compare what was budgeted and what occurred.
- **Statement of Comprehensive Income:** Primarily records changes in the fair value of Council's infrastructure, property, plant and equipment resulting from comprehensive revaluations and indexation of asset classes.
- **Statement of Financial Position:** Presents Council's financial position as at 30 June 2024 and lists its assets, liabilities and "net wealth" or equity.
- **Statement of Changes in Equity:** The overall change for the year in Council's "net wealth".
- **Statement of Cash Flows:** Indicates where Council's cash came from and where it was spent across operating, investing and financing activities. It also displays Council's original adopted budget to compare what was budgeted and what occurred.
- **Notes to the financial statements:** Support the primary statements and provide detail on specific items and material accounting policy information.

Special Purpose Financial Statements

In accordance with the Local Government Code of Accounting Practice and Financial Reporting, Council must complete Special Purpose Financial Statements for all declared business activities. Special Purpose Financial Statements are designed to meet National Competition Policy reporting requirements with businesses defined as either Category 1 or 2.

Council's business activities are:

- Water Supply Services
- Sewerage Services
- Waste Services

These statements detail the performance of business activities under the principles of Competitive Neutrality. They require costs such as taxation equivalents and dividends to be included even though they may not be paid, and a return on investment to be calculated. Any subsidy from Council is also disclosed. The key elements of the Special Purpose Financial Statements are the Income Statement and Statement of Financial Position for each nominated business activity. These statements are supported by the Notes to the Special Purpose Financial Statements.

Special Schedules

The Special Schedules have been designed to meet the requirements of special purpose users such as the NSW Grants Commission, Australian Bureau of Statistics, NSW Office of Water, and the NSW Office of Local Government. The Special Schedules comprises the Statement of Permissible Income and the Report on Infrastructure Assets.

Income Statement

The consolidated net operating result for the year ended 30 June 2024 was a surplus of \$129.2 million, compared to a surplus of \$95.1 million in 2022-2023. The consolidated net operating result before grants and contributions for capital purposes was a \$2.9 million deficit, compared to a surplus of \$6.5 million in 2022-2023.

The increase in the operating result between 2022-2023 and 2023-2024 arises from the combined effect of:

- an increase of \$43.4 million in grants for capital purposes, mainly relating to the Ocean Drive Duplication project
- an increase of \$7.1 million in rates and annual charges
- an increase of \$4.2 million in interest and investment income
- an increase of \$10.0 million in the loss from the disposal of assets
- an increase in \$7.3 million in depreciation and amortisation expense.

Summary of Consolidated Income Statements - 2020-21 to 2023-24

	2020-2021 (\$000)	2021-2022 (\$000)	2022-2023 (\$000)	2023-2024 (\$000)
Total Operating Income	210,729	272,251	283,975	340,389
Total Operating Expense	168,283	167,751	188,833	211,226
Net Operating Result	42,446	104,500	95,142	129,163
Capital Grants & Contributions	38,086	81,092	88,668	132,080

Net operating result before grants and contributions for capital purposes	4,360	23,408	6,474	(2,917)
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Rates and annual charges revenue (\$118.8 million) increased by \$7.1 million (6%) in 2023-2024 largely due to the rate peg increase of 4.7%. Grants and contributions revenue (\$149.3 million) increased by \$39.5 million (36%) in 2023-2024 due to:

- an increase of \$40.6 million of capital grants recognised for roads and bridges
- an increase of \$2.6 million of developer dedications recognised during the year
- a decrease of \$3.5 million of financial assistance grants.

Where material variations exceed 10% between original budget and actual results, or where the variance is considered material by nature, an explanation for the variance is included in Note B-5 Performance Against Budget.

Income Statement (Operating Results) by Fund

The General Fund had a net operating deficit before grants and contributions for capital purposes of \$10.5 million. This compares unfavourably against a surplus of \$0.3 million in 2022-2023.

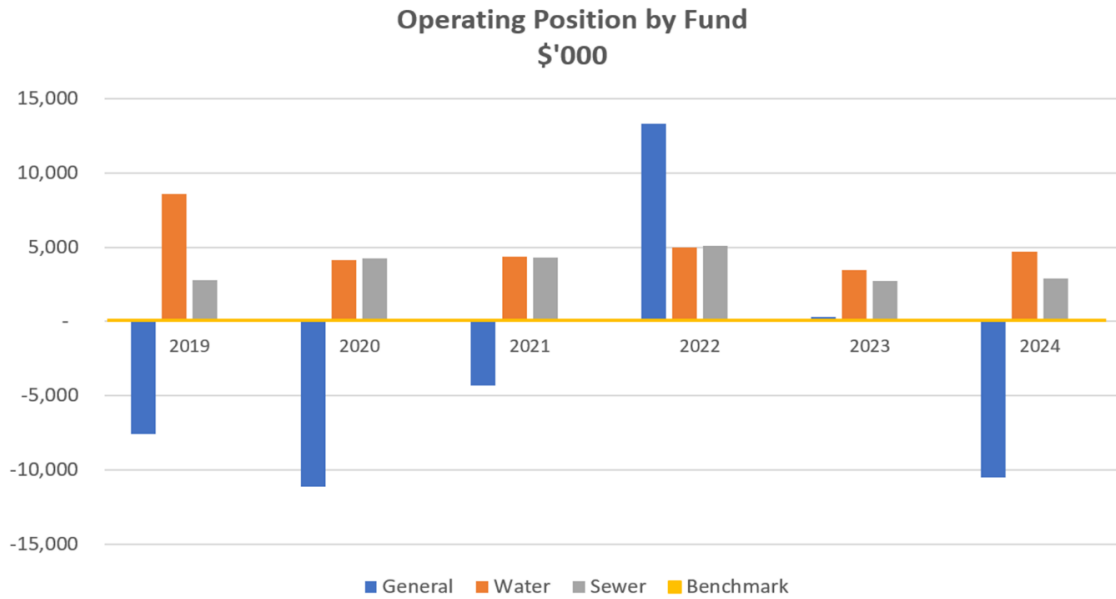
The Water Fund had a net operating surplus before grants and contributions for capital purposes of \$4.7 million which compares favourably against a surplus of \$3.5 million in 2022-2023.

The Sewer Fund had a net operating surplus before grants and contributions for capital purposes of \$2.9 million which is comparable to the \$2.7 million surplus in 2022-2023.

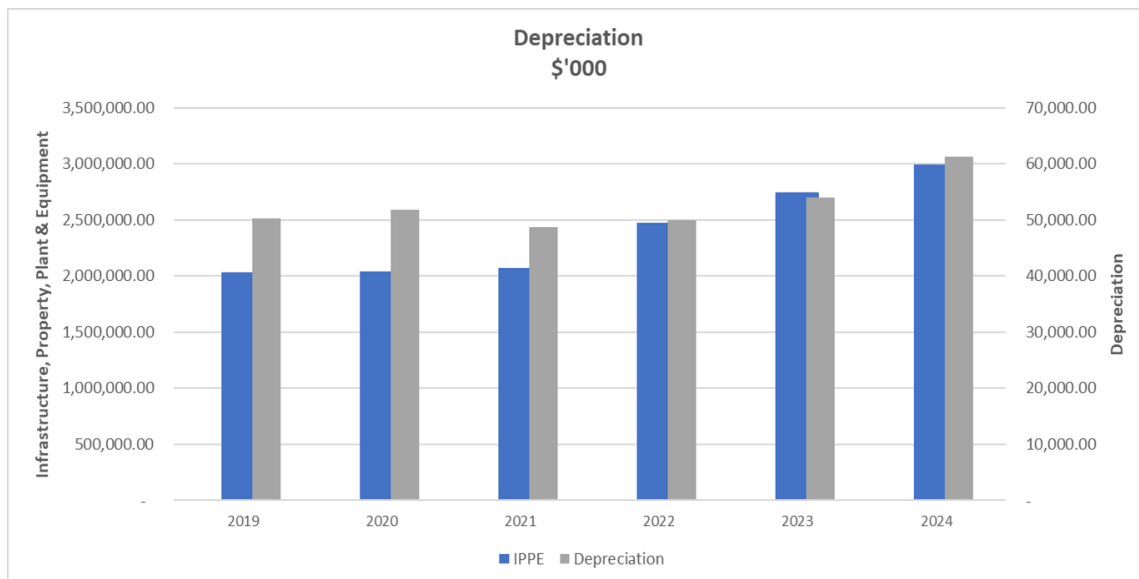
Summary of 2023-2024 Income Statement by Fund

	General (\$000)	Water (\$000)	Sewer (\$000)	Consolidated (\$000)
Total Operating Income	239,343	51,995	49,051	340,389
Total Operating Expense	141,818	34,725	34,683	211,226
Net Operating Result	97,525	17,270	14,368	129,163
Capital Grants & Contributions	108,036	12,576	11,468	132,080
Net operating result before grants and contributions for capital purposes	(10,511)	4,694	2,900	(2,917)

The following graph illustrates the recent history of surpluses and deficits for Council's General, Water and Sewer funds. The results of each fund, against the Office of Local Government benchmark of an operating surplus are provided below:



Depreciation expense totaled \$61.3 million in 2023-2024, in comparison to \$54.0 million in 2022-2023. Depreciation has continued to increase in proportion to the increase in the gross carrying value of Infrastructure, Property, Plant and Equipment (IPPE). A breakdown of depreciation by asset class can be found in the IPPE note to the financial statements at C1-6.



Statement of Financial Position

The Statement of Financial Position at 30 June 2024 indicates Council is in a stable but restricted financial position with Net Fixed Assets of \$2,991 million. The increase since 30 June 2023 totals \$247.6 million and has resulted predominantly from:

- Asset Revaluations: \$124.1 million
- Asset Additions: \$107.1 million
- Asset Renewals: \$55.3 million



Work in Progress (WIP) saw an \$81.7 million realisation against the respective asset class. However, WIP increased by around \$30 million during 2023-2024 to \$201 million, which is largely the result of Council’s extensive Works Program. Recognition of these assets will be subject to strong focus during 2024-2025.

Cash and cash equivalents and Investments (C1-3)

Cash and cash equivalents and Investments totalled \$430.2 million at 30 June 2024, which represents a minor decrease of \$20.3 million from \$450.5 million at 30 June 2023.

It should be noted that there are restrictions on the future use of these funds. As per the details in Note C1-3, the following restrictions have been imposed by legislation or other externally imposed requirements:

External Restriction	2024 \$'000	2023 \$'000
Developer Contributions	180,559	165,178
Unexpended Grants	34,316	58,737
General Fund	8,476	14,158
Water fund	91,032	86,895
Sewer fund	27,840	33,628
Waste management	<u>25,241</u>	<u>22,612</u>
Total External Restrictions	367,464	381,208

The reduction in externally restricted funds is largely due to the expenditure of grants associated with the Ocean Drive Duplication project.

As also detailed in Note C1-3, Council has resolved to set aside funds in the form of specific cash or investments for future long term purposes. A breakdown of the internal allocations at 30 June 2024 and 30 June 2023 is shown below:

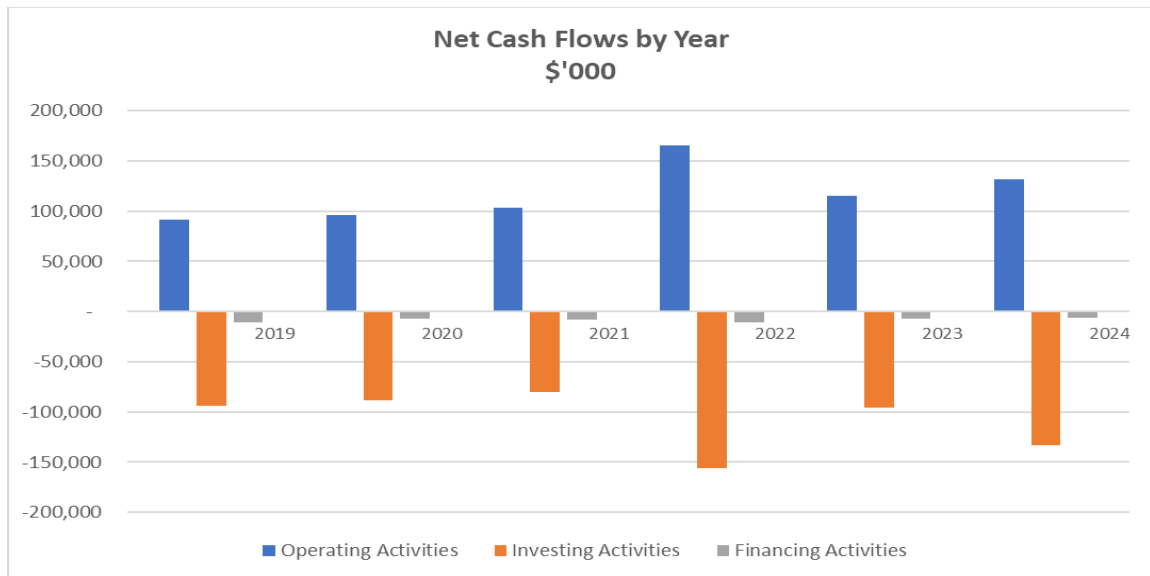
Internal Restriction	2024 \$'000	2023 \$'000
Operational Reserves	19,983	22,735
Quarantined Funds	5,341	4,820
Roads Infrastructure	21,209	25,895
Council Business Units	2,514	220
Coastal and Estuary Management	531	390
Other	<u>4,388</u>	<u>4,448</u>
Total Internal Restriction	53,966	58,508

As was the case with external restrictions, most of the movement in internally restricted funds is associated with the Ocean Drive Duplication project.

Statement of Cash Flows

The Statement of Cash Flows shows cash and cash equivalents at the end of the year reduced by \$7.9 million which is largely due to Council not taking up any borrowings during the reporting period. In addition to the above, the Statement of Cash Flows provides as follows:

- Net cash provided by operating activities increased by \$16.8 million (15%).
- Net cash used in investing activities increased by \$37.3 million (39%).
- Net cash used in financing activities increased by \$0.3 million (4%).



The cash flows from investing activities (\$132.8 million) identifies that payments for IPPE were largely funded through grants and contributions, and the movement of investments. The investment of \$142.5 million, which was mostly through reinvesting matured investments, has enabled Council to use surplus cash receipts to take advantage of improved interest rates and therefore returns to Council.

Statement of Performance Measures

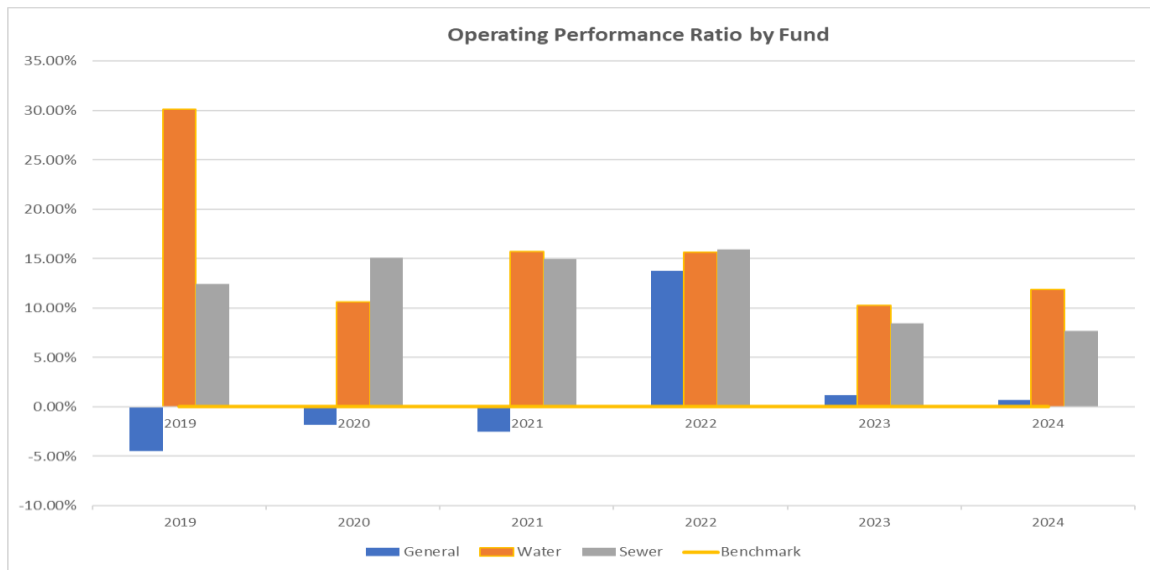
The Office of Local Government’s performance measurement framework defines benchmarks and performance indicators to assist understand and compare industry performance and measure how a Council funds their operations.

Note G5-1 of the financial statements shows all ratios that are measured at a consolidated level for the year ended 30 June 2024.

Operating Performance Ratio by Fund

The Operating Performance Ratio measures the extent to which a council has contained operating expenditure within operating revenue. This ratio is focused on operating performance and hence capital grants and contributions, and gains or losses from the disposal of assets are excluded.

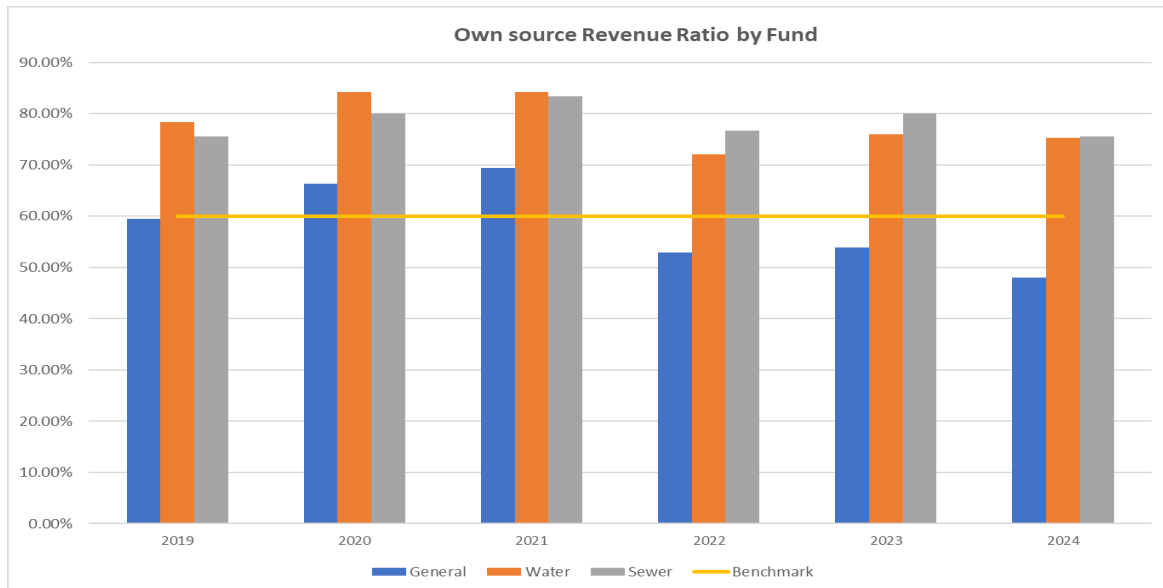
As shown in the following graph, Council’s General Fund Operating Performance Ratio for the year ended 30 June 2024 was 0.7% (in comparison to the Office of Local Government benchmark of > 0%).



Own Source Operating Revenue ratio

The Own Source Operating Revenue ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. A council’s financial flexibility improves as its own source revenue increases.

The graph below shows all funds achieved the General Fund has failed to meet the benchmark in each of the previous 3 years, with 2023-2024 achieving a ratio of 48.0%.

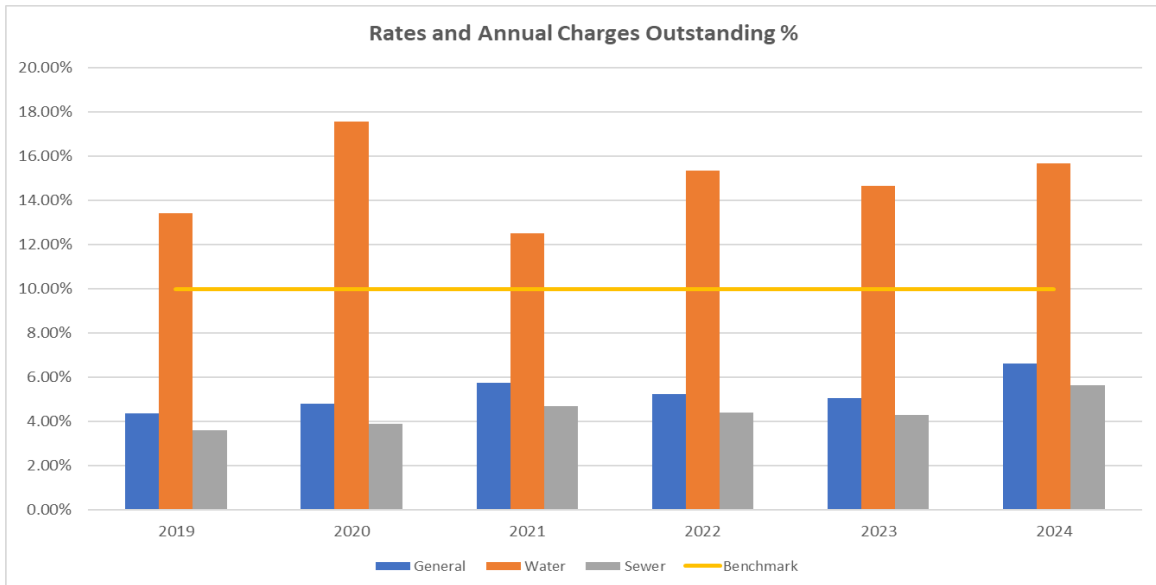


Rates and annual charges outstanding percentage

This ratio assesses the impact of uncollected rates and annual charges on liquidity and the efficiency of councils’ debt recovery. Some councils may have agreements in place to assist ratepayers in an attempt to reduce the debt owed to council. The benchmark for outstanding rates is <10% for regional and rural areas.



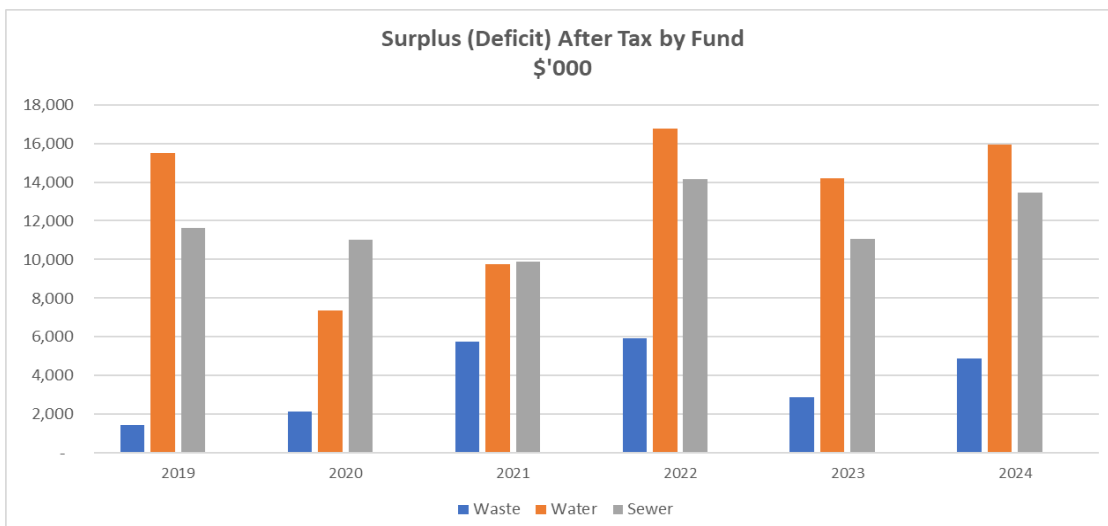
The graph below shows that the General and Sewer Funds meet the benchmark for Rates and Annual Charges outstanding. The Water Fund continues to negatively impact the consolidated result which has increased from 5.57% (2022-2023) to 6.91% in 2023-2024. Debt recovery is a focus area with additional resources allocated to this function supported by process improvements. This focus is aimed at delivering stronger debt recovery and earlier intervention to reduce Council's rates and annual charges outstanding which sat at \$8.7 million at 30 June 2024.



Special Purpose Financial Statements

The Special Purpose Financial Statements details the performance of Council's Water, Sewer, and Waste business units.

It is important to note that the financial results contained within the General Purpose Financial Statements vary marginally to those reported in the Special Purpose Financial Statements for the year ended 30 June 2024 to allow for the calculation and reporting of corporate tax equivalents in the latter report. The graph below displays the profit or loss of those business units over the last 5 years.



Options

Section 415(1) provides that the Council's auditor must audit the Council's Financial Reports as soon as practicable (having regard to the requirements of Section 416(1)) after they are referred for audit. Section 417 details the requirements of the Auditor's Reports. Council's auditor must prepare two reports:

- a report on the General Purpose Financial Statements
- a report on the conduct of the audit.

These reports must include statements by the Auditor as to their opinion on various matters including the keeping of accounting records, preparation of the Financial Statements and any information relevant to the conduct of the audit.

Community Engagement & Internal Consultation

The draft results for the 2023-2024 financial year were presented to Council at its Ordinary Meeting held 17 October 2024. In addition to the above:

- The Audit Office of NSW conducted the final audit and have provided an unqualified opinion. They presented their findings during a clearance meeting with Council Management held on 15 October 2024.
- The Audit Office of NSW presented their findings to Council during a Councillor Induction Session held 24 October 2024.
- The Audit Office of NSW will present their findings to the Audit Risk and Improvement Committee Meeting scheduled for 28 November 2024.

Planning & Policy Implications



The Annual Financial Statements for the year ended 30 June 2024 form Part 2 of the Council's Annual Report, legislated under the Integrated Planning and Reporting Framework.

The other elements of the Annual Report, Part 1 Community Report Card (and appendices), and the Port Macquarie-Hastings Council 2021-2024 State of our Region Report are reported separately to Council and considered under separate cover at this Meeting.

Financial & Economic Implications

As outlined in the body of this report.

Attachments

1.  Port Macquarie-Hastings Council Annual Financial Statements for the Year Ended 30 June 2024
2.  Report on the Conduct of the Audit for the Year Ended 30 June 2024 Port Macquarie-Hastings Council

Item: 10.15

Subject: 2023-2024 PORT MACQUARIE-HASTINGS COUNCIL ANNUAL REPORT

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

1.1.4 Provide easy to understand and accessible community reporting.

RECOMMENDATION

That Council:

- 1. Adopt the 2023-2024 Port Macquarie-Hastings Council Annual Report.**
- 2. Authorise minor corrections or typographical errors to be corrected prior to the finalised document being published on Council's website and the Office of Local Government be notified no later than 30 November 2024.**
- 3. That a copy of the 2023-2024 Port Macquarie-Hastings Council Annual Report be printed and made available for reading at the Port Macquarie, Wauchope, and Laurieton Libraries.**

Executive Summary

The 2023-2024 Port Macquarie-Hastings Council Annual Report addresses the period 1 July 2023 to 30 June 2024 and has been delivered in several parts as follows:

- Part 1 Community Report Card
 - Appendix 1 Detailed Progress Report
 - Appendix 2 Statutory Report
- Part 2 Port Macquarie-Hastings Council Annual Financial Statements for the year ended 30 June 2024 (Reported to Council under separate cover).
- Part 3 Port Macquarie-Hastings Council 2021-2024 State of our Region Report (Reported to Council under separate cover).

Once adopted, the documents will be principally accessed via Council's website, with printed copies available at each of the Port Macquarie, Wauchope, and Laurieton Libraries.

Discussion

The 2023-2024 Port Macquarie-Hastings Council Annual Report is guided by the requirements of the Local Government Act. It reports on Council's key activities, milestones, and transformative steps from 1 July 2023 to 30 June 2024.

The Community Report Card provides an overview of the Port Macquarie Hastings region, Council's governance, Councillors, Executive, Council's transformation journey and key highlights from the 2023-2024 financial year.

The Detailed Progress Report contained in Appendix 1 showcases Council’s performance against the six themes outlined in the Imagine 2050 Community Strategic Plan. It also analyses the performance against the 2023-2024 Operational Plan and demonstrates progress against Council’s Delivery Program in its final year.

The Statutory Report contained in Appendix 2 details key data as required by the Local Government (General) Regulation 2021 and other legislation.

Part 2 of the Annual Report contains the Port Macquarie-Hastings Council Annual Financial Statements for the year ended 30 June 2024 and has been reported to Council under separate cover for consideration at this meeting.

Part 3 of the Annual Report contains the Port Macquarie-Hastings Council 2021-2024 State of our Region Report and has been reported to Council under separate cover for consideration at this meeting.

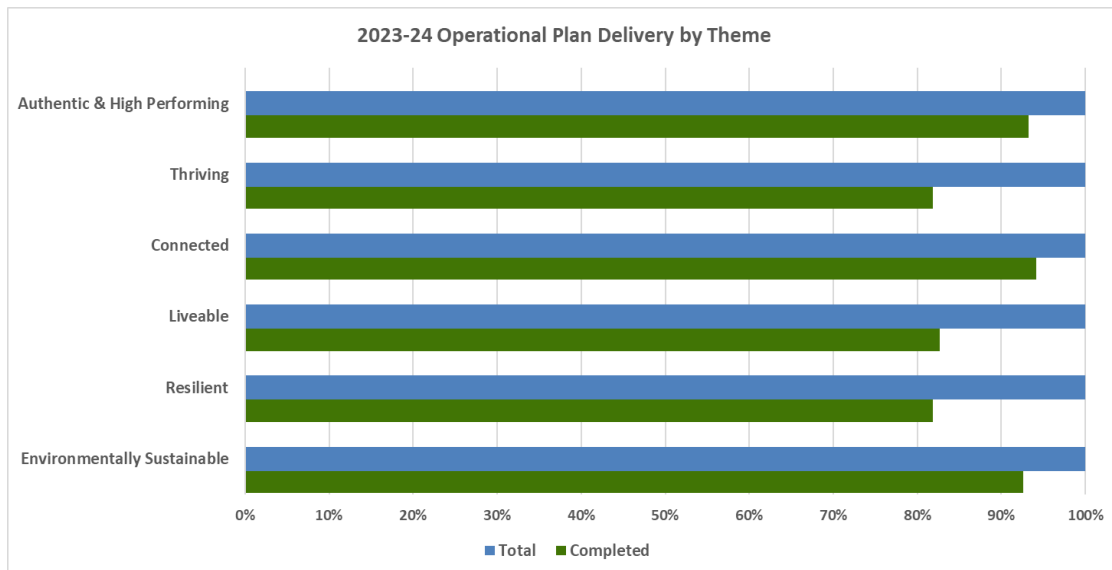
Delivery against the 2023-2024 Operational Plan was 88%

The 2023-2024 Operational Plan contained 508 actions which were separated into the following six themes:

Theme	Actions	% of Actions
Environmentally Sustainable	57	11%
Resilient	33	6%
Liveable	204	40%
Connected	73	14%
Thriving	23	5%
Authentic & High Performing	118	23%
Total Organisation	508	100%

Each action was allocated to a Directorate which was accountable for its progress, and reported on that progress, with commentary, to Council quarterly during the year.

The following table illustrates delivery by theme for the 2023-2024 Operational Plan.



Options

Reporting is a key element of the Integrated Planning and Reporting Framework. Reporting back to the community about progress being made on implementation of the Delivery Program and Operational Plan, progress towards achievement of Community Strategic Plan outcomes, and financial performance against the annual and longer-term budgets are all part of the way a council is accountable to its community.

All councils in New South Wales are obliged to prepare an Annual Report within five months of the end of each financial year which is prepared in accordance with the Local Government (General) Regulation and the Integrated Planning and Reporting Guidelines.

The report must include a copy of the council’s audited financial reports and be posted on the council’s website. Part 2 of Council’s Annual Report comprising of the Port Macquarie-Hastings Council Annual Financial Statements for the year ended 30 June 2024 is reported to Council and considered under separate cover at this Meeting.

In an ordinary election year, the Annual Report is to be accompanied by the State of Our Region Report. The State of Our Region Report will cover the term of the previous Council and will objectively track progress against the Community Strategic Plan. The report provides information that sets the scene for the new Council, includes achievements to date in addition to highlighting future work to be undertaken. Part 3 of Council’s Annual Report comprising of the Port Macquarie-Hastings Council 2021-2024 State of our Region Report is reported to Council and considered under separate cover at this Meeting.

Community Engagement and Internal Consultation

Internal consultation was undertaken with:

- Chief Executive Officer, Directors, Executive and Group Managers
- All staff reporting against the 2023-2024 Operational Plan
- Group Manager Financial Services



Planning and Policy Implications

The submission of the 2023-2024 Annual Report meets Council's legislative requirements under the Local Government Act 1993 and Local Government (General) Regulation 2021.

Financial and Economic Implications

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

Attachments

1.  2023-2024 Port Macquarie-Hastings Council Annual Report - Community Report Card
2.  2023-2024 Port Macquarie-Hastings Council Annual Report - Appendix 1 and Appendix 2

Item: 10.16

Subject: 2021-2024 STATE OF OUR REGION REPORT - PORT MACQUARIE
HASTINGS COUNCIL

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

1.1.4 Provide easy to understand and accessible community reporting.

RECOMMENDATION

That Council:

1. Note the 2021-2024 State of our Region Report.
2. Authorise minor corrections or typographical errors to be corrected prior to the finalised document being published on Council's website and the Office of Local Government be notified no later than 30 November 2024.
3. That a copy of the 2021-2024 State of our Region Report be printed and made available for reading at the Port Macquarie, Wauchope, and Laurieton Libraries.

Executive Summary

The 2021-2024 State of our Region Report focuses on how effective council has been in delivering social, environmental, economic and civic leadership objectives over the term of the previous council. It reports against the high-level strategies and priorities of the Community Strategic Plan and has a community focus, rather than a council one. The report provides details of Council's achievements during the term of the previous Council and highlights future work to be undertaken to assist the new council to undertake a review of the *Imagine2050* Community Strategic Plan, which is an essential component of the Integrated Planning and Reporting cycle.

To support the above, and meet Council's statutory reporting requirements, the Port Macquarie-Hastings Council 2021-2024 State of our Region Report is to be noted at this, the second meeting of the new council.

Discussion

The receipt and notation of the 2021-2024 State of our Region Report is an essential precursor to reviewing the community strategic Plan. The Office of Local Government Integrated Planning and Reporting Guidelines and Handbook, in line with the Local Government Act 1993, states as follows:

Reviewing the Community Strategic Plan

- 1.10 *Following an ordinary election of councillors, the council must review the Community Strategic Plan before 30 June the following year. The council*

may endorse the existing plan, endorse amendments to the existing plan, or develop and endorse a new Community Strategic Plan as appropriate to ensure that the area has a Community Strategic Plan covering at least the next 10 years.

- 1.11 *A report on the progress of implementation and the effectiveness of the Community Strategic Plan (the State of our City (formerly referred to as End of Term Report)) must be presented to and endorsed at the second meeting of a newly elected council. The State of our City Report focuses on how effective council has been in delivering social, environmental, economic and civic leadership objectives over the 4-year term of the previous council. It reports against the high-level strategies and priorities of the CSP and has a community focus, rather than a council one.*
- 1.12 *The review must include the following:*
- *a report on the progress of implementation and the effectiveness of the Community Strategic Plan as presented and endorsed at the second meeting of a newly elected council (see Essential Element 1.11)*
 - *a review of the information that informed the previously endorsed Community Strategic Plan*
 - *a review of the council's Community Engagement.*

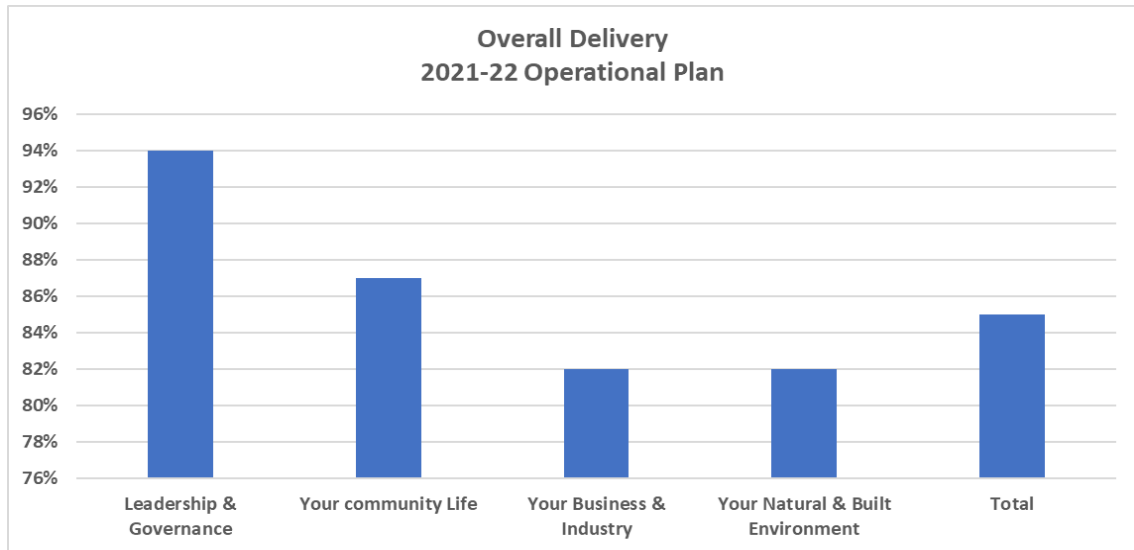
2021-2024 State of our Region Report

The State of our Region Report is provided in two distinct documents as follows:

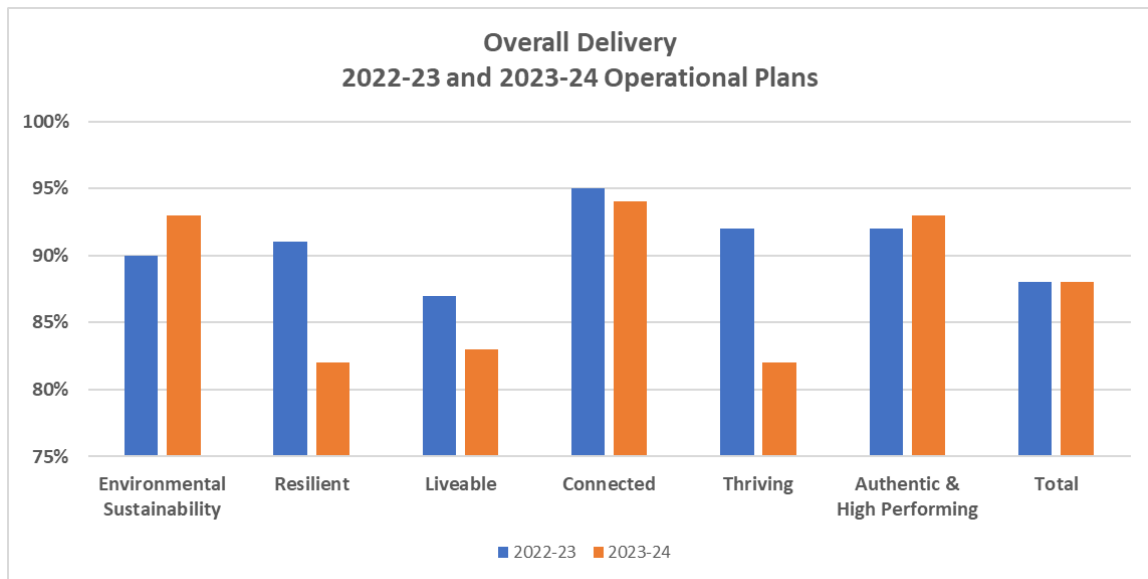
2021-2024 State of our Region Report - Community Report Card

The Community Report Card provides an overview of the outcomes across the identified Community Themes contained in the Community Strategic Plan. It is noted that a review of the Community Strategic Plan saw a change in Community Themes as demonstrated in the graphs below:

The 2021-2022 Operational Plan saw 453 actions adopted to support strategies contained in the *Towards 2030* Community Strategic Plan. As of 30 June 2022, **85%** were achieved or were on target for delivery as part of a multi-year project as follows.



The 2022-2023 Operational Plan, and the 2023-2024 Operational Plan saw 537 and 508 actions adopted respectively, supporting strategies contained in the *Imagine2050* Community Strategic Plan. **88%** of actions were achieved or were on target for delivery as part of a multi-year project for each Operational Plan as follows.



The six key themes of the *Imagine2050* Community Strategic Plan as considered through the 2022-2023 and 2023-2024 Operational Plans were considered in more detail through the 10 key priority areas as identified below:

- Reduced Traffic
- Stable Infrastructure
- Improved Pathways
- Environment
- Affordable Living
- Thriving Economy
- Inclusive Economy
- Collaboration
- Transparency
- Quality of life

2021-2024 State of our Region Addendum - Detailed Report

The addendum report provides a detailed list of actions either on target for delivery as part of a multi-year project or completed a part of the respective years Operational Plan. The detailed report direct linkage from the Operational Plan actions to the higher level strategies contained in the respective Community Strategic Plan.

Options

Reporting is a key element of the Integrated Planning and Reporting Framework. Reporting to the community on how effective council has been in delivering outcomes over the term of the previous council is another way a council is accountable to its community.

All councils in New South Wales are obliged to prepare a State of our Region Report (or state of the City as the case may be) in accordance with the Local Government (General) Regulation and the Integrated Planning and Reporting Guidelines.

Community Engagement and Internal Consultation

Internal consultation was undertaken with:

- Chief Executive Officer, Directors, Executive and Group Managers
- Relevant Project Managers
- Group Manager Financial Services

Planning and Policy Implications

The submission of the 2021-2024 State of our Region Report meets Council's legislative requirements under the Local Government Act 1993 and Local Government (General) Regulation 2021.

Financial and Economic Implications

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

Attachments

1.  2021-2024 State of our Region Report
2.  2021-2024 State of our Region Addendum - Detailed Report

Item: 10.17

Subject: DEVELOPMENT ACTIVITY AND ASSESSMENT SYSTEM
PERFORMANCE - QUARTERLY 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 note the Development Activity and Assessment System Performance report for the first quarter of 2024-2025.

Executive Summary

This report provides a summary of development assessment, building certification and subdivision certification activities for the July to September 2024-2025 quarter. Data on the number of applications and processing times, together with a commentary on development trends is provided for the information of Council.

Comparative data has also been provided from the new NSW Planning Portal 'League Table' to enable comparisons with regional councils. The League Table has been established directly in response to the Minister's recent Statement of Expectations Order that has been issued to all NSW Councils. A copy of the letter from the Minister and the Statement of Expectations Order was tabled at the July 2024 Ordinary Council meeting (Item 07.02).

Discussion

Table 1 below provides data on the volume of applications received and determined over the first quarter of 2024-2025, the current year to date monthly average, relative to the monthly average of the preceding 4 years.

The monthly average number of Development Applications (DAs) received for the year to date was 69, which is up on the previous year monthly average of 64. Council staff are experiencing an increasing number of applications being lodged and there is a large volume at the registration phase, suggesting an increase in activity. Planning certificates, often considered to be a lead indicator, were also up on the previous year monthly average, with the current year to date monthly average of 325 certificates, compared to the previous year monthly average of 285.

Construction Certificate (CC) approvals are slightly below the previous year monthly average. The year to date monthly average number of CCs issued by Council totalled 28, compared to 30 for the previous year monthly average. The year to date monthly

average number of plumbing and drainage applications determined was 65, also slightly down from the previous year monthly average of 72.

The year to date monthly average number of building and plumbing inspections was 486 inspections, down from the monthly average of 515 for the previous year.

Whilst the application approval data indicates a slight downward trend in activity from previous year monthly averages, it is evident that application lodgements are increasing so it will be interesting to see how the remainder of financial year unfolds.

Table 1 - Applications Received and Determined

Applications Received and Determined	2020-21 Monthly Average	2021-22 Monthly Average	2022-23 Monthly Average	2023-24 Monthly Average	2024- 25 TOTAL	2024-25 Monthly Average	Jul-24	Aug-24	Sep-24
Development Application Received	99	92	83	64	207	69	66	77	64
Development Application Approved	90	86	77	65	192	64	63	63	66
Development Application Refused/Withdrawn/Rejected	5	2	4	3	15	5	8	5	2
DA Modifications Received	17	16	19	13	41	14	12	12	17
DA Modifications Determined	16	15	17	14	38	13	15	10	13
Complying Development Certificates Received (Council)	9	6	4	3	9	3	1	3	5
Complying Development Certificates Determined (Council)	5	4	3	2	10	3	2	3	5
Complying Development Certificates Determined (Private Certifier)	19	27	28	20	47	16	17	11	19
Construction Certificates - Building Work Received (Council)	48	40	35	29	72	24	22	25	25
Construction Certificates - Building Work Determined (Council)	43	39	34	29	84	28	25	31	28
Construction Certificates - Building Work Determined (Private Certifier)	22	30	38	33	85	28	28	28	29
Plumbing & Drainage Received	95	81	79	71	226	75	67	76	83
Plumbing & Drainage Determined	87	72	84	72	196	65	62	75	59
Subdivision Works Certificates Received	8	9	8	2	3	1	1	1	1
Subdivision Works Certificates Determined	8	7	6	4	6	2	3	3	0
Subdivision Certificates Received	7	6	7	6	27	9	5	8	14
Subdivision Certificates Determined	8	7	6	6	15	5	4	7	4
Strata Certificates Received	1	3	2	3	9	3	7	1	1
Strata Certificates Determined	1	3	2	3	9	3	2	2	5
Roads Act Applications Received	55	49	46	44	147	49	49	47	51
Roads Act Applications Determined	49	45	46	38	107	36	30	42	35
Planning Certificates Issued	277	293	268	285	976	325	369	277	330
Building Inspections Undertaken	456	426	515	483	1458	486	455	522	481
Planning Proposals (received)		1	0	0	9	3	0	6	3
Building Information Certificates (received)		5	8	3	21	7	7	8	6
Building Information Certificates (determined)		6	4	5	24	8	6	6	12

Application processing data and longer-term trends for the various application types is provided in Table 2. For DAs, monthly gross average processing times for the year to date was 78 days, slightly up from the previous year monthly average of 77 days. The net monthly average time for processing DAs for the year to date was 54 days compared to the previous year net monthly average of 58 days.

The monthly net average processing days for subdivision works certificates for the quarter was 165 days compared the previous year’s monthly average of 196 days. A number of long-standing applications continue to be finalised, negatively impacting on the average. There is also an apparent trend whereby developers are not making bond payments as timely as they were previously. This is the final step in the works certificate process to enable release of the approval and would appear to reflect the softening of market conditions and slowing of land sales. Staff are continuing to work on the lodgement review process to improve the quality of applications being received and are actively working on more timely payment of bond monies to enable the release of those longstanding applications. The difficulty to recruit a vacant development engineering position over the past 24+ months is also a factor in increased processing times. Net monthly average times for subdivision certificates for the year to date was 53 days, up from the previous year monthly average of 48 days.

Table 2 - Application Processing Times

Processing Days	PMHC	PMHC	PMHC	PMHC	PMHC	PMHC	Jul-24	Aug-24	Sep-24
	2019 - 20 Monthly Average	2020 - 21 Monthly Average	2021-22 Monthly Average	2022-23 Monthly Average	2023-24 Monthly Average	2024-25 Monthly Average			
Development Application Net Median Days	37	41	48	53	45	45	47	42	46
Development Application Gross Median Days	56	50	61	65	58	55	55	59	52
Development Application Net Average Days	42	47	54	63	58	54	61	51	51
Development Application Gross Average Days	61	68	71	89	77	78	88	81	65
Complying Development Net Average Days	13	21	20	20	29	30	50	21	20
Complying Development Gross Average Days	15	25	37	27	47	48	60	49	36
Building Construction Certificate Net Average Days	9	14	24	27	38	47	52	32	56
Building Construction Certificate Gross Average Days	66	61	72	79	95	93	87	101	92
Plumbing and Drainage Net Average Days	18	21	38	53	65	67	87	52	62
Plumbing & Drainage Gross Average Days	53	60	83	78	72	71	92	56	65
Subdivision Works Certificates Net Average Days	39	73	74	94	196	165	369	127	0
Subdivision Works Certificates Gross Average Days	77	99	116	146	373	282	369	476	0
Subdivision and Strata Certificates Net Average Days	44	48	45	54	48	53	72	29	58
Subdivision and Strata Certificates Gross Average Days	91	94	65	60	69	55	72	29	63
Roads Act Net Average Days	13	19	21	38	54	60	92	39	48
Roads Act Gross Average Days	39	37	46	51	64	60	92	39	48
Single Dwelling Applications Net Average Days					45	38	38	38	39
Single Dwelling Applications Gross Average Days					58	46	42	52	43

The NSW Planning Portal now provides a council 'League Table' following release of the Minister's Statement of Expectations Order, enabling performance to be compared and monitored across NSW councils. The housing crisis in Australia has been well documented in the media in recent times. There are a myriad of factors impacting the delivery of housing, with by far the most significant factors arguably relating to finance and construction costs. Notwithstanding this, it is acknowledged that councils play an important role in facilitating the delivery of housing through the zoning of land for residential purposes and the processing of DAs. The intent of the Minister's Order is to target these aspects and improve application processing times. The Minister's Order and the League Table are available on the Department's website at: <https://www.planning.nsw.gov.au/policy-and-legislation/housing/faster-assessments-program/council-league-table>.

The Minister's Order is requiring councils to determine all DAs (i.e. not just those relating to housing, which doesn't appear to focus on the intent to speed up housing approvals) as soon as practical and whichever is the lessor of the council's previous financial year average, or an average of:

- 115 days from lodgement, from 1 July 2024 to 30 June 2025.
- 105 days from lodgement, from 1 July 2025 to 30 June 2026.
- 95 days from lodgement, from 1 July 2026 to 30 June 2027.
- 85 days from lodgement, from 1 July 2027 onwards.

It appears that PMHC is significantly disadvantaged by the performance metrics as the 2023-2024 average number of DA processing days for Council was 77, as published on the Department's League Table. The Order would therefore require Council to exceed the previous financial year average, year on year, which is already significantly better than the Minister's ultimate 85-day benchmark for 2027. The metrics therefore appear to benefit those poorer performing councils who perhaps haven't yet realised business improvement potential.

Within the dashboard, Council has been grouped with 85 regional councils. The average processing time for DAs across all regional councils for the year to date was 99 days. It should be noted that the Planning Portal data has Council's gross average processing time for DAs for the year to date period at 80 days compared to 78 days in Council's system as reported. This slight misalignment with Council's data is being investigated. Notwithstanding this, Table 3 below provides a comparison of selected regional coastal councils data from the Portal dashboard for the 2023-2024 year as well as the 2024-2025 year to date average (July to September).

Table 3 - Regional Council Application Performance Data from State Planning Portal

Council	Total DAs determined 2023-2024	Total DAs determined 2024-2025 year to date (July to Sept 2024)	Gross average assessment time (days) 2023-2024	Gross average assessment time (days) 2024-2025 (July to Sep 2024)
Regional Council average			100	99
Port Macquarie-Hastings	797	193	77	80
Ballina	363	112	183	161

Byron	354	95	159	112
Clarence	598	181	117	84
Coffs Harbour	722	175	95	94
Kempsey	226	56	109	131
Mid Coast	1001	230	88	88
Nambucca	267	61	37	41
Tweed	642	173	189	151

There are additional requirements contained within the Order and League Table relating to lodgement times, which is effectively the time to progress an application through the NSW Planning Portal from the applicant’s initial submission to the payment of fees and formal ‘lodgement’. The order is requiring this process to be undertaken within in an average of 14 days from 1 July 2024 to 30 June 2025 and an average of 7 days from 1 July 2025 to 30 June 2026. The current average lodgement days for Regional Councils is 18 days and PMHC is 12 days. This lodgement process is typically a period where Council affords time for proponents to provide missing information as opposed to rejecting applications outright. The payment of fees is also highly variable and outside the control of Council. The lodgement metric is therefore difficult to consider as one that reflects the performance of Council.

Table 4 below illustrates the total value of works approved for the quarter compared to the preceding 4 years. The value of works approved for the quarter was \$94 million, slightly down on the 2023-2024 quarterly average of \$113 million.

Table 4 - Value of Works

Estimated value of works for LGA	Total 2020 - 2021	Total 2021 - 2022	Total 2022 - 2023	Total 2023 - 2024	Total 2024 - 2025	Jul-24	Aug-24	Sep-24
Development Applications	\$290,362,833	\$426,495,205	\$498,575,614	\$406,878,312	\$85,366,438	\$24,011,486	\$42,778,509	\$18,576,443
Complying Development Certificates	\$53,333,062	\$61,691,010	\$73,141,331	\$47,242,521	\$9,581,432	\$3,210,291	\$2,734,105	\$3,637,036
Monthly Total	\$343,695,895	\$488,186,215	\$571,716,945	\$454,120,833	\$94,947,870	\$27,221,777	\$45,512,614	\$22,213,479

Options

This is an information report.

Community Engagement and Internal Consultation

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

Planning and Policy Implications

There are no planning or policy impacts.

Financial and Economic Implications

This report does not have direct financial or economic implications. However, monitoring the performance of the development assessment system is an important undertaking given the role of development regulation in the broader economy and the need to minimise costs to business and the community in managing development.

Attachments

Nil



Item: 10.18

Subject: ELECTRICITY CONTRACT - SMALL SITES (<100,000KWH)

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

1.5.2 Use procurement, tendering, purchasing and contract management approaches that are transparent and equitable.

RECOMMENDATION

That Council:

- 1. In accordance with section 55(3)(i) of the *Local Government Act 1993*, not invite tenders for the supply of electricity to Council's sites and facilities due to extenuating circumstances for the reasons that a satisfactory outcome would not be achieved by openly advertising the invitation of tenders.**
- 2. Extend the current Contract with retailer Shell Energy to 2032 under the NSW Whole of Government Contract 3062.**

Executive Summary

The purpose of this procurement is to engage a retailer for the supply of electricity for Small Sites (<100,000kWh) for the period commencing 1 July 2025.

Discussion

In the past, Council's electricity contracts were negotiated by Local Government Procurement (LGP). Council's current contracts were negotiated by EMS in 2022, with the Large Sites and Streetlight Contract expiring 31 December 2024 and Small Sites Contract expiring 30 June 2025. This Council report is making a recommendation on a pathway forward for electricity for our small sites (<100,000kWh).

Council has explored various options with both LGP and Procurement Australia to establish a procurement pathway that delivers the best deal to Council and the community.

For the small sites contract, Council needs to extend or secure another replacement contract before the current one expires on 30 June 2025. Council has the potential to do one or more of the following in accordance with the Local Government (General) Regulations:

- openly approach the market for a new replacement contract deal;
- access the LGP contracts for the supply of electricity for small sites (outcomes yet to be determined); and
- access the NSW Government contract for small sites (by extending our existing contract).

Council has previously reached out to LGP, Procurement Australia and buy.NSW to further understand their product offerings, the market and how Council can build a procurement pathway to best supply this contract past its current expiry date.

Furthermore, Council has previously engaged Energy and Management Services (EMS) and they conducted a thorough analysis of market trends and assisted Council to source our current energy contract, that aligns to our procurement needs. EMS and Sourced Energy have provided Council with recent electricity market advice that the NSW Government 3062 Shell Small Sites Contract has been considered the best deal in the market to remain on until better deals are made possible to move to. Extending Council's existing contract to align to the Government-3062 Contract provides more time to monitor the market for better potential deals whilst staying on the same significant sized contract pricing that is negotiated to supply NSW Government sites to mid-2032.

Our current Contract with Shell Energy expires on 30 June 2025 however there is an option to amend the current contract with Shell Energy to extend Council's existing electricity supply arrangement. Any extension over a year can be nominated up until the over-arching NSW Government 3062 Contract ends in mid-2032. There is no perceived risk setting the longest end date possible, as the contract can be left early without any termination charges. It is a favourably priced deal and should remain so as it is a large aggregated load and long duration deal that supplies NSW Government sites and local government small sites that opt in. There are no penalties for variation in forecast consumption provided at the time of contracting (unlimited load flex). It also offers unlimited roll-in and roll-out allowance which means there is the flexibility to add or remove sites from the contract as required.

External expert advice confirmed the Government-3062 Contract was the best offer in market to remain on until better alternative replacement contracts can be moved to. The current energy market remains elevated with price elevation and volatility risk that we could consider going to market for an alternative replacement contract 'Out of Scope'. 'In Scope' is the prudent procurement process that secures the future electricity supply for Council's small sites from 1 July 2025. To do this, we have the following options:

1. Amend our existing Small Sites Electricity Contract to extend it to mid-2032 when the overarching Government-3062 Contract expires. Market pricing will be monitored over the year with an annual review to compare and confirm the Government-3062 Contract remains the best deal to remain on.
2. Where significant savings in the market appear available into the future, external advice will be sought to confirm and assist delivering a business case for change with another Council Report.
3. There is scope to choose another expiry date. For example, there is the option to extend our current Contract to align it to expire at the same time as the new Large Sites and Streetlights Contract (>100,000kWh) which will be 31 December 2030.

It is recommended that Council pursue option 1 and amend our existing Small Sites Electricity Contract to extend it to mid-2032, when the Government-3062 Contract expires.

The current market remains relatively elevated in price and risk of future volatility and not considered to provide better long-term deals than the Government-3062

Contract. Domestic coal power station outages or exit announcements and global energy issues from wars or embargos can elevate energy market pricing and volatility. Coal price escalation and the eventual closure of aging coal power stations are both possible and probable as they are old and increasingly more costly to operate. Securing longer duration electricity contracts has been advised by external experts as a prudent way to bridge over the predicted market volatility and potential price escalation risk as the grid transition is not guaranteed to be smooth or orderly. It is a big change going from cheap but increasingly more expensive centralised baseload fossil fuel generation to more distributed new initially expensive sources of power generation and energy storage. Long term PPAs do not include Small Sites Contracts but the long term well priced Government-3062 Contract has been recommended by EMS and Sourced Energy (the expert advisors to the 13 councils participating in the current group tender PPA process) as a favourable alternative to be on until better deals are available to move into.

The State Government 3062 contract is available via the NSW Procurement Board (Buy NSW) which prescribed under s55 of the Local Government Act 1993 (NSW), allowing councils to utilise supply arrangements coordinated by Buy NSW without the need to go to tender directly, as per the relevant sections of the Local Government Act below:

Under section 55(3)(g) of the Local Government Act 1993, the requirement for Councils to tender does not apply to a contract "for the purchase of goods, materials or services specified by the NSW Procurement Board or the Department of Administrative Services of the Commonwealth, made with a person so specified, during a period so specified and, if a rate is so specified, at a rate not exceeding the rate so specified.

Market pricing will be monitored over the year with an annual review to compare and confirm the Shell 3062 Contract remains the best deal to remain on. Where significant savings in the market appear available, external advice will be sought to confirm and assist delivering a business case for change with another Procurement & Contract Management Plan and Council Report.

Options

The following options are available:

1. Amend our existing Small Sites Electricity Contract to extend it to mid-2032 when the overarching Government-3062 Contract expires. Market pricing will be monitored over the year with an annual review to compare and confirm the Government-3062 Contract remains the best deal to remain on.
2. There is scope to choose another expiry date. For example, there is the option to extend our current Contract to align it to expire at the same time as the new Large Sites and Streetlights Contact (>100,000kWh) which will be 31 December 2030.

It is recommended that Council pursue option 1 and amend our existing Small Sites Electricity Contract to extend it to mid-2032, when the overarching Government-3062 Contract expires.

Community Engagement and Internal Consultation

- Chief Executive Officer
- Director Business & Performance
- Director Community, Planning and Environment
- Director Community Utilities
- Director Community Infrastructure
- Group Manager Procurement, and
- Contracts Officer.

Planning and Policy Implications

The outcomes of this procurement need to align with section 55(3)(i) of the *Local Government Act 1993*.

Financial and Economic Implications

Electricity costs are being carefully monitored from a budget perspective. Current market trends and predicted pricing are considered as part of the 2024-2025 Operational Plan and Long Term Financial Plan review.

Attachments

Nil

Item: 10.19

Subject: SUPPLY OF ELECTRICITY - REGIONAL COUNCILS NSW POWER PURCHASE AGREEMENT

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

1.5.2 Use procurement, tendering, purchasing and contract management approaches that are transparent and equitable.

RECOMMENDATION

That Council note that:

1. At its February 2024 meeting, Council resolved:
 - a) In accordance with section 55(3)(i) of the Local Government Act 1993, not to invite tenders for the supply of electricity to Council's large sites and streetlights due to extenuating circumstances, for the reasons that a satisfactory outcome would not be achieved by openly advertising the invitation of tenders.
 - b) To support pursuing a Power Purchase Agreement for Council's electricity contract for large sites and streetlights through the Hunter Joint Organisation tender process with the upfront cost of \$22,385.
 - c) That subject to a successful tendering process by the Hunter Joint Organisation, the Chief Executive Officer shall negotiate and enter into a contract for the supply of electricity to Council's large sites and streetlights under existing delegation and present a further report to a future meeting of Council on completion of the process for Council's information.
2. A successful extended tendering process has concluded for the Chief Executive Officer to enter into a six-year contract, under existing delegation, with Iberdrola Australia commencing 1 January 2025 for the supply of electricity to Council's large sites and streetlights.

Executive Summary

Council requires a new electricity contract for Large Sites and Streetlights before the current contract expires at the end of 2024.

Rising electricity costs are a growing budget risk for Council as a large energy user supplying critical community services and infrastructure. Lower cost long-term electricity supply deals can help secure affordable prices over the anticipated volatile energy transition period ahead where there is a risk aging coal power stations exit before new sources can replace them. A long-term contract can bridge over this period better than a short-term deal.

The NSW State Government was supportive of the Hunter Joint Organisation (HJO) and Mid North Coast Joint Organisation (MNCJO) running a tender process for regional NSW councils to bid together for better priced long-term Power Purchase

Agreement (PPA). A joint tender process would also share the cost of funding external expertise for PPA provision, procurement, probity and legal contracting.

At its February 2024 meeting, Council resolved to join the joint tender process to pursue a PPA for Council's electricity contract for large sites and streetlights through the Hunter Joint Organisation led tender process with the upfront cost of \$22,385. Council also resolved that subject to a successful tendering process by the Hunter Joint Organisation, the Chief Executive Officer shall negotiate and enter into a contract for the supply of electricity to Council's large sites and streetlights under existing delegation and present a further report to a future meeting of Council on completion of the process for Council's information.

The PPA process has concluded, and a contract has been entered for the supply for electricity for Council's large sites and streetlighting for six years, effective from 1 Jan 2025 to 31 December 2030.

Thirteen regional NSW councils attracted nine electricity retailers to competitively bid, with the best offer being agreed as that from Iberdrola Australia which was superior to other tenders on both price and qualitative measures.

Key points to note:

- 1) The contract is for six years from 1 Jan 2025 to 31 Dec 2030 for Council's large site and street lighting electricity usage.
- 2) The contract will see electricity usage be 50% sourced from renewable energy sources for 2025 and 2026 rising to 100% renewable from 2027 which aligns with strategic objectives. The current large sites contract doesn't elect for more than the almost 20% currently supplied from the national renewable energy target (RET).
- 3) The pricing will see an initial reduction in per megawatt hour cost compared to Council's current contract levels, with a six-year average megawatt hour cost escalation expected to be well below the average CPI increase over the same period.
- 4) The contract is based upon our current large sites list, with the inclusion of estimated usage in the outer years for the impact of Thrumster Waste Water Treatment Plant and Cowarra Water Treatment Plant coming online.
- 5) Standard penalties can apply should Council electricity usage be +/- 20% the estimated usage built into the contract should the consolidated usage totals for all member councils also exceed +/-20%. Usage will be monitored and forecasted as part of the Council internal contract management process.
- 6) The contract excludes network charges which are separate and additional to the retail PPA costs for power transmission (eg poles and wires). Network charges currently represent approximately 40% of large site electricity costs. Increase in network charges over time cannot be fixed or negotiated via the PPA therefore could pose some further expense volatility and budget risk.
- 7) The contract does not preclude Council from exploring future energy generation/storage options at specific large sites as a mechanism for reducing future usage and offsetting increasing network charges.

This is expected to provide Council with increased budget certainty for electricity charges over the six-year period, noting the current two-year contract (2023/2024) resulted in an approximately 90% per annum increase in large site costs from the 2018-2022 contract.

Discussion

Council was required to seek a new electricity contract for Large Sites and Streetlights before the current contract expired at the end of this year. The cost of electricity has been rising for all which is a growing budget risk for regional councils as large energy users that supply critical community infrastructure and services. Expert advice was to seek lower-cost long-term electricity supply deals that locked in affordable prices over the anticipated volatile energy transition period ahead.

There are international and domestic issues that have and can continue to impact our electricity prices. There is also a known risk of aging coal power stations ceasing supply before enough new sources of energy generation and storage exist, which also raises energy market prices and volatility risk. Councils require stable affordable power supply, and a long-term contract was considered prudent to pursue over another conventional two or three year deal.

Some councils with similar expiring contracts combined their collective buying power to reduce procurement costs. The State Government then also agreed to financially support the Hunter Joint Organisation (HJO) and Mid North Coast Joint Organisation (MNCJO) to run the group tender process for regional NSW councils to bid together for a better priced long-term Power Purchase Agreement (PPA). This could help fund external expertise for PPA provision, procurement, probity and legal contracting.

A PPA is long term agreement between a renewable energy power generator and consumer/s for the purchase of clean electricity at a stable and predictable price. The long-term nature of the agreement protects organisations against the risk of price fluctuations in the electricity market, providing budget certainty and resilience (NSW Department of Planning and Environment, 2022).

Council's Executive Group endorsed recommending Council to participate in the PPA and at the Ordinary Council meeting on 15 February 2024 Council resolved to support pursuing a PPA to secure long term affordable supply of electricity for the Large Sites and Streetlights Contract:

That Council:

- 1. Under the extenuating circumstances provision of s.55(3)(i) of the Local Government Act 1993, not invite open tenders and participate in the Hunter Joint Organisation procurement process to pursue a Power Purchase Agreement for Council's electricity contract for large sites and streetlights.*
- 2. Give support to pursue a Power Purchase Agreement for Council's electricity contract for large sites and streetlights through the Hunter Joint Organisation tender process with the upfront cost of participation being \$22,385.*
- 3. Subject to a successful tendering process by the Hunter Joint Organisation, the Chief Executive Officer shall negotiate and enter into a contract for the supply of electricity to Council's large sites and streetlights under existing*

delegation and present a further report to a future meeting of Council on completion of the process for Council's information.

4. *Note that the contract under a Power Purchase Agreement may be a longer six-year term to attract better pricing and gain long term price certainty compared to the current two-year or previous three-year electricity contract.*
5. *Note that a Power Purchase Agreement may also provide a feasible pathway to achieve Council's Long Term Energy Strategy aim to source 100% of its electricity from renewable sources by 2027."*

A rigorous process was established by Hunter JO to ensure that procurement, governance and probity requirements were met by all parties and a project plan was established to identify the best way to leverage the expertise across councils and external experts that were brought into the process. PMHC had a staff member on the Steering Committee, Procurement Development Team and Evaluation Panel to have influence and oversight of every step of the process. The agreed procurement strategy involved three stages of tendering:

- Stage 1: expressions of interest (EOI): the group sought EOIs from retailers capable and qualified to supply a PPA to the group of Councils. Eight retailers were shortlisted to proceed to stage 2.
- Stage 2: Initial offers and confirmation of contract specifications
- Stage 3: best and final offer tender that ran from 6-8 August 2024

The tendering process was extended over a longer period than planned due to energy market volatility and price escalation that came from a number of unplanned coal power station outages. Planned outages are also expected later this year which highlighted why the group was trying to seek the best priced long-term contract to mitigate this risk and provide future budget certainty.

Thirteen regional NSW councils aggregated loads from 163 sites to attract nine electricity retailers that competitively bid for the long-term business. Pricing came back favourably for PMHC with the three shortlisted retailers offering prices that produced savings over what was currently being charged in 2024. The best offer came from **Iberdrola Australia** which secured cheaper electricity prices than PMHC currently pays until the end of 2030.

About Iberdrola Australia

Iberdrola Australia is part of the global energy group Iberdrola, one of the world's leading renewable energy companies based in Spain. Iberdrola Australia specialises in renewable energy solutions within Australia, with a focus on wind, solar, and battery storage projects. They aim to support Australia's transition to a low-carbon economy by investing in large-scale renewable projects and developing cleaner energy sources.

This PPA is expected to provide Council initial electricity cost savings compared to our current contract prices and will lock in average megawatt usage charge savings over the six-year contract period in what could be considered a volatile future energy market. It helps PMHC mitigate future budget risks of rising electricity and network costs and meet its strategic objectives to source 100% of its electricity from renewable sources by 2027. The current large sites contract doesn't elect for more than the almost 20% supplied from the national renewable energy target (RET). The PPA will provide 50% for 2025-2026 and 100% from 2027-2030.

Options

There is no decision being sought from Council as this was sought from the previous Council and provided as a follow up report to notify Council of this successful outcome.

Community Engagement and Internal Consultation

No community engagement and minimal internal consultation was allowed for due to external probity and procurement advice for confidentiality during the whole process.

Planning and Policy Implications

The outcomes of this procurement need to align with section 55(3)(i) of the Local Government Act 1993.

Financial and Economic Implications

The 2025-2030 Large Sites and Streetlights PPA Contract will represent a decrease in electricity costs compared with Councils current electricity contract rates in 2024.

The pricing will see an initial reduction in per megawatt hour cost compared to council's current contract levels, with a six-year average megawatt hour cost escalation expected to be well below the average CPI increase over the same period.

Penalties can apply should PMHC electricity usage be +/- 20% the estimated usage built into the contract should the consolidated usage totals for all member councils also exceed +/-20%. Usage will be monitored/forecasted as part of the Council's internal contract management process.

The contract excludes network charges which are separate charges by retailers for transmission (eg poles and wires). Network charges currently represent approximately 40% of large site electricity costs. Increase in network charges over time therefore could pose some further expense volatility and budget risk.

Long term price stability to 2030 will allow Council to update the Long-Term Financial Plan escalation assumptions for electricity with more certainty.

Attachments

Nil

Item: 10.20

Subject: POLICY REVIEW - DRAFT POLICY FRAMEWORK - FOLLOWING
PUBLIC EXHIBITION

Presented by: Business and Performance, Keith Hentschke

RECOMMENDATION

That Council adopt the draft Policy Framework and draft Policy Framework Procedure.

Executive Summary

Council currently has an adopted Policy titled the Making of Council Policy. This policy was last adopted by Council in September 2015. A draft Policy Framework has been developed and is attached as Attachment 1. The current policy is attached as Attachment 2.

The purpose of the Policy Framework is to provide direction for the creation, review, amendment, and rescission of Port Macquarie-Hastings Council policies, procedures, and guidelines. This is a completely rewritten framework to make Council's management of policies more contemporary.

Council considered this draft policy framework at its Ordinary meeting held 21 March 2024 where it resolved to place the policy framework on public exhibition.

Following the exhibition period, Council further considered this item at its May 2024 Ordinary Council meeting where it resolved:

That Council defer the adoption of the Draft Policy Framework to the July 2024 Ordinary Council meeting following a briefing to be held with Councillors in June 2024 to discuss the associated Policy Framework procedure.

A briefing was scheduled for 29 June 2024 however this was deferred and conducted on 4 July 2024.

Council further considered this matter at its August 2024 Ordinary Council meeting and resolved:

That Council defer consideration of the Draft Policy Framework until the October 2024 Ordinary Council meeting.

Council reconsidered this item at the October 2024 Ordinary Council meeting where it resolved:

That Council:

- 1. Defer consideration of the Draft Policy Framework until the November 2024 Ordinary Council meeting.*
- 2. Request the Chief Executive Officer provide the Draft Policy Framework Procedure in conjunction with the Draft Policy Framework to the November 2024 Ordinary Council meeting for the consideration of Council.*

The draft policy framework and draft policy framework procedure are now recommended for adoption.

Discussion

Council currently has an adopted Policy titled the Making of Council Policy. This policy was last adopted by Council in September 2015. A draft Policy Framework has been developed and is attached as Attachment 1. The current policy is attached as Attachment 2.

Council's Executive Team endorsed this draft policy framework at its 27 February 2024 Strategic Executive Team meeting and by the Audit, Risk and Improvement Committee on 7 March 2024 to be presented to Council for consideration.

Council considered this draft policy framework at its Ordinary meeting held 21 March 2024 where it resolved:

That Council:

1. *Place on public exhibition the draft Policy Framework for a minimum of 28 days.*
2. *Note that a further report will be tabled at the May 2024 meeting of Council, detailing the submissions received from the public during the exhibition period.*

The public exhibition period has now been completed and Council further considered this item at its May 2024 Ordinary Council meeting where it resolved:

That Council defer the adoption of the Draft Policy Framework to the July 2024 Ordinary Council meeting following a briefing to be held with Councillors in June 2024 to discuss the associated Policy Framework procedure.

A briefing was scheduled for 29 June 2024 however this was deferred and conducted on 4 July 2024. The draft policy has been amended based on the outcome of the Councillor briefing that has been included in red text in the draft Policy Framework attached to this report.

Council further considered this matter at its August 2024 Ordinary Council meeting and resolved:

That Council defer consideration of the Draft Policy Framework until the October 2024 Ordinary Council meeting.

Council reconsidered this item at the October 2024 Ordinary Council meeting where it resolved:

That Council:

1. *Defer consideration of the Draft Policy Framework until the November 2024 Ordinary Council meeting.*
2. *Request the Chief Executive Officer provide the Draft Policy Framework Procedure in conjunction with the Draft Policy Framework to the November 2024 Ordinary Council meeting for the consideration of Council.*

The draft policy framework and draft policy framework procedure are now recommended for adoption.

Options

- That the draft policy framework be amended and placed on further public exhibition.
- That the draft policy framework be adopted.
- That the draft policy framework be amended and adopted.
- That the draft policy framework be rejected.

Community Engagement and Internal Consultation

This draft framework was presented to the Senior Leadership Team. Minimal feedback was received with the only comment suggesting Local Approval Policies should be covered by this policy. It is proposed that these follow the same process so they have not been specifically mentioned in this policy.

Council's Executive Team endorsed this draft policy at its 27 February 2024 Strategic Executive Team meeting to be presented to Council for consideration.

Council's Audit, Risk and Improvement Committee endorsed the draft policy on 7 March 2024 to be presented to Council for consideration.

Council considered this draft policy framework at its Ordinary meeting held 21 March 2024 where it resolved to place the policy framework on public exhibition.

The draft policy was placed on public exhibition for the required 28 days. During this time, Council's Have Your Say webpage with regard to this draft policy framework experienced 21 page visits with 5 users downloading the draft policy framework. There were no submissions received from this public engagement.




Planning and Policy Implications

There are no planning implications in relation to this report. Should Council adopt this policy framework it will become a Council policy.

Financial and Economic Implications

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

Attachments

1.  Draft Policy Framework
2.  Draft Policy Framework Procedure
3.  Current Adopted Policy - Making of Council Policy

Item: 10.21

Subject: STRATEGY REVIEW - DRAFT PROCUREMENT STRATEGY -
FOLLOWING PUBLIC EXHIBITION

Presented by: Business and Performance, Keith Hentschke

Alignment with Delivery Program

1.5.2 Use procurement, tendering, purchasing and contract management approaches that are transparent and equitable.

RECOMMENDATION

That Council:

1. Adopt the Draft Procurement Strategy.
2. Note the Local Content evaluation criteria within the Draft Procurement Policy is intended to replace the current offset methodology within the Tendering Local Preference Policy and more effectively maximise the participation of local business in Council contracts and projects.
3. Rescind the Tendering Local Preference Policy and apply the Local Content to evaluation criteria as detailed in the Procurement Strategy.

Executive Summary

At the Ordinary Council Meeting held on 15 August 2024 the draft Procurement Strategy was considered and council resolved to:

1. *Remove Page 9 of the Draft Procurement Strategy.*
2. *Publicly exhibit the Draft Procurement Strategy for a period of not less than 45 days.*
3. *Note that a further report will be tabled at the November 2024 Ordinary Council meeting detailing the submissions received from the public during the exhibition period.*

The draft Procurement Strategy was placed on public exhibition from 3 September 2024 to 18 October 2024. During the exhibition period, three (3) participants engaged in the survey in relation to the draft Procurement Strategy.

Outcomes from public exhibition

There was a total of 147 visits to Council's engagement website page during the exhibition period with 47 documents downloaded or viewed. Three (3) participants engaged in the survey regarding the draft Procurement Strategy.

A summary of those who visited the page is provided below:

- 3 participants were engaged (completed the survey)
- 65 participants were informed (performed an action - downloaded a document/visited multiple projects pages/completed the survey); and
- 124 participants were aware (visited at least one page).

Response to feedback on Draft Procurement Strategy

Below are response to the comments received against the five (5) questions in the engagement survey.

Q1: In what ways could the strategy better support job creation within our community?

The strategy aims to establish a marketplace that opens new pathways for small to medium businesses, particularly through simplified processes and documentation that reduce entry barriers. We recognise the value in broadening opportunities for various supplier types, including professional services, and will consider expanding focus areas to reflect this.

Creating a local marketplace is central to our goals, as it facilitates easier access for local businesses to participate in Council opportunities. Simplified rules and procedures, such as reduced insurance requirements where feasible, are part of the Council's commitment to supporting business growth and job creation within the community.

Q2: Are there specific opportunities for local suppliers that you think the strategy should highlight or expand upon?

Opportunities to support local suppliers will be made more transparent through the new marketplace. This approach encourages a broader range of local suppliers to participate, including sectors that may traditionally face challenges accessing Council work.

Q3 Do you see any potential in the strategy for fostering innovation and sustainable practices among local businesses?

Our role in Council includes fostering an environment where local businesses can thrive. While the Council does not directly drive innovation, we aim to create favourable conditions through reduced procedural burdens and greater access to opportunities.

This includes removing unnecessary hurdles and promoting a collaborative environment that encourages sustainable practices. By doing so, we aim to support a business landscape where innovation can naturally evolve within the community.

- Q4 How can Council simplify the procurement process to better support small businesses?

We acknowledge that tender preparation can be resource-intensive, particularly for smaller consultancies. Our goal is to reduce these costs by clearly defining requirements, streamlining document requirements, and ensuring a transparent process that gives businesses confidence in the likelihood of work proceeding. Additionally, we are actively working on simplifying contract terms and reducing administrative burden.

Our focus on Environmental, Social, and Governance (ESG) criteria aims to align with broader community goals, but we understand the concern around balancing inclusivity with procedural clarity. Diversifying suppliers is part of Council's commitment to a vibrant, inclusive local economy. Our approach is to integrate these considerations in a way that does not impose undue complexity or costs.

- Q5: Do you have any other feedback?

The Council's strategy is firmly rooted in supporting the core needs of our community. While we draw on established best practices and frameworks, such as those from the UN, our primary focus is to create practical, locally beneficial outcomes. Recognising feedback around clarity and focus, we aim to refine our approach to make actions and expected outcomes more tangible.

Regarding local suppliers, the strategy indeed seeks to prioritise them, including farmers and small businesses. By creating a more accessible marketplace, the strategy aims to ensure these local suppliers can directly benefit from Council opportunities.

Tendering Local Preference Policy

The Tendering Local Preference Policy came into effect in late 2017. Over the years, we have extensively examined the impact of the Tendering Local Preference Policy and presented findings through multiple reports and a Council Briefing. Despite Council's commitment to supporting local suppliers, evidence has shown that the policy, which uses a notional offset to the tendered price, has not delivered the intended benefits to local businesses.

Feedback from suppliers, coupled with our procurement data, consistently highlights the limited effectiveness of the policy in fostering genuine local economic participation. The offset approach, while well-intended, has proven inadequate in addressing market realities and achieving meaningful participation from local suppliers.

As a result, we are recommending moving away from this notional offset approach and implementing a new Local Content evaluation criterion within our procurement evaluations. This adjustment detailed in the draft Procurement Strategy, is designed to encourage the inclusion of local suppliers more directly by providing tangible advantage during the offer response process. With this change we aim to create a more transparent and effective method for supporting local businesses and maximising their participation in council projects and contracts.

Provided below are key reasons why a Local Content is preferable, along with the risks associated with maintaining a price offset method.

- 1) Clarity and Transparency
 - **Local Content:** Including clear Local Content evaluation criteria makes the support for local suppliers explicit and visible to all stakeholders. It also removes any ambiguity and enables suppliers to see exactly how local contributions factor into the overall evaluation.
 - **Notional Offset:** An offset applied to the tendered price can be less transparent, as it involves adjusting the bid evaluation without suppliers fully understanding how their final score is affected. This lack of transparency can lead to distrust among suppliers and a perception of favouritism or inconsistency.
- 2) Encouraging Local Supplier Development
 - **Local Content:** This approach directly rewards suppliers who integrate local labour, materials, or resources, motivating them to invest more in local supply chains. By having a visible criteria, suppliers are encouraged to increase their local contributions, which can bolster local economies and create long-term, sustainable supplier relationships.
 - **Notional Offset:** An offset might give price advantages to local suppliers, but it doesn't provide a clear incentive for suppliers to actively incorporate more local content or to develop local supply capacity. Suppliers might feel little motivation to increase their local engagement beyond meeting the minimum threshold, which can undermine the policy's intended benefits.
- 3) Alignment with Strategic Goals
 - **Local Content:** This method is strategically aligned with many councils' goals of fostering sustainable economic development. Detailed criteria gives a measurable and consistent framework that aligns with broader procurement objectives, such as promoting local economic growth, supporting employment, and boosting local business innovation.
 - **Notional Offset:** The offset is often seen as a "shortcut" that can conflict with strategic sustainability goals. It may prioritise price savings in the short term but does not directly align with long-term development objectives that rely on cultivating local industry.
- 4) Avoiding Financial Risks of Price Offsets
 - **Inflated Cost Perception:** Price offsets can create a distorted perception of the actual costs by artificially lowering the evaluated price, even if the actual cost remains higher. This can result in budget discrepancies if the full, unadjusted tender price exceeds financial expectations.
- 5) Preferred Way to Support Local Suppliers
 - **Meaningful Evaluation Criteria:** Local Content values local contributions without compromising the focus on total cost, quality, and other critical

selection criteria. Local suppliers who genuinely contribute to the community benefit from this targeted support.

- **Fairness and Equity:** Weighting supports fair competition by giving all suppliers an equal opportunity to win tenders based on their merits rather than through artificial price adjustments. This approach balances local preference with fairness to all suppliers.

Options

- That the draft Procurement Strategy be amended and placed on further public exhibition.
- That the draft Procurement Strategy be adopted and that the Tendering Local Preference Policy be rescinded.
- That the draft Procurement Strategy Tendering Local Preference Policy be amended and adopted.
- That the draft Procurement Strategy be rejected and the Tendering Local Preference Policy retained.

Community Engagement and Internal Consultation

The draft Procurement Strategy was subsequently placed on public exhibition from 3 September 2024 and 18 October 2024. During this time, Council's Have Your Say webpage with regard to the draft Procurement Strategy experienced 147 page visits with 47 users downloading the draft policy. Three (3) participants engaged in the survey in relation to the draft Procurement Strategy.

Internal Consultation

- Director Business and Performance
- Executive Lead, Finance & Commercial Operations, and
- Group Manager, Procurement.



Planning and Policy Implications

This is a draft Procurement Strategy that should it be adopted by Council and replacing the Tendering Local Preference Policy.

Financial and Economic Implications

There are no financial implications in this report. The proposed replacement of the Tendering Local Preference Policy with the Local Content to evaluation criteria in the Procurement Strategy will provide enhanced opportunity for local businesses to participate in Council contracts and projects.

Attachments

1.  Draft Procurement Strategy
2.  Engagement Summary Report

Item: 10.22

Subject: PROPERTY INVESTMENT PORTFOLIO - ANNUAL REPORT

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 to Council on the Property Investment Portfolio for financial year to 30 June 2024.

Executive Summary

Council, at its December 2023 Ordinary meeting, adopted a reporting period for the *Property Investment Portfolio Annual Report* covering the period of 1 July to 30 June.

This report provides a financial and operational performance overview across the two main functional areas of Operational Property Management and Strategic Property Investment, for the financial year ended 30 June 2024

The total land value of Council's property asset portfolio at 30 June 2024 is \$176.17 million, which is an increase of 4.27% from 2023. The asset portfolio is made up as follows:

- Operational Land - valued at \$127.693m
- Community Land - valued at \$48.477m.

Discussion

Council's overall property portfolio consists of 1,276 property assets:

- 612 properties are classified as Community Land, and
- 664 are classified for Operational use under section 31 of the Local Government Act 1993.

Recommendations regarding individual Council property transactions, or new purchases, are made to Council in accordance with the *Local Government Act* and the adopted Strategic Property Investment Policy.

Council’s approach to managing the Property Investment Portfolio focuses on three key areas:

- Property Management - Leasing, Licencing, Renewals and Operational Management
- Implementation of the Strategic Property Investment Framework - including the review of operational land, and improving policies, procedures, and data; and
- Property Development and Transactions - Including strategic planning and progress with the purchase or disposal of selected properties.

Property Management

The focus of Council’s operational portfolio for 2024 has been on the management, review and renewal of community leases and licences.

During the 2023/24 financial year, Council generated approximately \$1 million in revenue through the management arrangements outlined below. Operational property staff also support internal business units by facilitating and processing land dealings supporting infrastructure projects under the Land Acquisition (*Just Terms Compensation*) Act 1991.

Leases and Licences	No. of Properties	NOTES
PMHC as Lessee	88	Multiple new Licences with Crown Lands for flood recovery works
Airport	35	Stable number of leases
Commercial	24	Stable. New telecommunications agreement pending
Community	85	Additional new community agreements being negotiated
Outdoor Dining and Trading	68	Approvals signed for new outdoor dining and existing outdoor trading businesses
Residential	4	Stable. 1 property vacant
Temporary Licences	31	Including enquiries for new businesses
Total	335	

Implementation of the Strategic Property Investment Framework

Since the endorsement of the Framework in early 2024, significant progress has been made in enhancing operational efficiency through the development of procedures and process improvements.

A number of processes, forms and documents have been introduced, focusing on governance and risk management, to ensure alignment with industry best practices and regulatory requirements. These include:

- **Conflict-of-Interest Management Statement** to promote transparency during any Council-led planning and development activities.

- **Risk Management Plan (Template)** to standardise property risk management processes.
- **Assessment Procedure - Acquisition of Land for Biodiversity Offsets (Draft)** to streamline environmental considerations in land acquisitions.
- **External Sales Marketing Plan** and a **Divestment Plan** have been established to guide sales and disposal strategies.

In order to better manage public land use requests, staff have also progressed:

- a process for Handling Easement Requests on Council Land (Draft), and
- a standardised Feasibility Study to assess the viability of future property acquisition projects.

These processes/documents provide improved structures for decision-making, ensuring that any proposed Council property investments are both strategically sound and that risks are being effectively managed.

Property Development and Transactions

On 2 May 2024, a detailed briefing was presented to Councillors, highlighting several priority properties identified through a comprehensive review of Council's operational portfolio. The briefing included proposed actions associated with these properties.

In a confidential report presented in June 2024, Council endorsed the priority list for staff to continue planning, development and disposal planning (sales) of these priority properties. A status update on the priority properties is provided as a **confidential attachment** to this report.

Property Port Macquarie Airport Masterplan

Property development activities at the Port Macquarie Airport will be progressed as part of the Airport Master Planning process being undertaken by Arup Australia. Property development activities that will be considered in the Master Plan include:

- Ensuring land is identified and reserved for future aviation/traffic needs.
- Reserving land for future terminal development or infrastructure expansion.
- Identifying land surplus to aviation needs that could potentially be available for commercial development e.g. a business park.

Additional information will be provided to Councillors in an Airport Master Plan briefing planned for December 2024.

Options

The Property Investment Portfolio Annual Report is for noting only.

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. Status Update - Priority Properties - Strategic Property Investment
(Confidential)

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: NOTICE OF MOTION - SPORTING VENUE SPONSORSHIP
PROGRAM**

Councillor Nik Lipovac has given notice of an intention to move the following motion:

RECOMMENDATION

That Council request the Chief Executive Officer provide a report to the April 2025 Ordinary Council meeting regarding the options available to Council for consideration of the establishment of a Sporting Venue Sponsorship Program.

Comments by Councillor Lipovac

We need to consider options to raise the funds required to continue to upgrade, maintain and develop new sporting fields and amenities without increasing or adding new fees for local or visiting sporting user groups and associations. Venue Sponsorship from local and non-local businesses is a viable alternative. Some sponsorship examples include the C.ex Coffs International Stadium, Regional Australia Bank Stadium in Wingham and McDonald Jones Stadium in Newcastle.

Comments by Chief Executive Officer

This request and report is achievable and able to be developed during business as usual activities. Staff do not have any concerns with this motion.

Attachments

Nil

Item: 11.02

Subject: QUESTION WITH NOTICE - PORT MACQUARIE OCEAN POOL COMMITTEE

Presented by: Business and Performance, Keith Hentschke

RECOMMENDATION

That the response provided to Councillor Lipovac Question on Notice regarding Port Macquarie Ocean Pool Committee be noted.

Question from Councillor Nik Lipovac

That Council's Chief Executive Officer please advise the 14 November 2024 Ordinary Council meeting what, if any, information Council has received from the Port Macquarie Ocean Pool Committee specifically relating to any future costs Council is expected to cover during and post construction should the project proceed.

Comments by Councillor

Nil

Comments by Chief Executive Officer

A verbal response will be provided at the Council meeting.

Attachments

Nil

Item: 11.03

Subject: PROPOSED FUTURE USE OF THE CURRENTLY VACANT
BUILDING - 143 GORDON STREET, PORT MACQUARIE

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

2.2.1 Support and advocate for all community sectors.

RECOMMENDATION

That Council note the information contained in the report.

Executive Summary

The building known as “The Hub” at 143 Gordon Street, Port Macquarie, is owned by Port Macquarie-Hastings Council and is currently vacant. A Notice of Motion was presented at the August 2024 Council meeting by Councillor Edwards and Council subsequently resolved that a report be presented to Council regarding the options for use of the property that could support the work of the Homelessness Interagency Services.

This report provides an overview of proposed future uses for the currently vacant building at 143 Gordon Street, an whether it can support local homelessness services.

The report also explores options for repurposing the building to assist the Homelessness Interagency Services, addressing community needs while aligning with Council’s strategic goals. Additionally, it outlines the required processes for establishing a supportive use of the building, including feasibility assessments, stakeholder engagement, regulatory compliance, and setup. These findings offer a foundation for Council's decision-making regarding community support through effective community facility use.

Discussion

At the Ordinary Council meeting, August 2024 Council considered the Notice of motion (Item 11.01) Homelessness and Disadvantaged Persons as below:

That Council:

1. *Note that staff have confirmed that one of the buildings at Lot 23 DP 1129456 143 Gordon Street, formally referred to as “The Hub” is owned by Port Macquarie-Hastings Council and is currently vacant.*
2. *Note that staff have confirmed that the other building; a dwelling located at 143 Gordon Street, is currently occupied/leased as a dwelling.*

3. *Note that staff have confirmed that the subject land is zoned E1 Local Centre in accordance with the Port Macquarie-Hastings Council Local Environmental Plan.*
4. *Note that staff have confirmed that the Objectives of the E1 zoning are as follows:*
 - *To provide a range of retail, business and community uses that serve the needs of people who live in, work in or visit the area.*
 - *To encourage investment in local commercial development that generates employment opportunities and economic growth.*
 - *To enable residential development that contributes to a vibrant and active local centre and is consistent with the Council's strategic planning for residential development in the area.*
 - *To encourage business, retail, community and other non-residential land uses on the ground floor of buildings.*
 - *To provide a focal point for the neighbourhood community.*
5. *Note that staff have confirmed that in accordance with the Port Macquarie-Hastings LEP, the uses permitted with development consent in the E1 zone include:*
Amusement centres; Artisan food and drink industries; Boarding houses; Centre-based child care facilities; Commercial premises; Community facilities; Entertainment facilities; Function centres; Home industries; Hostels; Hotel or motel accommodation; Information and education facilities; Local distribution premises; Medical centres; Oyster aquaculture; Places of public worship; Public administration buildings; Recreation facilities (indoor); Respite day care centres; Service stations; Shop top housing; Tank-based aquaculture; Veterinary hospitals; Any other development not specified in item 2 or 4 (of the LEP Clause)
6. *Request the Chief Executive Officer provide a report to the November 2024 Ordinary Council meeting that details the following:*
 - *The proposed future use of the currently vacant building 143 Gordon Street*
 - *The options for use of 143 Gordon Street that could support the work of the Homelessness Interagency Services*
 - *The process and costs involved in establishing a use of the building that could support the work of the Homelessness Interagency Services.*
7. *Request the Chief Executive Officer to pause all activities in respect of leasing of 143 Gordon Street until Council has had time to consider the report at the November 2024 Ordinary Council meeting.*

This report is specifically responding to point 6 of the resolution.

As the building is currently vacant, persons and groups are welcome to make an expression of interest for the premises. Over the past 2 years Council has received 3 applications, two have been unsuitable and the third has only been received recently. The Homelessness Interagency are welcome to apply to use the space through the normal formal Expression of Interest (EOI) process.

Staff have also considered the need for staff to relocate to the site due to the pressure on space within the business and on the existing office space at Council's Port Macquarie Headquarters. This has since been resolved and it is no longer a requirement for staff.

It should be noted that Council would not directly manage or fund the facility; instead, interested parties would submit EOIs, outlining their proposed use, management plans, and capacity to cover associated costs.

Successful applicants may also need to lodge a Development Application (DA) and assume full responsibility for site management, including regulatory compliance, funding, and operations. Should building alterations be required, a Construction Certificate for these works may also be required to be covered.

The property has Development Approval issued 23 August 2022 for use as a business premises. A business premises in accordance with the Port Macquarie Local Environmental Plan (LEP) means “a building or place at or on which:

- a. an occupation, profession, or trade (other than an industry) is carried on for the provision of services directly to members of the public on a regular basis, or
- b. a service is provided directly to members of the public on a regular basis,

and includes funeral homes, goods repair and reuse premises and, without limitation, premises such as banks, post offices, hairdressers, dry cleaners, travel agencies, betting agencies and the like, but does not include an entertainment facility, home business, home occupation, home occupation (sex services), medical centre, restricted premises, sex services premises or veterinary hospital.

Note—

Business premises are a type of **commercial premises**—see the definition of that term in this Dictionary.”

The approved hours of operation are: 7 am - 11 pm, Monday through Saturday; no Sundays or Public Holidays.

Depending on the details of the use proposed by the Homelessness Interagency and their status as service provider it is most likely that their use of the premises may be defined under the LEP as follows:

community facility means a building or place—

- (a) owned or controlled by a public authority or non-profit community organisation, and
 - (b) used for the physical, social, cultural or intellectual development or welfare of the community,
- but does not include an educational establishment, hospital, retail premises, place of public worship or residential accommodation.

A community facility is permitted in the E1 Local Centre zone with development consent.

The Hub has been vacant since 2022 after its use as the Flood Recovery Centre. Council has not received any income for the premises since that time. The fair market rental rate is in the order of \$350/m² pa plus GST. This translates to approximately \$54,250.00 plus GST pa (\$1043/week) plus a bond as described in our current fees and charges. This rate refers to the main office area with an area of approximately 155 m².

Given the current market rate for the premises the EOI process ensures a fair and transparent approach to the use of Council assets. This approach enables council to

facilitate community support while ensuring that operational responsibility lies with the service provider.

Options

This report is for notation only.

Community Engagement and Internal Consultation

Internal engagement was undertaken with the Strategic Property Team, Development Assessment Team, the Space and Places Team and Council's Strategic Property Investment Coordinator.

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. Financial implications will need to be considered depending on whether Council wishes to consider this matter further.

Attachments

Nil

Item: 11.04

Subject: DETERMINATION FOR THE USE OF THE VACANT LAND AT OXLEY OVAL

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

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

RECOMMENDATION

That Council:

- 1. Thank the two community groups for their interest in the site and the work they have put into their applications.**
- 2. Endorse the Port Macquarie Tennis Club as the preferred user group for the vacant land at the northern end of Oxley Oval for further Crown Land approval.**

Executive Summary

The purpose of this report is to provide feedback on the submissions received during the Expression of Interest (EOI) and to seek Council's endorsement for a preferred user group at the northern end of Oxley Oval, adjacent to both the Port Macquarie Tennis Club and the Mid North Coast Maritime Museum, known as Lot: 717 DP 0823793, Pacific Drive Port Macquarie, show on the map in Attachment 1.

This community open space sits vacant; however, the precinct serves as a central hub for various sporting activities. Several parties have shown interest in utilising the vacant space for various development purposes.

The preferred user group, if endorsed by Council, will be given support to seek Crown Land approval to proceed through the requisite approval process for the project on the subject site. The unsuccessful user group will be given support to look for an appropriate alternative location.

The area is identified in the Council Plan of Management (POM) for Council-Managed Crown Land, with its gazetted purpose as public recreation and its categorised use defined as sportsground. The POM was adopted by Council at the September 2023 Ordinary Council meeting (Item 11.03).

A Plan of Management is an essential management tool that is:

- Written by Council in consultation with the community
- Identifies important features of the land (e.g. sports ground, wetland, watercourse)
- Clarifies how Council will manage the land; and
- Indicates how the land may be used or developed e.g. leasing

A copy of the adopted Plan of Management (POM) is available on Council's website and an extract from the POM as it relates to the subject land is provided attached (Attachment 4).

The tennis club proposal to expand across onto the open space area meets the requirements as public recreation and sporting use of the space. A surfing museum could be viewed as an axillary use to public recreation and sporting, as while it would not be using the space for a sporting activity, it could be viewed to support of the sport of surfing.

Accordingly, this report recommends that the Port Macquarie Tennis Club be endorsed by Council as the preferred user group for the vacant land at the northern end of Oxley Oval for further Crown Land approval as the intended use is more aligned with the adopted Council Plan of Management.

Discussion

To ensure a transparent and fair selection process, Council staff requested that the interested parties formally submit an Expression of Interest (EOI). The EOI request included the following details:

1. **Benefits:** A comprehensive outline of how the community space will be used to benefit our residents and stakeholders. This should demonstrate a clear understanding of how your proposal aligns with community needs consideration should be given to inclusivity, accessibility, and sustainability in your proposal.
2. **Challenges:** A detailed analysis of the challenges your proposed utilisation has, and how you plan to address potential challenges.
3. **Timeline:** Your proposed timeline for implementation and any key milestones that will be achieved.

Further to this, the interested parties were requested to submit any relevant supporting documentation, such as architectural plans, financial projections, and community impact assessments.

Two interested parties submitted responses:

- 1 - Port Macquarie Tennis Club (Attachment 2)
- 2 - Port Macquarie Surf Museum (Attachment 3)

Both parties bring unique and valuable submissions that would enhance the Port Macquarie region. Each submission reflects a strong commitment to community enrichment, inclusivity, and the promotion of recreational and cultural experiences.

1. Port Macquarie Tennis Club - Benefits, Challenges, and Timeline Summary

Benefits

- **Increased Access & Utilisation:** Two additional tennis courts and two pickleball courts to meet demand and support diverse interests and mobility levels.
- **Multi-Sport Quality Facilities:** Hardcourt surfaces will support various sports, including basketball, netball, and soccer, expanding community access.
- **Inclusivity & Accessibility:** Enhanced disabled access will support coaching for NDIS recipients, ensuring broad accessibility.

- Tourism & Economic Impact: Popular with tourists, especially during holidays, and capable of hosting major tournaments, benefiting local tourism.
- Social & Health Benefits: Expanded facilities will foster more competitions, social play, and community engagement.
- Environmental Consideration: Minimal impact on land, with transparent fencing, green court surfaces, and plans to retain and add native greenery.

Challenges

- Crown Lands Consent: Approval required; preliminary communication has begun.
- Archaeological and Tree Preservation: Historical and tree preservation measures are in place.
- Infrastructure Needs: Realignment of power lines, water mains relocation, and additional parking planned with local support.
- Indigenous Land Rights: Seeking consent from Indigenous leaders with an aim for inclusive dialogue.

Funding

- Grants will be the main source of project funding.

Timeline (Pending Council Endorsement)

- November 2024 - February 2025: Resolve issues raised in predevelopment application meeting (already held), Lodge development application.
- March - June 2025: Seek funding support.
- October 2025 - February 2026: Begin construction.

2. Port Macquarie Surfing Museum (PMSM) - Summary of Benefits, Challenges, and Timeline**Benefits**

- Inclusivity: Open to all, with full disabled access. Partners with the Maritime Museum, local surf schools, and Surf Life Saving clubs to prioritise tourist safety. Provides community space for cultural displays, especially for the Birpai people.
- Education & Jobs: Collaborates with local schools and the university. Provides jobs and volunteer roles within the museum and planned kiosk.
- Sustainability: Established since 2018, PMSM promotes surf culture, supports tourism, and drives local business. Surfing's Olympic status and Port Macquarie's surf heritage strengthen its unique NSW position.

Challenges

- Site Stability: Securing a permanent site is vital, as multiple relocations have impacted growth. Strong local support exists, but delays could affect momentum. Without a secure home for the museum, Port Macquarie risks losing this cultural asset to another area. The Port Macquarie Surf Museum Team are ready to tackle these challenges and have outlined how in the Business and Strategic Plans.

Funding

- Grants will be the main source of project funding.

Timeline (Pending Council Endorsement)

- 2021: Initial Council meeting Property Team.
- 2024: Follow-up discussions seeking further information.

- Future Steps: Once Council grants site approval, finalise building plans, lodge development application by March 2025 and begin construction in July 2025 (if funding is available).
- Completion: Expected within 12 months of starting site work

In conclusion, unfortunately the site is not sufficient in area to accommodate both uses and in after careful consideration of the submissions received it is considered that the Port Macquarie Tennis Club proposal is more in line with the classification of the land and the intended use of the precinct with the predominant focus on sport and recreation activities than the Surf Museum.

Options

1. Endorse a preferred user group as recommended or
2. Request more information.
3. Not endorse a preferred user group and resolve in some other manner.

This report recommends that the Port Macquarie Tennis Club be endorsed by Council as the preferred user group for the vacant land at the northern end of Oxley Oval (Option 1).

Community Engagement and Internal Consultation

The submitted EOIs have been reviewed by staff from the following sections of Council:

- Recreation and Community Strategy Team - Liveable Communities
- Property and Leasing - Liveable Communities.





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.  Site Map
2.  Port Macquarie Tennis Club - Expression of Interest
3.  Port Macquarie Surf Museum - Expression of Interest _1
4.  Extract from Council Managed Crown Land - Plan of Management Oxley Oval- Reseve

Item: 11.05

Subject: **RECOMMENDED ITEMS FROM THE OCTOBER 2024 MEETING OF THE PORT MACQUARIE-HASTINGS SPORTING FUND**

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 Port Macquarie-Hastings Sporting Fund Sub-Committee recommendations as follows:

1. Payment of \$250 to Pippa Lawler to attend Pacifika Youth Rugby Cup in Sydney on 29 November 2024.
2. Payment of \$500 to Ella Broderick to attend U16 Australian Country Junior Basketball Cup in Albury on 14 January 2025.

Discussion

The Port Macquarie-Hastings Sporting Fund committee conferred via email to consider grant applications. The submissions from Pippa Lawler and Ella Broderick were determined to have met the funding criteria. Accordingly, the Sub-Committee recommends to Council the following payment from the fund:

- Pippa Lawler - \$250 to compete at the Pacifika Youth Rugby Cup in Sydney on 29 November 2024.
- Ella Broderick - \$500 to complete at the U16 Australian Country Junior Basketball Cup in Albury on 14 January 2025.

The amount recommended is consistent with the amount payable for participation at a State and National Sporting Level under the Port Macquarie-Hastings Sporting Fund.

Attachments

Nil

Item: 11.06

Subject: COMMUNITY GRANTS PROGRAM 2024-2025 - FUNDING ROUND 1

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

2.2.1 Support and advocate for all community sectors.

RECOMMENDATION

That Council

1. Allocate \$101,350 in funding under Round 1 of the 2024-2025 Community Grants Program to the following organisations:

Endeavour Mental Health	Creating a Safe Haven	\$2,400
Self Seen Inc.	Front Line Listeners	\$3,000
Liberty DV Services	Pathways to Healing	\$10,000
Arts MNC	Creative Sparks	\$10,000
Lions Club PMQ/TP	Rise & Shine Breakfast Club	\$5,000
Birpai LALC	Camden Haven Cultural Camps	\$10,000
PMQ Historical Society	Hastings Art Trail	\$13,769
EACH Headspace	Cage the Night	\$15,000
PMQ Players	One Act Play Festival	\$5,000
Charles Sturt University	Queer Screen Short Film Festival	\$5,000
Hastings Valley Fine Art Assoc	Hastings Valley Open Art Prize	\$1,000
The Y NSW	Australia Day Splashfests	\$8,950
Douglas Vale Conservation	Seniors Day in the Vineyard	\$2,000
Pappinbarra Progress Assoc	Christmas in Lorne	\$2,000
Byabarra Sports & Tennis Club	Christmas in Byabarra	\$2,000
Beechwood P&C	Christmas in Beechwood	\$2,000
Bunyah LALC	Christmas for Bunyah	\$2,000
Wauchope Bonny SLS Club	Christmas at Bonny Hills	\$2,000
Pappinbarra Progress Assoc	Christmas in Pappinbarra	\$2,000
Friends of Mrs Yorks Garden	A Decade of Bloom	<u>\$2,000</u>
	TOTAL	\$101,350

2. Note that \$6,755 in community micro grants has been allocated to the following organisations:

Heritage Christian School	Seen & Heard 2.0	\$2,000
MNC Indian Assoc.	Diwali Festival of Lights	\$2,000
Hastings College Robotics	Hastings Heroes Robotics Team	\$2,000
PMQ Community Garden Inc.	Lost Plot Spring Fair	<u>\$ 755</u>
	TOTAL	\$6,755

Executive Summary

In line with Council's Policy on Providing Funding and Support to the Community (Attachment 1), Council approved the 2024-2025 Community Grants Program and Grant Guidelines (Attachment 2) at the 15 August 2024 Council meeting (Item 11.05).

The 2024-2025 Community Grant budget is set at \$200,000. Between 1 July 2024 and 9 October 2024, Council received 45 applications (Attachment 3), which includes 9 micro grant applications that are open year-round and assessed by staff as they come in. So far, 4 micro grants have been awarded, totalling \$6,755. These micro grants are listed in (Attachment 3) for noting.

Round 1 Community Grants opened on 1 September 2024 and closed on 29 September 2024. This report presents grant applications across the following categories for Council's consideration:

- Community Projects
- Creative Community
- Community Celebrations

Of the 36 applications submitted for Council's consideration, 20 projects are recommended for funding, amounting to \$101,350 in financial assistance. While the budget is typically split evenly between Round 1 (September) and Round 2 (February), high demand, election-related delays, and the timing of proposed events make it advisable to allocate a higher percentage of the budget in Round 1. If approved, that would leave a balance of \$91,895 for Round 2 grants scheduled to open in February 2025.

The recommended allocations align with Council's goals of fostering a connected, inclusive, and resilient community while supporting creativity and cultural heritage, ensuring funding is distributed to address priority community needs.

Discussion

Council provides up to \$200,000 annually in funding under the Community Grants Program for local not-for-profit organisations to deliver community development programs and events. Prioritising community-led initiatives that meet the objectives of Council's Community Inclusion Plan or Cultural Plan as outlined in the Grant Guideline (Attachment 3, Section 5.0).

Information about the Community Grant Program is available on Council's website. This includes funding the Guidelines, examples of past grant funded projects, grant tips and resources, and an online application form. The Community Grants Program was promoted through:

- Direct mail to community groups
- Direct mail to previous grant applicants
- Direct mail to Council-Community-Action Teams
- Direct mail to Artwalk participants
- Direct mail to Local Aboriginal Land Councils

- Direct mail to seniors, youth, disability, and youth service agencies
- Advertisement in Council's Have Your Say, Environment & iCreate News
- Grant Writing Workshop 27 February 2024
- Event Bootcamp Workshop 26 September 2024
- Social media posts on 2 & 20 September 2024
- Responses to 36 direct enquiries.

The breakdown of applications by grant category is:

- 18 Community Projects
- 7 Creative Community
- 11 Community Celebrations
- 9 Micro Grants

In accordance with the Section 5.3 of Council's 2024-2025 Community Grant Guideline funding cannot be provided for the following:

- Works and equipment on private property
- Projects of a commercial nature
- Direct requests for donation or fundraising
- Ongoing operational costs (ie. equipment, capital works, insurances, rent)
- Retrospective program costs
- Application costs (ie. feasibility study, designs)
- Statutory fees (ie. regulatory permits or DA approvals)
- Programs outside the Port Macquarie Hastings LGA.

Assessment of applications was conducted in two stages. In Stage 1, applications were checked for eligibility based on Section 5.3 of the Guideline. In Stage 2, applications were reviewed and ranked according to the Assessment Criteria outlined in Section 6.0 of the Guideline.

Applications were then considered by the staff Assessment Panel comprised of the following members:

1. Group Manager, Liveable Communities
2. Economic Development Manager
3. Community Activation Manager
4. Senior Community Development Officer
5. Senior Cultural Officer
6. Senior Grants Officer
7. Utilisation Officer

A total of \$101,350 is recommended for allocation in Round 1 Community Grants, by category as follows:

COMMUNITY PROJECTS

Target Area	Project	Grant Amount
Disability	Creating a Safe Haven <i>A 12-week art therapy program linking disability needs with suicide support services through a 12-week recovery-oriented program and major artwork for the Safe Haven premises at the hospital.</i>	\$2,400
Mental health	Front Line Listeners <i>Mental Health First Aid training for volunteers of the Self Seen Men’s Program.</i>	\$3,050
Domestic violence	Pathways to Healing <i>Trauma, culture and life skills recovery workshops for women and children residing in Liberty’s refuge and crisis accommodation.</i>	\$10,000
Youth, creative industries	Creative Sparks <i>Career development workshops on earning a living in the creative industry, held at CSU and PCYC for 13–25-year-olds during Youth Week.</i>	\$10,000
At-risk youth	Rise & Shine Breakfast Club <i>Funding for Term 1 2025 to maintain an existing free breakfast for disadvantaged students at Hastings Secondary College Westport and Port Macquarie campuses.</i>	\$5,000
First Nations, villages, youth, careers	Camden Haven Cultural Camps <i>Cultural immersion camps bring Elders and Aboriginal boys together. Imparting skills and knowledge to youth to give career opportunities in cultural tourism.</i>	\$10,000
	TOTAL	\$40,400

CREATIVE COMMUNITY

Target Area	Project	Grant Amount
Creative industries	Hastings Art Trail <i>The arts trail engages local artists to exhibit their work in open studios across Port Macquarie, Wauchope, and outlying villages. Bringing residents and visitors to these areas ending in a feature showcase at Artwalk 2025.</i>	\$10,000
Youth, creative industries, careers	Cage the Night <i>This program of 10 free, youth-led community events provides safe, supportive, and paid performance opportunities for emerging young musicians. Featuring events during Youth Week and Artwalk, it helps young creatives build confidence and gain real-world experience in the live music industry</i>	\$15,000
Creative industries	One Act Play Festival <i>This event that has run for over 10 years, brings together theatre groups from NSW, QLD, and Victoria on the June long weekend. An important competition that connects our local theatre community with diverse performances and playwrights.</i>	\$5,000
LGBTQIA+, Youth	Queer Screen Film Festival <i>In its 3rd year Queer Screen Film Festival in Port Macquarie celebrates LGBTQIA+ stories. A low-ticket price event showing 7 films from Mardi Gras as part of a regional roadshow, speakers, performances, and a local photography showcase. A partner event between CSU, Queer Screen Australia, Cheers Queers, Out Loud & Proud, and Headspace.</i>	\$5,000
Creative industries	Hastings Valley Open Art Prize <i>An all-age and ability artist competition and exhibition at Port Macquarie Bowling Club in April 2025.</i>	\$1,000
TOTAL		\$36,000

COMMUNITY CELEBRATIONS

Target Area	Project	Grant Amount
Connected communities	Splashfests <i>Free family friendly events at Port Macquarie, Kendall, Laurieton and Wauchope pools on Australia Day. Music, BBQ, prizes, and water play.</i>	\$8,950
Seniors, connected communities	Seniors Day at the Vineyard <i>As part of the NSW Seniors Festival program, seniors are invited to Douglas Vale for a day of local performances, vineyard tours, and a community picnic.</i>	\$2,000
Villages, families, placemaking, connected communities	Christmas in Lorne <i>A free Christmas event at the Lorne Recreation Centre on 21 December, featuring a visit from Santa on a fire truck, food, and a performance by a local band.</i>	\$2,000
Villages, families, placemaking, connected communities	Christmas in Byabarra <i>A fee village Christmas at the Byabarra Hall and Recreation Reserve on 14 December. Volunteer club catered meal, kids' games, social sport games, visit from Santa and a movie.</i>	\$2,000
Villages, families, placemaking, connected communities	Christmas in Beechwood <i>A free village Christmas event at Byabarra Hall and Recreation Reserve on 14 December, featuring a catered meal by the volunteer club, kids' games, social sports, a visit from Santa, and a movie.</i>	\$2,000
Villages, families, placemaking, connected communities	Christmas for Bunyah LALC <i>A free Christmas event to be held at Wildnets on 11 December bringing Wauchope Aboriginal families together through this event hosted by their Elders and Bunyah Local Aboriginal Land Council.</i>	\$2,000
Villages, families, placemaking, connected communities	Christmas in Pappinbarra <i>A free, family-focused Christmas event at Hollisdale Hall for the Pappinbarra community, featuring Santa, live music, and lunch.</i>	\$2,000
Villages, families, placemaking, connected communities	Christmas in Bonny Hills <i>Carols on the grass at Rainbow Beach Reserve brings residents together to enjoy carols, local bands, and performances beachside.</i>	\$2,000

Volunteers, placemaking	A Decade of Bloom Mrs Yorks Garden <i>A free community event on 15 February 2025 that celebrates the 10-year achievements of volunteer group Friends of Mrs Yorks Garden. Guest from Gardening Australia, historical and indigenous activities, dance, music, weaving, bush tucker, art, garden tours and practice workshops.</i>	\$2,000
TOTAL		\$24,950

MICRO GRANTS

Awarded micro grants under staff delegation are listed in the table below.

Target Area	Project	Grant Amount
Intergenerational	Seen & Heard 2.0 <i>This 8-week program bridges the generation gap by bringing together teenagers and seniors for storytelling, games, digital, and outdoor activities across various locations. A partnership with Griffith University will produce a scholarly paper on the program's outcomes.</i>	\$2,000
Multicultural	Diwali Festival <i>A multicultural festival on 2 November on Town Green. Includes food, dance, music and fireworks showcasing diverse cultures of the Port Macquarie Hastings and celebrating Indian Festival of Lights.</i>	\$2,000
STEM, youth, careers	Hastings Robotics Team <i>Team uniforms for students excelling in Science, Technology, Engineering, and Maths, representing the Port Macquarie Hastings region in an interstate robotics competition.</i>	\$2,000
Volunteers	Lost Plot Spring Fair <i>Hire of disability toilet for the Community Garden's Spring Fair.</i>	\$ 755
TOTAL		\$6,755

If required, more detail on applications received can be provided to Councillors under separate cover as a confidential item as it contains personal or sensitive information.

Options

Council may determine to:

1. Endorse the staff recommendation of the report; or
2. Seek further information; or
3. Request an alternative distribution of funding.

This report recommends option 1.

Community Engagement and Internal Consultation

Internal consultation:

- Group Manager, Liveable Communities
- Economic Development Manager
- Venue Manager, Glasshouse
- Recreation & Facilities Asset Managers
- Community Activation Manager
- Senior Community Development Officer
- Senior Cultural Officer
- Senior Grants Officer
- Utilisation Officer

External consultation: Nil.




Planning and Policy Implications

The Community Grant Program is facilitated in accordance with Council’s Policy - Providing Funding and Support to the Community, and the 15 August 2024 Council resolution on the 2024-2025 Community Grant Program.

Financial and Economic Implications

The above recommendation commits \$101,350 from the 2024-2025 Community Grants Program annual budget of \$200,000.

Attachments

1.  Policy - Providing Funding and Support to the Community
2.  Guideline - Community Grants 2024-2025
3.  2024-2025 - Community Grant Applications - Round 1

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: RESCISSION MOTION - CAMDEN HEAD LOOKOUT MASTER PLAN

Councillors Lauren Edwards, Nik Lipovac and Rachel Sheppard have given notice of their intention to move the following motion:

RECOMMENDATION

That the undermentioned motion adopted at the Ordinary Council Meeting held on 18 July 2024

That Council:

1. Note the information contained within the Camden Head Lookout Master Plan Community Engagement Report – July 2024
2. Endorse the Establishment of a ‘Friends of Camden Head Lookout’ volunteer group and proceed to establish the group by November 2024
3. Immediately proceed to undertake ‘preliminary works’ to tidy up the site as noted in this Report.
4. Adopt for the purposes as a starting point, the Individual Stakeholder Proposed Master Plan, to be further developed by the ‘Friends of Camden Head Lookout’ to be presented to Council for adoption, including a detailed scope of medium to long term works, project costings and likely legislated planning assessment pathway(s).
5. Thank submitters and advise them of the outcome of Council’s consideration of this matter.
6. Upon establishment of the ‘Friends of Camden Head Lookout’ group provide a Bi-Monthly Report to Council on the progress of the group development, preliminary works and progress towards the longer term works on the site.

be rescinded.

Should the rescission motion be successful, it is the Councillors’ intention to move the following motion:

That Council:

1. Note the information contained within the Camden Head Lookout Master Plan Community Engagement Report - July 2024
2. Note that preliminary works have commenced at the site to tidy up the site as per Council’s July 2024 resolution on this matter.
3. Adopt the Amended Camden Head Lookout Reserve Master Plan included in Attachment 5 to the report for Item 11.01 Camden Head Lookout Master Plan Engagement Outcomes - Post Exhibition Report of the July 2024 Ordinary Council meeting.
4. Endorse the establishment of a Friends of Camden Head Lookout volunteer group and proceed to establish the group.
5. Advise submitters of Council’s amended resolution regarding this matter.

Comments by Councillors

Nil

Comments by Chief Executive Officer

Councillors received a briefing from staff on 31 October 2024 with an update on the works undertaken to date and those proposed for the subject project. An outline of the stages is provided below:

Stage 1 – Initial works

- Survey site and identify first stage works zone – early September
- Development and Completion of REF - 1 September to 18 October 1.

Stage 1 - Works commenced 21-23 October

- Initial Works: Mowing and brush cutting of existing site to provide access.
- Tree Removal and site clearing
- Tidy up, mulching still to be completed

Stage 2 – Establishment of Friends Group



- October 2024 - Finalise the charter
- November 2024 - Call for formal nominations for Friends of Camden Head Lookout membership
 - Go Live on Volunteers page and Communications
 - Nominations Close - end of November
 - Review nominations and prepare Council Report – end of November
- Consideration and Adoption of Friends group membership – Ordinary Council Meeting - December 2024
- Nominees advised of outcome
- First meeting of Friends proposed for early 2025 (TBC)

Stage 3 – Working with the 'Friends of' Group

- Friends' development/ refinement of Master Plan based on Individual Stakeholder Proposed Master Plan to be presented to Council for adoption - April 2025
- Development of detailed scope of medium to long term works, project costings and likely legislated planning assessment pathway(s) – June 2025
- Bi-Monthly Report to Council on the progress of the group development from March 2025
- Once the plans and the pathway is known then future works can be scheduled
- Maintenance works within the stage 1 zone can commence once the groups is established as per the charter.

Given the progress to date there are no concerns from staff regarding the proposed Rescission Motion and alternative Motion.

Attachments

1.  Engagement Report Draft Camden Head Master Plan
2.  Attachment 5 Camden Head Master Plan_July

Item: 13.02

Subject: NOTICE OF MOTION - ENVIRONMENTAL SUSTAINABILITY STRATEGY

Councillor Rachel Sheppard has given notice of an intention to move the following motion:

RECOMMENDATION

That Council:

- 1. Endorse the draft Environmental Sustainability Strategy as presented to Council in April 2024 (Item 13.05) for the purposes of public exhibition and place the draft Strategy on public exhibition for a period of not less than 28 days.**
- 2. Note that a further report will be presented to Council, following the public exhibition period, detailing the submissions received and any recommended changes to the draft Strategy for consideration by Council, no later than the March 2025 Ordinary Meeting of Council.**

Comments by Councillor Sheppard

This motion seeks to progress the Draft Environmental Sustainability Strategy (Attachment 1) to public exhibition.

At the April 2024 Ordinary Meeting of Council, staff presented Council with the Draft Environmental Sustainability Strategy (Draft Strategy) noting significant community interest on the topic, and recommended that Council endorse the Draft Strategy for the purpose of public exhibition. The motion to progress the Draft strategy to exhibition was lost via a tied vote (4 votes for/4 votes against). The Staff Report is available as Attachment 2.

The Draft strategy was developed over more than 12 months, and proposes high level strategic objectives to guide Council's response to the changing legislative and regulatory environments, and local strategic considerations. The Draft Strategy's aims include to assist Council in meeting our legislative obligations, to support environmentally sustainable development, and to describe the current strategic context and environment including challenges and opportunities and articulate principles to guide response. Such challenges and opportunities include implementing best practice waste and water management, effective urban and transport planning, protecting water quality and biodiversity, and planning/designing/protecting public places and community infrastructure from the impacts of a changing climate like flooding, fires, and heat.

As Council now enters into the development of a Delivery Program for the new term, and environmental sustainability remains of interest to the community, it is prudent to obtain return on the previous investment in developing the Draft Environmental Sustainability Strategy, and provide the opportunity for stakeholder input by progressing the draft strategy to exhibition.

Comments by Chief Executive Officer

At the Ordinary Council meeting held April 2024 (Item 13.05) Council considered a report on a draft Environmental Sustainability Strategy with the following the following recommendation:

That Council:

- 1. Endorse the draft Environmental Sustainability Strategy for the purposes of public exhibition and place the draft Strategy on public exhibition for a period of not less than 28 days.*
- 2. Note that a further report will be presented to Council, following the public exhibition period, detailing the submissions received and any recommended changes to the draft Strategy for consideration by Council.*

Council ultimately resolved not to adopt the draft Strategy.

The subject Notice of Motion seeks Council's endorsement for the draft Strategy for the purpose of public exhibition. If adopted the draft Strategy will be placed on public exhibition for a period of not less than 28 days and a further report will be provided to Council by no later than March 2025 regarding the outcome of the public exhibition.

Attachments

-  Draft Environmental Sustainability Strategy V1.8_1
-  2024 04 18 Ordinary Council Report Item 13.05

Item: 13.03

Subject: NOTICE OF MOTION - SOUTH-WEST LINK ROAD

Councillor Nik Lipovac has given notice of an intention to move the following motion:

RECOMMENDATION

That Council:

1. **Note that Integrated Transport Plan includes an action to review traffic modelling in the Local Government area to better inform future transport planning.**
2. **Receive an information report to the February 2025 Ordinary Meeting that outlines the options previously considered relating to the construction of a South-West Link Road (previously known as the Orbital Road) that connects Ocean Drive and the Oxley Highway in Port Macquarie.**

Comments by Councillor Lipovac

In addition to fixing our current road network issues we should also look ahead to our future demands and consider all options available. The Integrated Transport Plan (ITP) focuses on actions over the next decade where our resources are currently concentrated, but it also provides a platform to drive longer term strategies to aid in reducing congestion, improve road safety and advance network connectivity. In this regard, a key part of this longer-term planning within the ITP is traffic modelling across the LGA to better inform our future transport needs.

Comments by Chief Executive Officer

Council adopted the Integrated Transport Plan (ITP) in August 2024 following its development in partnership with Transport for NSW. A key target of that plan is addressing congestion, with several locations outlined within the action plan of the ITP. Current resourcing focus is on the actions adopted from within that plan, which of relevance to connection between the Ocean Drive and Oxley Highway corridors, are actions to progress the duplication of the remaining length of Lake Road, improve the functioning of the Ocean Drive and Lake Road intersection and explore options for connection between the Lake Road industrial area and Health and Education Precinct.

To support network planning the ITP also includes an action to review traffic modelling within the LGA. This will assist with identification of longer term needs, including need for enhanced connection between key corridors within Port Macquarie. This action is in line with the intent of the Notice of Motion to ensure there is appropriate focus on longer term strategies and is preferred in terms of resourcing focus over the next 2-3 years.

The South-West Link Road, or Orbital Road, saw considerable community interest and angst when previously considered by Council and further discussion in the public domain may give rise to this occurring again, even if only requesting an information report. Ability to progress such a link is not likely to be viable on the grounds of being cost prohibitive, significant environmental impact and development that has occurred since the concept was first considered. Accordingly bringing the matter back on the table is not supported. These concerns were raised with Councillor Lipovac by the CEO when advice of the Notice of Motion was received.

Further, it is noted that the information requested from item 2 is largely available via past considerations of Council with respect to the matter. Noting this a brief information overview per item 2 in the Notice of Motion may be provided should Council resolve to request it, however will require resourcing reallocation to do so. In requesting this Councillors should be cognisant of the planned actions outlined above and the concerns highlighted.

Attachments

Nil

Item: 13.04

Subject: DA2023-504 - PRIMITIVE CAMPING AT COMBOYNE
SHOWGROUND - SHOWGROUND ROAD COMBOYNE - REQUEST
TO WAIVE DEVELOPMENT CONTRIBUTIONS AND WATER
DEVELOPER SERVICING CHARGES

Presented by: Community, Planning and Environment, Melissa Watkins

Alignment with Delivery Program

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

RECOMMENDATION

That Council waive the development contributions and water developer servicing charges, totalling \$64,898.90, associated with the eight additional primitive campground sites within the existing Comboyne Showground.

Executive Summary

Development Consent DA2023/504 for eight additional primitive campground sites within the existing Comboyne Showground was issued on 30 July 2024. The consent issued by Council required the payment of Section 7.11 development contributions and Section 64 contributions for water totalling \$64,898.90. The proponent has requested Council waive the payment of both the Section 7.11 and Section 64 charges.

Council's Development Contributions Assessment Policy (DCAP) does provide consideration for an exemption for some developments:

"Development by non-profit organisations on Council owned or controlled land is exempt from the payment of development contributions, provided that the Council determines that the development is for an essential community service".

Comboyne Showground is not located on Council-owned or controlled land. However, the showground has important community value being a place to be utilised by the community for shows, functions, and sporting competitions, as well as being a place of community assembly during emergency situations, that otherwise would have met the above provision in the DCAP.

While these fees do contribute to the funding of community and water infrastructure, waiving these fees would see Council further contributing to the success of this service that will provide to the greater community. Accordingly, this report recommends that the fees be waived.

Discussion

The Comboyne Showground is owned and operated by the Comboyne Agricultural and Horticultural Association Inc., a non-profit community based organisation providing and maintaining a venue for a diverse range of community sporting and cultural activities at no cost to Council.

Development Consent DA2023/504 for eight primitive campground sites within the existing Comboyne Showground was issued on 30 July 2024. In accordance with Council’s Development Contributions Plan, development contributions are payable under section 7.11 of the *Environmental Planning and Assessment Act 1979* and under the Development Servicing Plan, developer charges were payable under section 64 of the *Local Government Act 1993* and Section 306 of the *Water Management Act 2000*. The contributions are payable towards the provisions of community facilities and the augmentation and renewal of the local area water supply system. The contributions applicable totalled (Attachment 1):

•	Water Supply	\$24,460.00
•	S.7.11 Development Contributions (Total)	\$40,413.90
•	Administration Fee	\$25.00

Development contributions are collected for funding public infrastructure that is required as a direct or indirect result of development, for example local roads, footpaths, community centres, sporting fields and parks.

It should be noted that the water developer servicing charges are an income for Council that goes towards the augmentation and renewal of Council’s existing water assets. Council has several pieces of water infrastructure that are 30 years or more old that need to be renewed, for example the reservoirs. In addition, as areas grow, existing infrastructure needs to be replaced to cater for this additional population.

It should be noted that waiving of development contributions and water developer servicing charges, can have an impact upon the provision of community services and water infrastructure, with any short fall in these contributions having to be covered by some other means by Council.

Council received correspondence from the proponent (Attachment 2) dated 17 August 2024, requesting that Council waive the developer contributions and water developer servicing charges payable for this development for the following reasons:

- Council relies on the Showground to cater for the communities sporting facility needs.
- The Showground provides tourist facilities, of which the NSW Government encourages campers to approach showgrounds.
- The Showground is used in emergencies including use of the new evacuation centre building when completed.

In addition, Council received correspondence dated 5 September 2024 from the Member for Oxley, Michael Kemp MP (Attachment 3) indicating that the showground is “*simply trying to legitimise the simple camping that occurs during community events at the Showground*”. The showground charge \$10 per night for the irregular use of the primitive campsites.

While it is noted that the development is not on Council owned and controlled land and, as such, the exemption for community facilities in Council's DCAP does not apply, the following is for consideration by Council:

- The development is by a not-for-profit organisation for eight additional primitive campground sites within the existing Comboyne Showground;
- The eight additional primitive campground sites are not being located on Council owned or controlled land but is likely of benefit Council in emergency situations.
- The eight additional primitive campground sites equate to two additional equivalent tenements, which is considered to be a minor increase to the water network.

In consideration of the key points above, it is the assessment of Council staff, that the subject development is consistent with the intent of the exemption in the DCAP, and this report recommends that Council waive the development contributions and water developer servicing charges accordingly.

Options

Council has the following options to:

1. Waive the development contributions and water developer servicing charges.
2. Charge all applicable development contributions and water developer servicing charges.
3. Not adopt the recommendation and resolve in some other manner.

This report recommends Option 1.

Community Engagement and Internal Consultation

Community Engagement

It is considered that community engagement is not required to be undertaken in relation to this matter.

Internal Consultation

Internal consultation has been undertaken and includes the following internal stakeholders:

- Community Utilities

Planning and Policy Implications

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




Financial and Economic Implications

The development contributions and water developer servicing charges are calculated at \$64,898.90.

While these fees do contribute to the funding of community and water infrastructure, waiving of these fees would see Council further contributing to the success of the

Comboyne Showground and the services it will provide to the greater community, therefore having a broader economic and social value for the region.

Attachments

1.  Notice of Payment
2.  Letter from Comboyne Showground
3.  Letter from Member for Oxley

Item: 13.05

Subject: LOCAL STRATEGIC PLANNING STATEMENT - ANNUAL UPDATE

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 progress of actions identified in Council's Local Strategic Planning Statement - Shaping our Future 2040.**
2. **Note that the LSPS is to be reviewed to ensure alignment with Council's Community Strategic Plan (Imagine 2050) and the North Coast Regional Plan 2041.**
3. **Note that the review will also seek to assign actions which support the implementation of the planning priorities and principles identified in the LSPS, to the appropriate Council strategy(s) and supporting action plan(s).**

Executive Summary

Shaping Our Future 2040 is Council's Local Strategic Planning Statement (LSPS) which sets out:

- The 20-year vision for land use in the local area.
- The shared community values that are to be maintained and enhanced.
- How development and change will be managed in the future.
- The special values and characteristics which contribute to local identity.

The LSPS was adopted by Council on 30 September 2020 (Item 04.01) and subsequently published on the NSW Government's Planning Portal as required by section 3.9 of the *Environmental Planning and Assessment Act, 1979*.

The purpose of this report is to:

- Provide a status update on the progress of the implementation of the actions as identified within the LSPS;
- Outline the role that the LSPS will take in informing strategies and action plans within Council's Draft Strategic Planning Framework.
- Identify steps to be taken to ensure there is alignment of the LSPS with Council's Community Strategic Plan (Imagine 2050) and the North Coast Regional Plan 2041 (NCRP).

Discussion

The LSPS is the core strategic land-use planning document for the Port Macquarie-Hastings Local Government Area which bridges the space between the Community Strategic Plan and the local planning framework, outlines the vision for land use planning in our local area over the next 20 years and sets the direction for our communities environmental, social and economic land use needs.

Additionally, the role of the LSPS is to:

- Identify the special characteristics that contribute to local identity and make our area special.
- Recognise our shared community values and how they will be maintained or enhanced.
- Direct how we manage future change.
- Identify and give effect to relevant directions located within the NCRP.
- Identify gaps of knowledge where further strategic planning work is needed.
- Link Council's strategies and plans to the implementation of the NSW Government's Strategic Plans.
- Shape planning controls to facilitate future planning directions.

LSPS Implementation Update

It is three years since the LSPS came into effect. The LSPS details 71 actions across 19 Planning Priorities. The time period for delivery of these actions is spread across the following time periods:

- Immediate: 0 - 2 years (by 2022)
- Short-term: 2 - 5 years (by 2025)
- Medium-term: 5 - 10 years (by 2030)
- Long-term: More than 10 years (by 2040)

Attachment 1 details progress against each of the 30 actions identified for immediate (or ongoing) delivery up until the end of December 2024.

Review of the LSPS

The previous report to the Ordinary Council Meeting of 3 November 2021 (Item 12.05) indicated that the LSPS is to be reviewed following the adoption of Council's new Community Strategic Plan Imagine 2050 and the adoption of the updated NCRP, to ensure strategic alignment with these key informing documents.

The Community Strategic Plan Imagine 2050 was adopted by Council in June 2022 and the NCRP was released by the former NSW Department of Planning and Environment now Department of Planning Housing and Infrastructure (DPHI) in early December 2022.

Council has made significant progress this year in the development of its strategic framework, as follows:

- the draft Sustainability Strategy was presented to the Ordinary Council Meeting of 18 April 2024 (Item 13.05) recommending public exhibition. The motion was lost. As such, the Draft Strategy was not placed on public exhibition.
- the Living and Place Strategy (Port Macquarie-Hastings Local Housing Strategy) was adopted by Council on 15 August 2024 (Item No. 13.08);
- the draft Economic Development Strategy is currently being reviewed.
- the Planning and Land Use Discussion Paper is currently on public exhibition, to commence the conversation with the community and industry regarding the review of Council's two main land use planning documents, the LSPS and the UGMS.
- the draft Local Infrastructure Contributions Plan and the draft Development Servicing Plan are currently on public exhibition.

The previous report to the Ordinary Council Meeting of 16 February 2023 (Item 10.15) proposed that the revised LSPS become a principle based document which identifies the land use strategic direction and planning priorities for Council, to reflect the strategic planning framework adopted after the LSPS was developed. Attachment 1 details progress against each of the 30 actions identified for immediate (or ongoing) delivery up until the end of December 2024.

Options

This report is provided for notation only.

Community Engagement and Internal Consultation

This report is an information report and as such no engagement has been undertaken.

Planning and Policy Implications

This report identifies the requirement to review the LSPS to ensure consistency with Council's Community Strategic Plan (*Imagine 2050*) and the NCRP 2041.

It also foreshadows the development of additional strategies to support the strategic directions and planning priorities of the LSPS.

Financial and Economic Implications

There are no specific financial and economic implications in relation to this report. The execution of the Strategy does have a cost element which is in the approved budget and is funded by that source.

Attachments

1.  Local Strategic Planning Statement - Implementation Update

Item: 13.06

**Subject: UPDATE REPORT DRAFT DEVELOPMENT SERVICING PLAN (DSP),
2024 - PUBLIC EXHIBITION**

Presented by: Community Utilities, Robert Fish

Alignment with Delivery Program

4.1.3 Plan, investigate, design and construct sewerage assets ensuring health, safety, environmental protection and the future growth of the region.

RECOMMENDATION

That Council:

- 1. Note the Draft Development Servicing Plan is currently on public exhibition, commenced on 14 October and concluding on 22 November 2024.**
- 2. Note that a report will be presented to the February 2025 Ordinary Council Meeting following the public exhibition period.**

Executive Summary

In July 2024, a report was presented to the Ordinary Council Meeting requesting endorsement to place the Draft Port Macquarie Hastings Development Servicing Plan (DSP) 2024 on public exhibition for a minimum 30 days, in accordance with legislative requirements. It was proposed that a Post Exhibition Report be presented to the November 2024 Ordinary Council Meeting.

A review was also being undertaken of the Port Macquarie Hastings Local Infrastructure Contributions Plan. The two Plans, while related, fall under different legislation and have different catchment boundaries. However, given that infrastructure is key to the liveability of communities and helps to create vibrant places, and to ensure that these strategic documents align with current growth forecasts and legislative requirements, it was decided to delay the public exhibition of the DSP and publicly exhibit it together with the Draft Port Macquarie Hastings Local Infrastructure Contributions Plan 2024.

The purpose of this report is to advise Council that the subsequent Post Exhibition Report will now be presented to the February 2025 Ordinary Council Meeting.

Discussion

Port Macquarie-Hastings Council adopted the current Development Servicing Plan (DSP) for Water Supply and Sewerage in September 2014. These plans are based upon a 2014 population estimates and Works Programs to define developer charges (or contributions) to be paid by developers for the provision of infrastructure to support growth.

NSW Government guidelines recommend that the DSP be reviewed every four to eight years. As the current DSP is ten years old, Council engaged Beca Hunter H₂O to review and update the existing DSP.

The updated Draft Development Servicing Plan was presented to the Ordinary Council Meeting held on 16 July 2024, where Council resolved:

That Council:

1. *Note the Information in the Draft Port Macquarie-Hastings Development Servicing Plan 2024 Report and Audit Report.*
2. *Note that a cross subsidy option for Comboyne, Long Flat and Telegraph Point service areas has been applied.*
3. *Endorse the Draft Port Macquarie-Hastings Development Servicing Plan 2024 to be placed on public exhibition for a minimum of 30 days in accordance with legislative requirements.*
4. *Include a copy of the exhibited draft Development Contributions Assessment Policy in the public exhibition material for the Draft Port Macquarie-Hastings Development Servicing Plan 2024.*
5. *Receive a report back to the November 2024 Ordinary Council meeting following the public exhibition.*

A review was also being undertaken of the Port Macquarie Hastings Local Infrastructure Contributions Plan. The two Plans, while related, fall under different legislation and have different catchment boundaries. However, given that infrastructure is key to the liveability of communities and helps to create vibrant places, and to ensure that these strategic documents align with current growth forecasts and legislative requirements, it was decided to delay the public exhibition of the DSP and concurrently public exhibit it along with the Port Macquarie Hastings Local Infrastructure Contributions Plan 2024. From a communications perspective exhibition of the documents in parallel supports greater understanding of contributions from development by our community and also provides enhanced opportunity to provide well considered submissions on the matter.

These documents are now currently on public exhibition for the period 14 October to 22 November 2024. A report will be presented to the February 2025 Ordinary Council Meeting following the public exhibition period and subsequent review of any submissions.

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

Nil

Item: 13.07

Subject: KOALA RECOVERY STRATEGY ANNUAL UPDATE

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 note the annual update on the delivery of the Port Macquarie Hastings Council Koala Action Plan.

Executive Summary

At the Ordinary Council meeting on 15 February 2024 (Item No. 13.04), the Port Macquarie Hastings Council Koala Action Plan (PKAP) was unanimously adopted by Council after 31 days of public exhibition as follows:

That Council:

1. *Note the information contained in the report and submissions received.*
2. *Adopt the Port Macquarie Hastings Koala Action Plan 2023 which replaces the Recovery Actions listed in Table 1 of the Koala Recovery Strategy 2018 with the addition of a reference to the NSW Department of Climate Change, Energy, the Environment and Water's Koala Habitat Information Base Technical Guide in the References section of the Action Plan.*

After its adoption, delivery of our major actions could commence under Operational Plan 2023-2024 NRM 34 ES1.3 with an internal co-design project initiated for koala education. Aimed at delivering a community education campaign derived from Council's Koala Plans of Management, this project recently won Council's "Excellence in Action" award. The team included members from across a number of Council areas comprising Environment and Sustainability, Education and Communications. The resulting educational signage will be installed this year and provide information on the five key threats facing our koala population.

Council have continued to deliver important actions regarding road strike initiatives which are reported quarterly through Council's Operational Plan, as well as installation of the Vehicle Activation Signs funded through NSW Koala Strategy. In addition, numerous engagement opportunities that commenced in 2023 have continued this year during koala breeding season with a number of these made in collaboration with Koala Conservation Australia.

Following is a summary of key PKAP actions delivered to date under four overarching themes:

Regulatory

- Key actions delivered for Council KPoMs include the initiation of an ongoing community education program highlighting the key threats facing koalas. These threats have been the focus of 25 educational signs to be installed at seven locations within the Area 13 Thrumster and Area 14 Lake Cathie / Bonny Hills KPoM areas this year. Other initiatives include socials, radio slots, billboard and bus shelter signage, alongside the “Dogs on leads” and “Drive with care, be koala aware” campaigns.

Operational

- All five operational actions for koala road strike have been delivered including those under Pillar 3 of the NSW Koala Strategy. Noting there are two actions that will be ongoing every year funded by and reported under Council’s Operational Plan.

Strategic

- Two of the nine strategic actions are complete, three are underway (with survey commenced), three are yet to commence (NSW Koala Strategy actions) and one will remain ongoing as part of development assessment (ensuring that Koala Plan of Management (KPoM) habitat linkages are given due consideration during the assessment of future development).

Engagement & collaboration

- All eight engagement and collaboration actions are underway with five noted as ongoing. These ongoing actions include a detailed community education program and initiatives run in close collaboration with Koala Conservation Australia. Council’s commitment to push social posts / videos and radio slots during koala breeding season was started in 2023 and will continue under the PKAP and Council’s Operational Plan funding.
- Annual reporting for Private Native Forestry saw a reduction in area mapped by 1033ha (Table 1), however there was an increase of almost 100 properties with PNF entitlement compared to 2023.

Table 1: Private Native Forestry comparison table

2023 Properties	Area (ha)	Potential koala habitat (ha)	2024 properties	Area (ha)	Potential koala habitat (ha)
PVP	546	31617	448	25274	14490
PNF	142	8150	234	13532	8327
Total	688	39767	782	38806	22817

This report provides an annual update and details the delivery of those actions to date as outlined in the PKAP (Attachment 1).

Discussion

Timeline of the PMHC Koala Action Plan development



At the Ordinary Council Meeting on 17 March 2022, a full review of the Koala Recovery Strategy 2018 was considered by Council and included analysis of the 26 actions it contained. The review found that the majority of actions (62%) were unachievable as they were:

2.
 - a) based on the successful adoption and ratification of the Comprehensive Koala Plan of Management (CKPoM) which was unsuccessful (7 actions),
 - b) beyond the scope of Council's resources (3 actions) or
 - c) fell outside of Council's remit (6 actions).

As a result of the review Council resolved (Item No. 14.05) to develop an updated Koala Action Plan as follows:

That Council:

1. *Note the Koala Recovery Strategy Review outcomes.*
2. *Endorse the development of an updated Draft Koala Recovery Action Plan*
 3. *to be presented to the June 2022 Ordinary Meeting of Council.*
3. *Request the Chief Executive Officer to provide a Workshop to Councillors*
 4. *prior to the June 2022 Ordinary Meeting of Council.*

NSW Koala Strategy and Private Native Forestry

On 14 April 2022 State government released the NSW Koala Strategy and on 2 May 2022 the new Private Native Forestry codes came into force. These deferred both the workshop and development of the Koala Action Plan until further information could be presented on the status and implications of both.

Councillors attended the workshop prior to the 17 November 2022 Ordinary Council meeting which presented opportunities for funding through the NSW Koala Strategy regarding Road Strike Mitigation and Koala Habitat Mapping. Subsequently at the November meeting Council resolved (Item No. 14.04) as follows:

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.*

The written commitment by Council (Attachment 2) to utilise the Koala habitat mapping in a local planning instrument resulted in \$515K of State funding under Pillars 2 and 3 of the NSW Koala Strategy.

Council Koala Plans of Management (KPoM) Reviews

Within the same timeframe, staff were undertaking a comprehensive review of three KPoMs under Council jurisdiction, to better understand the status of our local koala populations and what actions were required for KPoM compliance. Developed as a result of planning proposals to rezone land, the Area 13 Thrumster, Area 14 Lake Cathie / Bonny Hills and Kings Creek KPoM reviews provided critical information for inclusion into the Port Macquarie Hastings Council Koala Action Plan (PKAP). The reviews were presented at the Ordinary Council meeting on 16 November 2023 (Item No.13.09) in support of the Draft PKAP where Council resolved as follows:

That Council:

1. *Note the Council Koala Plan of Management reviews for King Creek, Area 13 and Area 14 and their associated recommendations and actions.*
2. *Endorse the draft Port Macquarie-Hastings Council Koala Action Plan 2023 for the purpose of public exhibition for a period of not less than 28 days.*
3. *Write to the Minister for the Environment, the Honourable Penny Sharpe before the end of this year 2023, as a response to the details provided in this report, to advocate for:*
 - i) *The finalisation of State Environmental Planning Policy (Biodiversity and Conservation 2021) Chapters 3 and 4 Koala Habitat Protection into one chapter so it applies to all land and has the same koala use trees and definition of core habitat.*
4. *Request the Chief Executive Officer consider for inclusion in the draft 2024-2025 Operational Plan, a Virtual Fencing Trial in the Port Macquarie Hastings Local Government Area as a Hotspot Road-strike Prevention Action.*
5. *i) Note that each of the Port Macquarie-Hastings Council Community Plans identify a value of conservation, protecting and enhancement of our natural environment.*
 - ii) *Request the Chief Executive Officer consider for inclusion in the draft 2024-2025 Operational Plan, the development of education material, for the purpose of a community education campaign, on the negative effects of Native Vegetation Land-clearing, including the negative impacts this is having on our koala population specifically, and of the positive benefits that can come, including any current financial incentives, from having a good understanding of the Land Management Framework and implementing sound Native Vegetation Management Practices.*
6. *Request the Chief Executive Officer consider for inclusion in the draft 2024-2025 Operational Plan, a collaborative joint-project between Port Macquarie-Hastings Council and Koala Conservation Australia to pursue an Urban koala population survey program.*

Delivering Operational Plan 2023-2024 item NRM14 ES1.1 Koala Recovery Strategy & Action Plan, the publicly exhibited PKAP included the following actions:

- **Advocacy** for the finalisation of State Environmental Planning Policy (Biodiversity and Conservation 2021) Chapters 3 and 4 Koala Habitat Protection into one chapter, so it applies to all land and has the same koala use trees and definition of core habitat,
- Further **studies and monitoring** within Area 13 Thrumster and Area 14 Bonny Hills - Lake Cathie study areas regarding koala populations and their movements;

- **Community Education** Campaign for koala protection concerning pools, dogs and road strike, as well as the installation of signage as per the KPoM requirements;
- **Investigations** into appropriate zoning of habitat linkages and buffers and the on-going protection of identified *Core Koala Habitat*; and
- **Increased controls** and monitoring for development or activities within or adjacent to *Core Koala Habitat* areas.

Public exhibition and adoption of the PMHC Koala Action Plan (2023)

The Port Macquarie Hastings Council Koala Action Plan 2023 (PKAP) was placed on public exhibition from 20 November 2023 until 21 December 2023. During that time, 148 people visited the page, 81 participants downloaded the document and seven engaged in the survey. Council also received one hard copy and two email submissions during the exhibition period resulting in an overall total of 10 submissions received.

Key findings found that two main themes dominated submissions with:

- 73% of respondents concerned about the decline of koala habitat as a result of development and
- 55% supporting community education initiatives.

Table 2: PMHC Koala Action Plan status and deliverables

Action	Status	Output	Budget
1. Regulatory			
1.1 Area 13 Thrumster (2008) & Area 14 Lake Cathie / Bonny Hills (2012)	1.1.1 Request current baseline data from NPWS to establish population size within the National Parks Estate ‘asset of intergenerational significance’ 1.1.2 Desktop assessment of likely locations to send detection dog using ‘current best practice’ methodology to establish koala presence 1.1.3 analysis of development impacts on koalas and their habitat including potential ‘hot spot’ identification	Complete Underway Ongoing	Baseline data used for targeted survey. Detector dog survey booked late November 2024. Camera & thermal data analysis underway. On-going survey with update to HEV layer as data is confirmed Maintenance actions underway
	1.4 estimate of current koala activity in core koala habitat 1.1.5 formalise koala corridors through survey presence and monitoring 1.1.6 Include koala corridors into HEV mapping 1.1.7 Deliver KPoM maintenance actions	Underway	
1.2 Kings Creek (1999)	1.2.1 collate baseline data across the area to establish koala presence by detector dog 1.2.2 collate local information from residents and the Koala Hospital 1.2.3 conduct survey where appropriate on State and Council owned and managed land 1.2.4 analyse habitat loss/gain, 1.2.5 formal review of the KPoM	Complete Note: this KPoM is still in effect for new development.	Kings Creek KPoM review presented to Council on 17 November 2023. N/A unless new DA is proposed.
1.3 Port Macquarie	1.3.1 Include the Airport surrounds within Council owned land for further population survey assessments for Area 13 to ensure the population hasn’t declined	Finished Note: While this KPoM has finished,	Population assessment on Council owned land OP 2023-2024 NRM 34 ES1.3 and



Airport OLS (2010)		population survey is underway to inform koala movement corridors and linkage with Area 13.	will inform koala movement corridors Survey booked late November 2024. Camera & thermal data analysis underway.	OP2024-2025 NRM 05 ES1.1 KPoM compliance - monitoring & education adopted
1.4 South Linfield (2018)	1.4.1 Ensure all actions are undertaken in a timely manner as per the KPoM requirements including a survey every five years and monitoring of plantings	Ongoing	Annual audit complete and KPoM compliant	Business as usual
1.5 Kingfisher Rd Waste Transfer Station (2017)	1.5.1 Provide reporting on the status of the required koala food tree offsets and stiles once the process has been endorsed.	Underway. Site selection complete awaiting sign off	KPoM plantings in ground by next reporting period	OP 2023-2024 NRM 34 ES1.3 and OP2024-2025 NRM 05 ES1.1 KPoM compliance - monitoring & education adopted
1.6 Link Rd (2003 & 2014) and Central Rd (2006)	1.6.1 Continue to monitor and audit the Link Road and Central Road KPoM 1.6.2 Continue to monitor koalas and their habitat	Ongoing. Fauna fence maintenance undertaken	Annual audit December 2024	Business as usual
1.7 Gravel Tip Rd (2014)	1.7.1 Undertake population survey as per 'best practice' 1.7.2 Prepare and submit koala population monitoring report January 2024	Complete Annual reporting ongoing	Population Assessment & proposal for monitoring in prep. EPBC report submitted January and Population estimate delivered May 2024	OP 2023-2024 NRM 35 ES1.3 and OP2024-2025 NRM 05 ES1.1 KPoM compliance - monitoring & education adopted
1.8 Private KPoMs	1.8.1 Continue to register, monitor and audit all private KPoMs	Ongoing 16 registered KPoMs	Annual audits found: 6 - yet to commence 5 - compliant 5 - non-compliant due to lack of required reporting	Business as usual
2. Operational				
2.1 Road Strike	2.1.1 Continue to deliver road strike actions for the current Operational Plan 2.1.2 Continue to investigate solutions regarding current and future hotspots	Ongoing	Reported through Operational Plan quarterly updates. Further road pavement marking to be installed OP2024-2025	OP 2023-2024 NRM 14 ES1.1 and OP2024-2025 NRM 03 ES1.1 Undertake Koala Road Strike Actions adopted

	4.1.3 Report annually to our community on Council KPoM compliance and status of PNF within our LGA	Included & Ongoing	Annual PKAP reporting	Business as usual
	4.1.4 Continue to provide support to the Koala Hospital regarding Bionet records and advocate the use of iSpy app to lodge koala sightings	Ongoing	Hotspot identification updated annually with latest data on Council's website	Business as usual These data support focus initiatives to deliver Road Strike Actions under adaptive management.
	4.1.5 Update and improve Council website to include all KPoM reporting and hot spot identification as required	Ongoing		
4.2 Collaborate with traditional owners	4.2.1 Connect and invite traditional owners into Council process 4.2.2 Ensure traditional knowledge holders have input and participate in information sharing	Underway		NSW Koala Strategy funding under Pillar 2 \$300K
4.3 Collaborate with State Government	4.3.1 Continue to support the NSW Koala Strategy team and present any funding opportunities to Council	Ongoing	Delivery of NSW Koala Strategy Funded projects	Business as usual

Virtual Fencing Trial

Staff have been investigating the possibility of a virtual fencing trial and it is still a management action under consideration. An annual review of 2023-2024 road strike data is underway, and this will guide the priority locations and management techniques used.

The review includes analysis of all available data collected by Council, koala hospital, wildlife rescue groups and NPWS for updating the priority locations on council's mapping system. This is then sense checked with Koala Hospital staff prior to finalising the updated priority locations which will be posted on Council's website. Appropriate management techniques can then be selected based on the specific locations.

Virtual fencing considerations:

- cannot be installed any closer than 40m from residents due to noise and light emissions
- requires a relatively long and straight sections of road so usually not suitable for residential urban streets
- costs \$10,000 per km plus for installation and ongoing maintenance
- requires installation on both sides of the road at alternate 25m spacings
- solar powered so cannot be located in shaded conditions
- no proven evidence for koala at this stage but there is industry support that they are effective for other wildlife. (Presentations from the Symposium using technology to reduce wildlife -vehicle collisions (EIANZ 2024).

Preliminary assessment suggests a current Priority 1 location on Ocean Drive at the golf course may be suitable because we cannot put in physical fauna fences due to other constraints.

Koala Conservation Australia partnership

Staff continue to collaborate with Koala Conservation Australia (KCA) on a range of initiatives including shared data processes for koala road strike reporting and delivery of state government funded projects. This year, that includes a habitat mapping



project. The Koala Action Plan includes an action for 2025/26 - 3.4 Koala Habitat and population analysis that may include an urban survey undertaken with KCA.

Community Education and Engagement

At the heart of our koala education program (Attachment 6) is community engagement with several initiatives underway during koala breeding season. The initiatives were funded through the 2023-2024 Operational Plan for KPoM compliance, with signage for five key threats to be installed within Area 13 and Area 14 KPoM locations this year. The signage project involved co-design across a number of teams within Council, including Education, Engagement, Communications, Liveable Communities, Procurement and Environment and Sustainability.

Other initiatives under the education program are relevant across our entire koala population and have included the following:

In collaboration with Koala Conservation Australia (KCA):

1. Radio slots advocating koala safety on our roads during breeding season
2. Bus Shelter signage raising awareness of threats to koalas

Communications:

3. Video posts on social media (two last year and two new ones this year)
4. Billboard signage - "Drive with care, be koala aware"
5. Rates notice raising awareness of road safety - "Drive with care, be koala aware".

Education Team:

6. "Drive with care, be koala aware" promotion and pledge (October 2023) - ongoing
7. Dogs on leads campaign to promote awareness of dog attack with:
 - a. Dogs out and about videos
 - b. Interactive map of dog friendly areas
 - c. Pool and backyard safe info
 - d. Dog Lovers Care Quiz, to receive a 'dog lovers' leash being rolled out by PMHC Rangers and at Vets, events ("It's a dogs breakfast" and "Jump for Koalas") and pop up stalls (October / November).
8. 'Little Legends' video for koala completed for distribution to schools.

Council aims to expand and further develop these initiatives ensuring continuity and connection with our community.

Options

This report is for information only.







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.  Koala Action Plan 2023
2.  CEO Letter of commitment to DPE
3.  CEO Letter to the Honourable Penny Sharpe, MLC
4.  NSW Koala Strategy Vehicle Strike Report 2024
5.  Gravel Tip Rd Koala Population Monitoring Report EPBC2013/6757
6.  Education Team Koala Education Summary

Item: 13.08

**Subject: LAKE CATHIE NATURAL RESOURCE MANAGEMENT MONTHLY
UPDATE REPORT**

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 the progress of the Coastal Management Program.

Executive Summary

Council is currently involved in a number of projects relating to the management of the Lake Cathie/ Lake Innes / Cathie Creek waterway (referred herein as Lake Cathie) and its surrounds. This report provides an update on the Lake Cathie waterway natural resource management projects/initiatives and the progression of the Coastal Management Program (CMP) that have occurred since the previous report was presented to the October 2024 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. Coastal Hazard Assessment and Coastal Vulnerability Assessment Mapping Project
3. Water Quality Improvement Strategy
4. Review of the Lake Cathie Entrance Management Strategy
5. Invasive Weed Management
6. Illaroo Road Sand Nourishment
7. Other Projects

Discussion

The following provides an overview of the progress of Council projects associated with the CMP and initiatives within the Lake Cathie / Lake Innes / Cathie Creek waterway since the previous report to Council in October 2024.

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

The Hydrodynamic Model of Lake Innes, Lake Cathie and Cathie Creek has now been completed. Council staff have organised a presentation on 12 November for Councillors and key NSW State Government and community stakeholders involved in

the management of the system. The presentation will ensure key stakeholders involved in the management of the system are aware of the findings of this project and are able to contribute to decision-making for CMP actions. The outcomes of the model will be referenced in the development of the CMP including the Review of the Lake Cathie Entrance Management Strategy.

2. Coastal Hazard Assessment and Coastal Vulnerability Assessment Mapping Project

Bluecoast Consulting Engineers are completing the Coastal Hazard Assessment and Coastal Vulnerability Assessment Mapping Project on behalf of Council. Bluecoast Consulting Engineers are currently assessing the various coastal hazards across the Local Government Area. This hazard assessment will be used in the development of Coastal Vulnerability Assessment maps for the Port Macquarie Hastings Council LGA. Draft findings of the project are expected to be provided to Council staff in late November. The project is expected to be completed by December 2024.

3. Water Quality Improvement Strategy

Council released a tender in May 2024 to identify a consultant to develop Water Quality Improvement Strategies for three waterways including the Hastings River Estuary, the Camden Haven River Estuary and Lake Cathie / Bonny Hills catchments. The overarching aim of these strategies is to identify current and future impacts to water quality within the coastal waterways of the LGA and provide Council with specific management actions to improve water quality within the coastal waterways. At the time this report was prepared, a preferred submission had been identified by the evaluation team and Council staff were finalising procurement documentation. The project is expected to commence in November 2024 and may take up to 12 months to complete.

4. Review of the Lake Cathie Entrance Management Strategy

Council staff have received a proposal from the consultant that undertook the Hydrodynamic Model of Lake Cathie, Lake Innes and Cathie Creek to complete an Entrance Management Strategy for the Lake Cathie System. The proposal looks to use the findings from recent investigations undertaken on the waterway, current guidelines and legislation to develop short, medium and long-term management options to manage the entrance of the system. The proposal also looks to develop a monitoring dashboard, to provide an overview of the potential flood hazards from rising water levels to better inform decision making around the timing of entrance management and to support application of Council's Lake Cathie Standard Operating Procedure. The proposal is currently being reviewed.

5. Invasive Weed Management

Invasive weed control activities that have occurred since the October 2024 Lake Cathie Natural Resource Management Monthly Update Report include:

- The mapping of weeds at the reserve adjacent to Lake Cathie Bowling Club, the lake foreshore along Evans Street and littoral rainforest areas around Middle Rock. Dominant weeds identified include Ground asparagus fern, Madeira vine, Cassia, Lantana and Arrowhead vine.

- Control of Castor oil plant seedlings undertaken beside the Rainbow beach access boardwalk off Surfers Drive. This will assist in regeneration of the area and reduce danger to pets and people from this toxic plant.

6. Illaroo Road Sand Nourishment

The dredging of Lake Cathie in 2023 involved the placement of dredged material along the beach profile of Illaroo Road. The purpose of the sand was to provide a short to medium term protection for surrounding assets by acting as a sacrificial buffer. To assist in the retention of sand, coir logs and matting was placed across the nourished dune. As the nourished dune erodes, some of these logs are being dislodged. Council staff regularly collect the dislodged logs and place them back onto the dune. The logs are made from coconut husk and do not cause environmental damage as they are designed to biodegrade in place.

7. Other Projects

Sea Country

The Coast and Estuary team continues to work closely with a working group consisting of Birpai elders and community members, representatives from Birpai and Bunyah Local Aboriginal Land Councils (LALCs), and the DPI Fisheries Marine Estate Management Strategy Sea Country lead for NSW to develop a Sea Country Action Plan for incorporation into Council's CMP. Draft actions for a Sea Country Action Plan, informed by community consultation, will be presented to the group in the coming months.

4WD Signage

Council staff have continued the rollout of signs across the LGA targeting drivers of vehicles on beaches. Following the installation of signs at Lighthouse Beach, Lake Cathie, North Shore, Queens Head Dunbogan Beach and Diamond Head, additional signs have been installed at Lake Cathie, Bonny Hills and North Haven. The signs inform beach drivers where vehicles are permitted/not permitted and speed limits as per the Beach Driving Policy. Unfortunately, signs have been illegally removed from Rainbow Beach. These will be replaced soon to ensure drivers are aware of the limits of 4WD access.

Options

This report is provided for information purposes only.

Community Engagement and Internal Consultation

This report is provided for information purposes only.

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 specifically. An updated budget status of current adopted projects is provided below.

Project	Grant Funding (\$)	Council Contribution (\$)	Total Estimated Project Cost (\$)
Current Projects			
Water Quality Improvement Strategy	200,001	100,000	300,001
Coastal Hazard Assessment & Coastal Vulnerability Assessment	108,000	54,000	162,000
TOTAL	308,001	154,000	462,001

Attachments

Nil

Subject: CONFIDENTIAL SESSION

RECOMMENDATION

- 1. That Council move into Confidential Session to receive and consider the following items:**

Item 14.01 Demographic, Land Use and Economic Planning - Annual SaaS Licensing

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 Seek Recruitment Subscription

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

Item 14.03 Budget and Reporting Application and Support

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

Item 14.04 Code of Conduct Matter

This item is considered confidential under Section 10A(2)(i) of the Local Government Act 1993, as it contains alleged contraventions of any Code of Conduct requirements applicable under Section 440.

- 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.**