PORT MACQUARIE
HASTINGS COUNCIL

October 2025
Ordinary Council

Business Paper

2:00 PM Thursday 16 October 2025

Laurieton United Service Club

2 Seymour Street Laurieton

Our Vision

The most liveable, sustainable
and innovative place in Australia

Community Mission

Enable and empower great service delivery, innovation and community connection through efficient, effective and well-governed organisational operations.

Council's Corporate Values

People, Service to our community, Excellence, Respectful and open communication, Working together as one. Please update the corporate values.

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.

Items of Business

16 Confidential Matters

Agenda

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**

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 Minutes**

Recommendation

1. That the Minutes of the Ordinary Council Meeting held on 18 September 2025 be confirmed.
2. That the Minutes of the Extraordinary Council Meeting held on 9 October 2025 be confirmed.

Item: 06

Subject: **Disclosure of Interest**

Recommendation

That Disclosures of Interest be presented

Minutes
18 September 2025
Ordinary Council

PORT MACQUARIE HASTINGS COUNCIL

PRESENT

Members:

Mayor Adam Roberts

Councillor Lauren Edwards

Councillor Mark Hornshaw

Councillor Lisa Intemann

Councillor Chris Kirkman

Councillor Nik Lipovac

Councillor Rachel Sheppard

Councillor Hamish Tubman

Other Attendees:

Acting Chief Executive Officer (Robert Fish)

Director Business and Performance (Keith Hentschke)

Director Community, Planning and Environment (Melissa Watkins)

Acting Director Community Infrastructure (Blayne West)

Director Community Utilities (Narelle D'Amico)

Group Manager Governance (Michael Ferguson)

Legal Counsel (Anthea Gilmore)

Governance Officer (Tania Ellis)

The meeting opened at 2.00pm.

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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

The Reverend Benjamin Shuhyta from the Port Macquarie Presbyterian Church delivered the Local Government Prayer.

04 Apologies

Resolved: Intemann/Sheppard

That the apology received from Councillor Maltman be accepted.

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

05 Confirmation of Minutes

Resolved: Edwards/Kirkman

That the Minutes of the Ordinary Council Meeting held on 21 August 2025 be confirmed.

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

06 Disclosures of Interest

Acting Chief Executive Officer Robert Fish declared a Pecuniary interest in Item 13.01 City Heart Strategy and Master Plan. The reason being is that Acting Chief Executive Officer Fish owns property within the precinct of the strategy area that this item refers and the strategy may inform future planning related controls in the area.

Acting Chief Executive Officer Fish intends to leave the meeting, be out of sight and take no part in consideration of this item.

07.01 Mayoral Minute - Funding for Tuffins Lane EIS and Associated Studies

Moved: Roberts

1. **That Council note that at the Ordinary Council Meeting on 21 August 2025 Council resolved as follows:**

   "That Council:

   1. ***Publicly exhibit the revised draft Recreation and Open Space Action Plan for a period of not less than 28 days.***
   2. ***Note that a further report will be tabled at a future meeting of Council, detailing the submissions received from the public during the exhibition period.***
   3. ***Endorse the prioritisation of Sporting Infrastructure Projects that Council will continue to seek funding for as follows:***
      a) Port Macquarie Aquatic Centre
      b) Regional Stadium - Master Plan and staged upgrades
      c) Wayne Richards Park Stage 3 and 4
      d) Rainbow Beach Sporting Fields - Stage 2
      e) Thrumster Sporting Fields - Stage 2
      f) Tuffins Lane Drainage – Environmental and development approvals
      g) Hastings Regional Sporting Complex

      which specifically endorsed prioritisation of Tuffins Lane Drainage - Environmental and development approvals as a project that Council will continue to seek funding for.

2. **Request the Chief Executive Officer provide a report by the November 2025 Ordinary Council Meeting on options to fund preparation of the Environmental Impact Statement and development approvals for the Tuffins Lane Drainage Project.**

EQUAL: 4/4
FOR: Hornshaw, Kirkman, Lipovac and Roberts
AGAINST: Edwards, Intemann, Sheppard and Tubman

CASTING VOTE FOR
CARRIED

07.02 Recognition of the Late Maureen Cooke

Moved: Roberts

That Council formally recognise the contribution to the local community of the late Maureen Cooke.

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

08 Confidential Correspondence to Ordinary Council Meeting

Nil

09 Items to be Dealt With By Exception

Resolved: Intemann/Lipovac

That Items 10.01, 11.01, 11.02, 11.03, 11.07 11.08 and 13.09 be considered as a block resolution

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

Resolved: Tubman/Edwards

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

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

10.01 Mayoral Discretionary Fund Allocations - 7 August to 3 September 2025

Resolved: Tubman/Edwards

That Council note the Mayoral Discretionary Fund allocations for the period 7 August to 3 September 2025.

11.01 Status Of Reports From Council Resolutions

Resolved: Tubman/Edwards

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

11.02 Monthly Budget Review - August 2025

Resolved: Tubman/Edwards

That Council:

1. **Adopt the adjustments in the August 2025 Adjustments section of the Monthly Budget Review – August 2025 report and associated attachment.**
2. **Amend the 2025-2026 Operational Plan to include all budget adjustments approved in this report.**

11.03 Investment Performance - August 2025

Resolved: Tubman/Edwards

That Council note the Investment Performance report for August 2025.

11.07 Policy Review - Debt Recovery Policy

Resolved: Tubman/Edwards

That Council:

1. **Note the outcomes of the public exhibition for the Draft Debt Recovery Policy.**
2. **Adopt the Debt Recovery Policy.**

11.08 Policy Review - Hardship Policy

Resolved: Tubman/Edwards

That Council:

1. Note the outcomes of the public exhibition for the Draft Hardship Policy.

2. Adopt the Hardship Policy.

3. Rescind the Payment of Late Rate Instalment Due to Death of Ratepayers Spouse Policy.

13.09 Lake Cathie Natural Resource Management Monthly Update Report

Resolved: Tubman/Edwards

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.

Suspension of Standing Orders

Resolved: Sheppard/Roberts

That Standing Orders be suspended to allow 13.01 to be brought forward and considered next.

CARRIED: 8/0

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

AGAINST: Nil

13.01 City Heart Strategy and Master Plan

Acting Chief Executive Officer Robert Fish declared a Pecuniary interest in Item 13.01 City Heart Strategy and Master Plan. The reason being is that Acting Chief Executive Officer Fish owns a property and resides within the precinct that this item refers and may inform future planning decisions in the area. Acting Chief Executive Officer Fish left the meeting, was out of sight and took no part in consideration of this item.

Moved: Intemann/Roberts

That Council:

1. Note the report and the Community Engagement and Consultation outcomes on the City Heart Strategy and Masterplan development.

2. Endorse the City Heart Principles as identified in this report and derived from the Community Engagement and Consultation program.

3. Receive a further report to the November 2025 Ordinary Council Meeting on the City Heart Strategy and Master Plan seeking endorsement for public exhibition.

Amendment:

Moved: Sheppard/Edwards

That Council:

1. Note the report and the Community Engagement and Consultation outcomes on the City Heart Strategy and Masterplan development.

2. Endorse the City Heart Principles as identified in this report and derived from the Community Engagement and Consultation program subject to the inclusion of an additional Principle that recognises the importance of embedding climate change resilience and natural disaster resilience into the City Heart Strategy and Master Plan.

3. Receive a further report to the November 2025 Ordinary Council Meeting on the City Heart Strategy and Master Plan seeking endorsement for public exhibition.

4. Request that the report referred to in item 3 include the proposed additional Principle for embedding climate change resilience and natural disaster resilience as identified in item 2 and details of the consideration of climate and natural disaster resilience in the development of the City Heart Strategy and Master Plan, in accordance with Council's adopted Climate Change Response Policy, relevant legislation and other relevant planning requirements.

CARRIED: 5/3
FOR: Edwards, Intemann, Lipovac, Sheppard and Tubman
AGAINST: Hornshaw, Kirkman and Roberts

The amendment on being put was carried.

The amendment became the motion.

Amendment

Moved: Hornshaw/Roberts

That Council:

1. Note the report and the Community Engagement and Consultation outcomes on the City Heart Strategy and Masterplan development.

2. Endorse the City Heart Principles as identified in this report and derived from the Community Engagement and Consultation program subject to the inclusion of an additional Principle that recognises the importance of embedding climate change resilience and natural disaster resilience into the City Heart Strategy and Master Plan.

3. Receive a further report to the November 2025 Ordinary Council Meeting on the City Heart Strategy and Master Plan seeking endorsement for public exhibition.

4. Request that the report referred to in item 3 include the proposed additional Principle for embedding climate change resilience and natural disaster resilience as identified in item 2 and details of the consideration of climate and natural disaster resilience in the development of the City Heart Strategy and

Master Plan, in accordance with Council's adopted Climate Change Response Policy, relevant legislation and other relevant planning requirements.

LOST: 3/5
FOR: Hornshaw, Kirkman and Roberts
AGAINST: Edwards, Intemann, Lipovac, Sheppard and Tubman

The amendment on being put was lost.

The motion on being put was carried.

Resolved: Sheppard/Edwards

That Council:

1. **Note the report and the Community Engagement and Consultation outcomes on the City Heart Strategy and Masterplan development.**
2. **Endorse the City Heart Principles as identified in this report and derived from the Community Engagement and Consultation program subject to the inclusion of an additional Principle that recognises the importance of embedding climate change resilience and natural disaster resilience into the City Heart Strategy and Master Plan.**
3. **Receive a further report to the November 2025 Ordinary Council Meeting on the City Heart Strategy and Master Plan seeking endorsement for public exhibition.**
4. **Request that the report referred to in item 3 include the proposed additional Principle for embedding climate change resilience and natural disaster resilience as identified in item 2 and details of the consideration of climate and natural disaster resilience in the development of the City Heart Strategy and Master Plan, in accordance with Council's adopted Climate Change Response Policy, relevant legislation and other relevant planning requirements.**

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

Suspension of Standing Orders

Resolved: Edwards/Sheppard

That Standing Orders be suspended to allow 13.07 to be brought forward and considered next.

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

13.07 Draft Domestic, Family and Sexual Violence Policy

Resolved: Edwards/Lipovac

That Council:

1. **Endorse the draft Domestic, Family and Sexual Violence Policy for the purposes of public exhibition for a period of not less than 28 days.**
2. **Note that a further report will be presented to Council for consideration following the conclusion of the public exhibition period.**

CARRIED: 7/1
FOR: Edwards, Intemann, Kirkman, Lipovac, Roberts, Sheppard and Tubman
AGAINST: Hornshaw

Item 11.01 Status Of Reports From Council Resolutions, has been addressed previously within the meeting.

Item 11.02 Monthly Budget Review - August 2025, has been addressed previously within the meeting.

Item 11.03 Investment Performance - August 2025, has been addressed previously within the meeting.

11.04 Draft Annual Financial Statements for the year ended 30 June 2025

Resolved: Sheppard/Edwards

That Council:

1. **Refer the draft Financial Statements for the year ended 30 June 2025 to audit.**
2. **Request that the Chief Executive Officer seek further assurance regarding the completeness of Key Management Personnel (KMP) related party disclosures, as required under AASB 124 – Related Party Disclosures and the Local Government Code of Accounting Practice and Financial Reporting (2024–2025), particularly in relation to Council's internal practices for collecting Key Management Personnel (KMP) disclosures, by referring the matter to the NSW Audit Office for review and comment as part of the 2024–2025 audit of the financial statements. Any observations should be communicated to Council through the Auditor's Report or accompanying correspondence.**
3. **Endorse the signing of the "Statement by Councillors and Management" made pursuant to section 413(2)(c) of the Local Government Act 1993, by the Responsible Accounting Officer, Chief Executive Officer, the Mayor, and one Councillor.**
4. **Note that a further report will be presented to the November 2025 Ordinary Meeting of Council for consideration of the final audited**

Financial Statements for the year ended 30 June 2025, together with the Auditor's Report.

5. **Note that the draft financial statements includes feedback from ARIC based on 3 September 2025 version review and that the latest draft statements presented to Council have been circulated to ARIC on 16 September 2025 and additional feedback has been provided for consideration by management during the external audit phase noting matters raised were minor however, concern completion and accuracy.**

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

Councillor Lipovac left the meeting, the time being 03:20pm.

Councillor Kirkman left the meeting, the time being 03:21pm.

Councillor Lipovac returned to the meeting, the time being 03:22pm.

Councillor Kirkman returned to the meeting, the time being 03:23pm.

11.05 2025-2026 Financial Assistance Grants

Resolved: Edwards/Sheppard

That Council:

1. **Note the report and attached correspondence from the NSW Local Government Grants Commission regarding the 2025-2026 Financial Assistance Grant allocation for Port Macquarie-Hastings Council.**
2. **Request, through planned upcoming briefings and workshop on the 2026-2027 budget, to be provided detailed information on:**
   a. **Allocation of the 2025-2026 Financial Assistance Grant, General Purpose Components,**
   b. **Allocation of the 2025-2026 Financial Assistance Grant-Local Roads Component; and**
   c. **How the Relative Disadvantage Factors for which Council receives a higher amount of Financial Assistance Grant Funding are addressed through the 2025 -2026 Operational Plan.**

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

11.06 Council Loan Funding - August 2025

Resolved: Edwards/Sheppard

That Council note the Loan Funding report for August 2025 noting table on page 64 has each year misaligned.

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

Item 11.07 Policy Review - Debt Recovery Policy, has been addressed previously within the meeting.

Item 11.08 Policy Review - Hardship Policy, has been addressed previously within the meeting.

11.09 Report of the Audit, Risk and Improvement Committee Meeting Held 3 September 2025

Resolved: Sheppard/Hornshaw

That Council note the report of the Audit, Risk and Improvement Committee held 3 September 2025.

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

12.01 Integrated Transport Plan - Annual Update

Resolved: Edwards/Roberts

That Council:

1. **Note the progress update on the 2024-2025 Integrated Transport Plan.**
2. **Endorse the public release of the 2024-2025 Integrated Transport Plan Progress Update.**
3. **Continue to monitor implementation of the Integrated Transport Plan and receive future updates on a 12-monthly basis.**

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

12.02 Implementation of the 2025 Authorisation and Delegation Instrument from Transport for NSW

Resolved: Edwards/Roberts

That Council:

1. **Rescind the Local Traffic Committee (LTC) and formally thank all members and contributors for their service over the years.**
2. **Establish the Local Transport Forum (LTF) in accordance with the 2025 Authorisation and Delegation Instrument from Transport for NSW.**
3. **Appoint Mayor Roberts as Chairperson for the Local Transport Forum noting his previous appointment to chair the Local Traffic Committee.**
4. **Appoint the Deputy Mayor as alternate Chairperson to chair the Local Transport Forum in the event of the Mayor being unavailable.**
5. **In accordance with clause (d) of the Authorisation and Delegation Instrument (the Instrument), Sub-delegate all functions and powers under Schedule 1 of the Instrument to the General Manager (CEO), subject to the conditions and limitations set out in Schedule 4 of the Instrument.**
6. **Receive a report at the December 2025 Ordinary Council meeting to review the charter of the Local Transport Forum, ensuring clarity on its advisory role, membership, and attendance following consideration by the Local Transport Forum.**

CARRIED: 8/0

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

AGAINST: Nil

Item 13.01 City Heart Strategy and Master Plan, has been addressed previously within the meeting.

Adjourn meeting

Resolved: Sheppard/Hornshaw

That the Ordinary Council meeting be adjourned.

CARRIED: 5/3

FOR: Edwards, Hornshaw, Lipovac, Sheppard and Tubman

AGAINST: Intemann, Kirkman and Roberts

The Ordinary Council Meeting adjourned at 3.35pm

The Ordinary Council Meeting recommenced at 3.41pm

13.02 Homelessness in the Port Macquarie-Hastings Local Government Area

Motion

Moved: Edwards/Lipovac

That Council:

1. Note the data provided on homelessness and availability of social and affordable housing in the Port Macquarie-Hastings Local Government Area.
2. Note the data provided on Short-Term Rental Accommodation in the Port Macquarie-Hastings LGA.
3. Note the actions taken to date within Council's control to address homelessness and affordable housing, and continue to support coordinated, cross-sector efforts to improve housing outcomes for the community.
4. Note that it will continue to play its role in advocating to State and Federal governments for increased investment in, and policy support, for social and affordable housing in the LGA.
5. Request the Chief Executive officer to make use of the newsletter / follower within the Summer Rates Notice to:
   a. Communicate both the land use zones in which it is permissible to build secondary dwellings and the exempting of Section 7.11 contributions for dwellings under 60sqm.
   b. Make an appeal to those who own properties that are currently used as Short-Term rentals, to consider making those homes available for Long-Term rental to assist with the shortage of rental accommodation in the Hastings LGA.

LOST: 1/7
FOR: Edwards
AGAINST: Hornshaw, Intemann, Kirkman, Lipovac, Roberts, Sheppard and Tubman

Motion:

Resolved: Roberts/Sheppard

That Council:

1. **Note the data provided on homelessness and availability of social and affordable housing in the Port Macquarie-Hastings Local Government Area.**
2. **Note the data provided on Short-Term Rental Accommodation in the Port Macquarie-Hastings Local Government Area.**
3. **Note the actions taken to date within Council's control to address homelessness and affordable housing, and continue to support coordinated, cross-sector efforts to improve housing outcomes for the community.**
4. **Note that it will continue to play its role in advocating to State and Federal governments for increased investment in, and policy support, for social and affordable housing in the Local Government Area.**

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

13.03 Planning Proposal - LEP Housekeeping Amendments 2025

Resolved: Hornshaw/Roberts

That Council:

1. **Endorse the Council-initiated Planning Proposal (Attachment 1), to enable *Local Environmental Plan Housekeeping Amendments 2025* under section 3.33 of the *Environmental Planning and Assessment Act 1979.***
2. **Note that the two (2) amendments as resolved by Council on 19 June 2025 proposed to permit detached dual occupancies and expanded secondary dwelling controls in rural zones have been withdrawn following advice from the NSW Department of Planning, Housing and Infrastructure.**
3. **Forward the draft Council-initiated Planning Proposal to the NSW Department of Planning, Housing and Infrastructure for a Gateway determination under Section 3.34 of the *Environmental Planning and Assessment Act 1979*.**
4. **Delegate authority to the Director Community, Planning and Environment to make any minor updates to the Planning Proposal prior to seeking a Gateway Determination, and / or as a result of the issue of Gateway Determination.**
5. **Receive a report following the public exhibition period on any submissions received.**

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

13.04 Draft Community Inclusion Plan and Disability Inclusion Action Plan 2025-2029

Resolved: Sheppard/Roberts

That Council:

1. **Endorse the draft Port Macquarie-Hastings Community Inclusion Plan and Disability Inclusion Action Plan 2025-2029 for public exhibition for a period of at least 28 days.**
2. **Note that a further report will be presented to Council for consideration following conclusion of the public exhibition.**

CARRIED: 7/1
FOR: Edwards, Intemann, Kirkman, Lipovac, Roberts, Sheppard and Tubman
AGAINST: Hornshaw

13.05 Draft Community Engagement Policy - Post Public Exhibition

Resolved: Edwards/Roberts

That Council:

1. **Note the outcomes of the public exhibition of the draft Community Engagement Policy.**
2. **Adopt the Community Engagement Policy**
3. **Thank people who made submissions and advise of the outcome of Council's consideration.**

CARRIED: 7/1
FOR: Edwards, Intemann, Kirkman, Lipovac, Roberts, Sheppard and Tubman
AGAINST: Hornshaw

13.06 Draft Community Engagement Strategy - Post Public Exhibition

Resolved: Edwards/Intemann

That Council

1. **Note the outcomes of the public exhibition of the draft Community Engagement Strategy.**
2. **Adopt the Community Engagement Strategy subject to the inclusion of the Annual Report as an additional communication tool to 'inform' the community in the table on Page 26 of the Strategy under the heading "Methods of communication and engagement".**
3. **Formally thank those who made submissions and advise them of Council's decision on this matter.**

CARRIED: 7/1
FOR: Edwards, Intemann, Kirkman, Lipovac, Roberts, Sheppard and Tubman
AGAINST: Hornshaw

Item 13.07 Draft Domestic, Family and Sexual Violence Policy, has been addressed previously within the meeting.

13.08 Draft Cultural Plan 2025 - 2029

Resolved: Edwards/Tubman

That Council:

1. **Endorse the draft Port Macquarie Hastings Council Cultural Plan 2025-2029 for public exhibition for a period of at least 28 days.**
2. **Note that a further report will be presented to Council for consideration following the conclusion of the public exhibition.**

CARRIED: 7/1
FOR: Edwards, Intemann, Kirkman, Lipovac, Roberts, Sheppard and Tubman
AGAINST: Hornshaw

Item 13.09 Lake Cathie Natural Resource Management Monthly Update Report, has been addressed previously within the meeting.

13.10 ArtWalk Report and Future Strategy

Resolved: Edwards/Sheppard

That Council:

1. **Note the details in the report providing an overview of ArtWalk 2025.**
2. **Endorse the future three-year strategy for ArtWalk from 2027-2029 subject to funding being confirmed.**
3. **Proceed to incorporate funding to support strategy delivery in the development of the draft 2026-2027 Operational Plan and Long-Term Financial Plan for future funding for Council's consideration.**

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

13.11 Recommended Items from the July 2025 Meeting of the Port Macquarie-Hastings Sporting Fund

Resolved: Lipovac/Intemann

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

1. **Payment of $500.00 to Stephanie Dun to compete at the Australian**

Schools Orienteering Championships in Queensland between the 27 September and 5 October 2025.**

2. **Payment of $500.00 to Jessica Dun to compete at the Australian Schools Orienteering Championships in Queensland between 27 September and 5 October 2025.**
3. **Payment of $750.00 to Lily Moseley to compete at the 2025 Australian Secondary Schools Rugby League Championships between the 28 June and 5 July 2025. Noting the application was received prior to the event commencement date.**
4. **Payment of $500.00 to Macey Walker to compete at the Hockey 2025 National Championships in Brisbane between the 5 and 11 October 2025.**

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

15.01 Notice of Motion - Annual Reports Special Schedule

Resolved: Edwards/Sheppard

That Council:

1. **Include in future Annual Reports a summary of service-level financial data consistent with the Net Cost of Services previously reported under Special Schedule 1 of the former Local Government Code of Accounting Practice and Financial Reporting, using data sourced from Council's Financial Data Return (FDR) to the Office of Local Government.**

2. **Present this information in a clear and accessible format for the community, incorporating both tabular and graphical summaries where appropriate.**

3. **Ensure the data is published alongside Council's audited financial statements within the Annual Report, with appropriate disclaimers noting its unaudited status and any limitations in alignment with Council's Integrated Planning and Reporting (IP&R) framework services categories.**

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

15.02 Notice of Motion - Proposed Local Government NSW Annual Conference Motion - Biodiversity and Conservation SEPP 2021

Moved: Edwards/Sheppard

That Council submit the following motion to the 2025 Local Government NSW Annual Conference for consideration:

That Local Government NSW advocates to the NSW Government for improved biodiversity protection and calls on the NSW Government to amend the Biodiversity and Conservation SEPP 2021 to apply the Koala Tree Species Schedule contained in Chapter 4 to all land use zones across NSW to ensure consistent protection of koala habitat regardless of land use zoning.

LOST: 4/4
FOR: Edwards, Intemann, Lipovac and Sheppard
AGAINST: Hornshaw, Kirkman, Roberts and Tubman (Abstained)

Deputy Mayor Edwards left the meeting, the time being 04:49pm.

Deputy Mayor Edwards returned to the meeting, the time being 04:51pm.

15.03 Notice of Motion - Proposed Local Government NSW Annual Conference Motion - Constitutional Referendums

Resolved: Intemann/Lipovac

That Council submit the following motion to the 2025 Local Government NSW Annual Conference for consideration:

That Local Government NSW calls on the NSW Government to amend section 20(1) of the Local Government Act 1993 to require that the question at a council constitutional referendum is carried if it is supported by at least a 60% majority of the votes cast.

CARRIED: 5/3
FOR: Edwards, Intemann, Lipovac, Sheppard and Tubman
AGAINST: Hornshaw, Kirkman and Roberts

Councillor Edwards left the meeting, the time being 4.49pm

Councillor Edwards returned to the meeting, the time being 4.51pm.

15.04 Notice of Motion - Proposed Local Government NSW Annual Conference Motion - Determine Method of Electing Mayor

This item was withdrawn by Councillor Lipovac

Councillor Kirkman left the meeting, the time being 05:00pm.

Councillor Kirkman returned to the meeting, the time being 05:01pm.

15.05 Notice of Motion - Proposed Local Government NSW Annual Conference Motion - Environmental Monitoring, Planning and Decision Making

Resolved: Edwards/Sheppard

That Council submit the following motion to the 2025 Local Government NSW Annual Conference for consideration:

That Local Government NSW advocates for the improved usefulness of environmental reporting and calls on the NSW Government to amend the Protection of the Environment Administration Act 1991 to require the NSW EPA to provide for State of the Environment Reporting that includes the ability to observe LGA-scale breakdown to enable more targeted and locally relevant environmental monitoring, planning and decision making.

CARRIED: 5/3
FOR: Edwards, Intemann, Lipovac, Sheppard and Tubman
AGAINST: Hornshaw, Kirkman and Roberts

15.06 Notice of Motion - Proposed Local Government NSW Annual Conference Motion - Funding to Support Monitoring and Enforcement of Development Consent Conditions

Resolved: Edwards/Intemann

That Council submit the following motion to the 2025 Local Government NSW Annual Conference for consideration:

That Local Government NSW advocates to the NSW Government for dedicated and ongoing funding to support Councils in the monitoring and enforcement of development consent conditions, including staffing, training, and digital compliance tools. This funding should reflect the increasing complexity and volume of development activity and be administered through the Department of Planning, Housing and Infrastructure as part of a broader strategy to uphold planning integrity and community trust.

CARRIED: 5/3
FOR: Edwards, Intemann, Lipovac, Sheppard and Tubman
AGAINST: Hornshaw, Kirkman and Roberts

Councillor Tubman left the meeting, the time being 05:21pm.

Councillor Tubman returned to the meeting, the time being 05:22pm.

15.07 Notice of Motion - Proposed Local Government NSW Annual Conference Motion - Stormwater Management Services

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This item was withdrawn by Councillor Edwards

15.08 Notice of Motion - Southern Breakwall Upgrade Project

Resolved: Lipovac/Roberts

That Council:

1. **Through the Acting Chief Executive Officer write to Transport for NSW requesting for a written update on the progress of the Port Macquarie Southern Breakwall Upgrade Project and their plans to repair the recent damage to the Northern Breakwall.**
2. **A copy of the request be provided to all Councillors.**
3. **The response be tabled at the next available Ordinary Meeting of Council.**

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

Confidential Session

Resolved: Lipovac/Kirkman

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

Item 16.01 Land Acquisition - 24 Beechwood Road Wauchope

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 16.02 Land Acquisition - Corner Lake Road and Ocean Drive Port Macquarie

This item is considered confidential under Section 10A(2)(h) of the Local Government Act 1993, as it contains information concerning the nature and location of a place or an item of Aboriginal significance on community land.

Item 16.03 Approval to Negotiate Settlement - Port Macquarie-Hastings Council v Willis

This item is considered confidential under Section 10A(2)(e) of the Local Government Act 1993, as it contains information that would, if disclosed, prejudice the maintenance of law.

Item 16.04 2025.067.01 Cairncross Interim Leachate Management

This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

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

CARRIED: 8/0

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

AGAINST: Nil

Resolved: Lipovac/Sheppard

That the Council meeting be closed to the public for the consideration of confidential items for the reason as listed in the reports.

CARRIED: 8/0

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

AGAINST: Nil

Councillor Sheppard left the meeting, the time being 5.29pm.

Councillor Sheppard returned to the meeting, the time being 5.31pm.

16.01 Land Acquisition - 24 Beechwood Road Wauchope

Resolved: Moved: Intemann/Roberts

That Council:

1. **Proceed with the whole land acquisition, Lot 2 DP 1125021, being 24 Beechwood Road Wauchope.**
2. **Pay compensation to the owner of Lot 2 DP 1125021, in accordance with the Land Acquisition (Just Terms Compensation) Act 1991 and other related costs as set out in the report and Attachment 3.**
3. **Pay the land owner's valuation, property and conveyancing costs.**
4. **Pursuant to Section 10 of the Roads Act 1993, dedicate Lot 2 DP 1125021 as public Council road.**
5. **Maintain the confidentiality of the documents and consideration in respect of the land acquisition of 24 Beechwood Road Wauchope.**

CARRIED: 8/0

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

16.02 Land Acquisition - Corner Lake Road and Ocean Drive Port Macquarie

Resolved: Lipovac/Intemann

That Council:

1. **Proceed with the part land acquisition of 1,949 sqm of land being part of existing Lot 7315 DP 1165313 being Crown land on the corner of Lake Road and Ocean Drive Port Macquarie, more particularly described as Lot 1 in the draft plan of acquisition.**
2. **Sign the Deed of Agreement with the NSW Aboriginal Land Council and the Birpai Local Aboriginal Land Council for the withdrawal of the land claim on the portion of land to be acquired.**
3. **Pay compensation to the Birpai Local Aboriginal Land Council, in accordance with the Land Acquisition (Just Terms Compensation) Act 1991 for the value of the land being acquired to the value as set out in Attachment 4.**
4. **A further report be brought to Council in relation to progressing the part land acquisition with Crown Lands, the Minister for Local Government and the Governor of NSW.**

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

16.03 Approval to Negotiate Settlement - Port Macquarie-Hastings Council v Willis

Resolved: Roberts/Kirkman

That Council:

1. **Authorise the Chief Executive Officer to negotiate a settlement of Port Macquarie-Hastings Council v Willis as outlined within this report.**
2. **Delegate authority to the Chief Executive Officer to finalise and execute any settlement deed and associated consent orders necessary to give effect to a negotiated settlement.**
3. **Note that any settlement will be reported back to Council through the litigation update and in accordance with statutory reporting obligations.**
4. **Maintain the confidentiality of the documents and consideration in respect of this matter.**

CARRIED: 8/0

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

16.04 2025.067.01 Cairncross Interim Leachate Management

Resolved: Intemann/Edwards

That Council:

1. **Note the financial cost information for the project as described in the Financial & Economic Implications section of this report.**
2. **In accordance with section 178(1) of the Local Government (General) Regulation 2021, decline to accept any tenders submitted for 2025.067.01 Cairncross Interim Leachate Management and enter into negotiations with any person (whether or not the person was a tenderer) with a view to entering into contracts in relation to the subject matter of the contract.**
3. **Pursuant to section 178(4)(a) and (b) of the Local Government (General) Regulation 2021, decline to invite fresh tenders for the reasons that the evaluation panel considers that the market has not significantly changed and inviting fresh tenders likely will not achieve a satisfactory result.**
4. **Note that the Chief Executive Officer, under existing delegation to the General Manager, will execute the necessary contract documents for 2025.067.01 Cairncross Interim Leachate Management following successful negotiations, and present a further report to a future meeting of Council after contract award for Council's information.**
5. **Maintain the confidentiality of the documents and consideration in respect of Request for Tender 2025.067.01 Cairncross Interim Leachate Management.**

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

Resolved: Sheppard/Intemann

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

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

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

The meeting closed at 5.42pm.

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Adam Roberts
Mayor

Minutes

9 October 2025

Extraordinary Council

PORT MACQUARIE
HASTINGS COUNCIL

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:

Group Manager Governance (Michael Ferguson)

Legal Counsel (Anthea Gilmore)

The meeting opened at 9.56pm.

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17 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.

18 Remote Attendance at Meeting

Recommendation

Nil

19 Apologies

Nil

20 Disclosures of Interest

There were no disclosures of interest presented.

05 Mayoral Minutes

Nil

06 Office of the Chief Executive officer

Nil

07 Business and Performance

Nil

08 Community Infrastructure

Nil

09 Community Planning and Environment

Nil

10 Community Utilities

Nil

Confidential Session

Resolved: Sheppard/Edwards

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

2. **That Council move into Closed Session to receive and consider the following items:**

   Item 11.01 Recruitment of the General Manager

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

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

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

Resolved: Lipovac/Kirkman

That the Council meeting be closed to the public for the consideration of confidential items for the reason as listed in the reports.

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

11.01 Recruitment of the General Manager

Resolved: Roberts

That Council:

1. **Offer the preferred candidate the position of General Manager of Port Macquarie-Hastings Council and the Mayor in consultation with the Recruitment Consultant, be authorised to negotiate and finalise the appointment based on the following terms and conditions:**

    a) **A five (5) year performance based contract in accordance with the standard contract of employment for General Managers in NSW.**

    b) **A total remuneration package as detailed in body of the report, being the total value of all components of remuneration offered, including salary, superannuation, the private use value of the Council provided motor vehicle under a novated lease or leaseback arrangement and any other benefits negotiated with the successful candidate.**

    c) **If applicable, a relocation allowance be offered up to a limit of $10,000 to cover the cost of relocating household and other items, subject to 50% of the reimbursement be paid on relocation and the remaining 50% after 12 months satisfactory service as assessed by the Performance Review Panel.**

    d) **The policies of the Council which grant an entitlement to the employee relating to the private use of the Council motor vehicle and the incidental private use of the Council provided mobile phone and laptop computer.**

2. **Make no public announcement of the name of the successful candidate until such time as the Mayor has obtained a written acceptance of the offer from the preferred candidate.**

3. **Should the preferred candidate, for whatever reason decline the offer, the next step is to refer the matter to a future meeting of Council for further consideration.**

4. **Maintain the confidentiality of the documents and considerations in respect of the General Manager recruitment process.**

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

Resolved: Maltman/Edwards

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

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

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

The meeting closed at 10.09pm.

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Adam Roberts

Mayor

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Item **08**

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

Presented by: Office of the CEO, Robert Fish

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

Item: 10.01

Subject: **Creation of the Office of Deputy Mayor**

Presented by: Office of the CEO, Robert Fish

Recommendation

That Council:

1. **Determine if the Office of Deputy Mayor is to be created.**
2. **Determine the term of the Office of Deputy Mayor to be the Mayoral term or a shorter term.**
3. **Elect the Deputy Mayor by way of open voting if more than one nomination for Deputy Mayor is received.**

Executive Summary

Council can determine to create the Office of Deputy Mayor, under Section 231 of the *Local Government Act 1993*, for a period coinciding with the Mayoral term or a shorter period.

On the assumption that Councillors will wish to elect a Deputy Mayor, a nomination paper for Office of Deputy Mayor has been prepared and is provided with this report.

Report

1. Background

Council can determine to create the Office of Deputy Mayor for a period coinciding with the Mayoral term or a shorter period.

Section 231 of the *Local Government Act 1993* ("the Act"), provides the following:

231 (1) The Councillors may elect a person from among their number to be the Deputy Mayor.

(2) The person may be elected for the Mayoral term or a shorter term.

(3) The Deputy Mayor may exercise any functions of the Mayor at the request of the Mayor, or if the Mayor is prevented by illness, absence or otherwise from exercising the function or if there is a casual vacancy in the office of Mayor.

(4) The Councillors may elect a person from among their number to act as Deputy Mayor if the Deputy Mayor is prevented by illness, absence or otherwise from exercising a function under this Section, or if no Deputy Mayor has been elected.

At the October 2024 Ordinary Council meeting, Council resolved:

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.*

Councillor Edwards was elected to the position of Deputy Mayor at that time for a period of 12 months.

As the term of the Deputy Mayor was resolved at the October 2024 Ordinary Council meeting to be 12 months, this term is expiring and Council must now resolve:

- whether to create the Office of Deputy Mayor for the ensuing period;
- if the Office of Deputy Mayor is created, the term of the Office of the Deputy Mayor which may be for the remainder of the Council term or a shorter term;
- if the Office of Deputy Mayor is created, the method of voting for Deputy Mayor.

Council most recently held voting for Deputy Mayor by open voting as a show of hands.

On the assumption that Councillors will wish to elect a Deputy Mayor, a nomination paper for Office of Deputy Mayor has been prepared and is provided as Attachment 1 to this report.

Nomination papers may be delivered or sent to the Chief Executive Officer either prior to or at the Council Meeting.

2. Discussion

Should there be only one (1) Councillor nominated for the Office of Deputy Mayor, in accordance with Schedule 7 Section 3(1) of the Local Government (General) Regulation 2021 that Councillor is elected as Deputy Mayor and no vote is required.

Should there be more than one (1) Councillor nominated for the Office of Deputy Mayor, Council is to determine whether the election is to be by ordinary ballot, open voting or preferential ballot.

<u>Election Methods</u>

Ordinary Ballot

This method utilises ballot-papers. The Returning Officer decides the manner in which votes are to be marked on the ballot-papers.

If there are only two candidates, the candidate with the higher number of votes is elected. If there are only two candidates and they are tied, the one elected is to be chosen by lot.

If there are three or more candidates, a vote is taken, the candidate with the lowest number of votes is excluded. If three or more candidates still remain further votes are taken with the candidate receiving the lowest number of votes being excluded until two candidates remain.

A further vote is taken of the two remaining candidates, the candidate with the higher number of votes is elected. If there are only two candidates and they are tied, the one elected is to be chosen by lot.

If at any stage during a count two or more candidates are tied on the lowest number of votes, the one excluded is to be chosen by lot.

Open Voting

This method utilises a show of hands. The election procedure is the same as for the ordinary ballot method.

Preferential Ballot

This method utilises ballot-papers. Councillors are to mark their votes by placing the numbers “1”, “2” and so on against the candidate names so as to indicate the order of their preference for all the candidates.

If a candidate has an absolute majority of first preference votes, that candidate is elected.

If an absolute majority is not achieved, the candidate with the lowest number of first preference votes is excluded and the votes on the unexhausted ballot-papers counted to him or her are transferred to the candidates with second preferences on those ballot-papers.

If no candidate then has an absolute majority of votes, the process of excluding the candidate who has the lowest number of votes and counting each of his or her unexhausted ballot-papers to the candidates remaining in the election next in order of the voter’s preference is repeated until one candidate has received an absolute majority of votes, whom is then elected.

If, on any count of votes, there are two candidates in, or remaining in, the election and the numbers of votes cast for the two candidates are equal, the candidate whose name is first chosen by lot is taken to have received an absolute majority of votes and is therefore taken to be elected.

If, on any count of votes, there are three or more candidates in, or remaining in, the election and the numbers of votes cast for two or more candidates are equal and those candidates are the ones with the lowest number of votes on the count of the votes, the candidate whose name is first chosen by lot is taken to have the lowest number of votes and is therefore excluded.

Definitions

Absolute majority:	In relation to votes, means a number that is more than one-half of the number of unexhausted formal ballot-papers.
Ballot:	In the context of this type of election has the meaning of a secret ballot.
Chosen by lot:	If two candidates are tied (having equal numbers of votes) their names are written on similar slips of paper by the Returning Officer, the slips are folded by the Returning Officer so as to prevent the candidate names being seen, the slips are mixed and one is drawn at random by the Returning Officer and the candidate whose name is on the drawn slip is chosen.

<u>Timing of Election</u>

The election for Office of Deputy Mayor is to take place at the Council Meeting at which the Council determines the method of voting.

3. Conclusion

The Office of Deputy Mayor is not a mandatory role and Council must resolve to determine whether Council is to hold the Office of Deputy Mayor or otherwise. Council must also determine the method of voting, with the open voting option being recommended.

Key Considerations

4. Financial and Economic Implications

There are no financial or economic implications associated with the role of Deputy Mayor. No additional allowance is payable to a Deputy Mayor.

5. Legislative and Policy Implications

The only legislative power conferred upon the Deputy Mayor in the Local Government Act 1993 is:

231 Deputy mayor

(3) The deputy mayor may exercise any function of the mayor at the request of the mayor or if the mayor is prevented by illness, absence or otherwise from exercising the function or if there is a casual vacancy in the office of mayor.

6. Strategic Context and Implications

There are no strategic context implications associated with the role of Deputy Mayor.

7. Risk and Insurance Implications

The Office of Deputy Mayor provides a mechanism to exercise the functions of the Mayor where the Mayor is prevented by illness, absence or otherwise from exercising the function or if there is a casual vacancy in the office of Mayor. The Office of Deputy Mayor mitigates the risk of Mayoral functions not being able to be carried out under these conditions.

8. Engagement and Consultation

No engagement or consultation has occurred as a result of this report.

9. Civic Leadership

The appointment of a Deputy Mayor strengthens civic leadership by enhancing continuity, representation, and responsiveness. It ensures leadership stability during the Mayor's absence, allowing council functions to proceed without disruption.

Options

Council can determine to create, or not create the Office of Deputy Mayor for a term equal to the Mayoral term or a shorter term. The method of election must also be determined per the options outlined.

Attachments

1. Deputy Mayor Nomination Form

Item: 10.02

Subject: Mid North Coast Joint Organisation Annual Request for Funding

Presented by: Office of the CEO, Robert Fish

Recommendation

That Council:

1. **Authorise payment of the $25,000 annual membership contribution to the Mid North Coast Joint Organisation for the 2025–2026 financial year, consistent with the resolution adopted at the October 2021 Ordinary Council Meeting.**
2. **Note that Council is a statutory member of the Mid North Coast Joint Organisation and cease the requirement to report annually on membership and membership contributions.**

Executive Summary

The purpose of this report is to seek Council's endorsement of the annual membership contribution to the Mid North Coast Joint Organisation (MNCJO) for the 2025-2026 financial year, consistent with the procedure adopted by Council in October 2021.

Council's membership in the MNCJO is statutory, as established under the Local Government Act 1993. Accordingly, the requirement for annual reporting on MNCJO membership and associated contributions, introduced by Council's October 2021 resolution, is considered no longer necessary. This report seeks to confirm Council's statutory position and authorise the annual payment for 2025-2026 and onwards.

Report

1. Background

At the 16 June 2021 Ordinary Council Meeting, Council considered a report providing an overview of the Mid North Coast Joint Organisation and resolved that the Chief Executive Officer:

> *"Provide a report to the October 2021 Ordinary Council Meeting providing information on the financial arrangements with the Mid North Coast Joint Organisation and the mechanism by which the Mid North Coast Joint Organisation can request funding from Council."*

At the October 2021 Ordinary Council Meeting, Council subsequently adopted the following process for the consideration of any funding requests from the MNCJO:

1. The MNCJO is to prepare, in writing, any request for funding addressed to the Chief Executive Officer.
2. Requests for funding are to be received no later than two months prior to funding requirements.
3. The Chief Executive Officer is to present such requests to the next appropriate Council meeting for decision by the elected body.

In accordance with this process, Council has received correspondence from the Executive Officer of the MNCJO (Attachment 1) requesting payment of the $25,000 member contribution for the 2025-2026 financial year.

Given the statutory nature of Council's membership, it is an option and now considered more appropriate to streamline this process. Since Council cannot withdraw from the MNCJO without Ministerial consent, membership contributions represent an ongoing statutory obligation, and there is no legislative requirement for annual Council approval.

2. Discussion

Port Macquarie-Hastings Council is a statutory member of the Mid North Coast Joint Organisation as proclaimed under the Local Government Act 1993. Membership is determined by Governor's Proclamation, and withdrawal requires Ministerial approval.

As such, the arrangement is not discretionary, and Council's financial and governance obligations to the MNCJO continue annually. The Mayor represents Council on the MNCJO Board, actively participating in regional strategic planning, advocacy, and governance matters. The annual membership contribution is set through this collaborative framework to support shared regional priorities.

Recognising the statutory framework, it is proposed that Council cease the requirement for annual reporting on membership and contributions. Instead, the annual payment will be processed as a recurrent operational expense, consistent with Council's long-term financial planning.

3. Conclusion

Council's membership in the MNCJO is statutory and continuing, with withdrawal possible only through Ministerial consent and amendment of the Governor's Proclamation.

Given this status, annual Council resolutions authorising payment of membership contributions are not considered necessary. It is therefore recommended that Council endorse payment of the 2025–2026 contribution and formally note its ongoing statutory obligations as a member of the MNCJO per the proposed recommendation.

Key Considerations

4. Financial and Economic Implications

The $25,000 annual membership contribution is a recurring operational expense already included in Council's adopted budget and Long-Term Financial Plan (LTFP).

No additional financial impact arises from this report.

5. Legislative and Policy Implications

Council's membership in the MNCJO is governed by the Local Government Act 1993.

Membership is statutory, and withdrawal requires Ministerial consent and amendment of the Governor's Proclamation.

There are no additional legislative or policy implications associated with ceasing annual reporting on membership contributions.

6. **Strategic Context and Implications**

The Mid North Coast Joint Organisation supports regional collaboration and strategic planning across member councils. Council's continued participation aligns with the Integrated Planning and Reporting (IP&R) framework, particularly under the Lead Strategy: Civic Leadership and Governance.

The Mid North Coast Joint Organisation contributes to regional priorities that support economic development, infrastructure planning, and intergovernmental coordination, which are consistent with Council's Community Strategic Plan objectives. Membership of the Joint Organisation has recently expanded to include Coffs Harbour City Council and Clarence Valley Council (associate member), strengthening this contribution and advocacy platform.

7. **Risk and Insurance Implications**

There is minimal risk associated with the proposed resolution.

The funding contribution is a known, budgeted expense, and the change simply removes a reporting process that is not considered necessary going forward. Maintaining compliance with statutory obligations mitigates any risk of non-participation or reputational impact.

8. **Engagement and Consultation**

The MNCJO has submitted a written request for the 2025–2026 contribution, in line with prior procedure.

Internal consultation has occurred between the Finance, Governance, and Office of the Chief Executive Officer teams to confirm this approach.

9. **Civic Leadership**

This report reinforces Council's commitment to regional cooperation and strategic alignment.

Confirming the statutory nature of Council's membership supports governance transparency and demonstrates efficient, responsible management of intergovernmental obligations.

Options

1. Adopt the recommendation to authorise the annual payment and formally note the continued statutory nature of membership; or

2. Endorse the 2025-26 membership payment, and continue to receive an annual request and authorise membership payment in accordance with the October 2021 resolution; or

3. Resolve otherwise, noting that Council's membership will remain in effect unless changed by Ministerial action.

Attachments

1. Correspondence - PMHC 2025-26 MNCJO Contribution

Item: 10.03

Subject: **Mayoral Discretionary Fund Allocations - 4 September to 1 October 2025**

Presented by: Office of the CEO, Robert Fish

Recommendation

That Council note the Mayoral Discretionary Fund allocations for the period 4 September to 1 October 2025.

Executive Summary

To advise of the Mayoral Discretionary Fund allocations for the period 4 September to 1 October 2025 inclusive.

Report

1. Background

As per the Mayoral Discretionary Fund Policy, a report is to be presented to each Council Meeting on the allocations from the Mayoral Discretionary Fund.

2. Discussion

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

Item	Amount
Mayoral Morning Tea Reception for Ministers' Fraternal on 05/09/25	$111.55
2026 Gold Sponsorship to the Hastings Education Fund	$1,000.00
2025 Annual Donation to all Local High and Primary Schools in the LGA for End of Year Presentations	$1,455.00
Total allocation	**$2,566.55**

3. Conclusion

This report is presented to Council as per Council's adopted policy.

Key Considerations

4. Financial and 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 2025-2026 Operational budget.

5. Legislative and Policy Implications

There are no legislative implications in relation to this report. The report is provided to Council as per the requirements of the Mayoral Discretionary Fund Policy.

6. Strategic Context and Implications

There are no strategic context implications in relation to this report.

7. Risk and Insurance Implications

There are no risk or insurance implications in relation to this report.

8. Engagement and Consultation

The donations made from the Mayoral Discretionary Fund were approved by the Mayor and the Group Manager Governance.

9. Civic Leadership

The donation made from the Mayoral Discretionary Fund is in accordance with Council's adopted policy.

Options

Council could elect to not adopt the recommendation outlined in the report.

Attachments

Nil

Item: 11.01

Subject: **Status Of Reports From Council Resolutions**

Presented by: Business and Performance, Keith Hentschke

Recommendation

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

Discussion

OCTOBER 2025 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Establishment and Management of Committees Policy	21/08/2025 Item 13.09		A report to Council following public exhibition	DCPE		
Works in Kind Agreement and Developer Works Deed	17/07/2025 Item 13.01		A report to Council following public exhibition	DCPE		
Letter of Offer - Batar Creek Road	20/03/2025 Item 13.05		A further report to council following public exhibition on submissions received.	DCPE		
Planning Agreement Policy	17/07/2025 Item 13.02		A report to Council following public exhibition	DCPE		
NOVEMBER 2025 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
T2025.124 Coastal Management Program (Contracts Awarded under Delegation by the Chief Executive Officer)	21/08/2025 Item 16.03		A report to Council after contract awarded	DBP		

NOVEMBER 2025 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Biodiversity and Land Acquisition for offsets update	20/04/2023 Item 14.02		There is not a single funding approach for these acquisitions as the approach will depend on the size and value of the land and the related project. Accordingly, no date has been provided for a future report at this stage as we have not identified land that we have been able to proceed with.	DCPE		
Biodiversity Committee Charter	17/07/2025 Item 13.09		Policies to be endorsed by council draft Community Engagement Policy and Community Engagement Strategy prior to endorsing the Biodiversity Charter	DCPE		Aug-25
Climate Change and Resilience Committee Charter	17/07/2025 Item 13.10		Policies to be endorsed by council draft Community Engagement Policy and Community Engagement Strategy prior to the establishment of Climate Change and Resilience Committee	DCPE		Aug-25
Annual Financial Statements for the year ended 30 June 2025	18/09/2025 Item 11.04		A report to Council in November 2025 for consideration of the final audited Financial Statements together with Auditor's Report	DBP	Nov-25	

NOVEMBER 2025 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Compliance and Enforcement Education	21/08/2025 Item 13.18		A report to Council on community education initiatives	DCPE	Nov-25	
Sporting Venue Sponsorship Policy	21/08/2025 Item 13.14		A report to Council with a draft Sporting Venue Sponsorship Policy	DCPE	Nov-25	
Mayoral Minute- Funding for Tuffins Lane EIS and Associated Studies	18/09/2025 Item 07.01		A report to Council in November 2025 options to fund preparation of the EIS and development approvals	DCPE	Nov-25	
NOM - NSW Clubgrants	17/07/2025 Item 13.13		A report to council outlining framework or policy	DCPE	Nov-25	
Lake Cathie Foreshore Reserve Master Plan Review	17/07/2025 Item 13.07		A report to Council following public exhibition	DCPE		
Draft Community Inclusion Plan and Disability Inclusion Action Plan 2025-2029	18/09/2025 Item 13.04		A report to Council following public exhibition	DCPE		
Domestic, Family and Sexual Violence Policy	18/09/2025 Item 13.07		A report to Council following public exhibition	DCPE		
Draft Cultural Plan	18/09/2025 Item 13.07		A report to Council following public exhibition	DCPE		
Budget Development Policy	17/04/2025 Item 10.10	Workshop yearly in November 2025		DBP		
Recreation and Open Space Action Plan and Sporting Infrastructure Priorities	21/08/2025 Item 13.15		A report to Council following public exhibition	DCPE		
Friends of Camden Head lookout (Pilot Station)	21/08/2025 Item 13.12	Briefing to be provided to Councillors before end November 2025				

DECEMBER 2025 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Communications Policy	17/04/2025 Item 10.15		Policy review underway, with Executive review in progress in parallel with other strategic communications documents prior to reporting to Council.	DCPE	Jul-25	Jul-25 Aug-25 Dec-25
PP2024.10.1 - Planning Proposal Assessment Report Highway Services Site Oxley Highway, Sancrox. Applicant - Barr Planning Landowner Portcrox Pty Ltd	15/05/2025 Item 13.01		A report to Council following public exhibition	DCPE		
Implementation of the 2025 Authorisation and Delegation from Transport for NSW	18/09/2025 Item 12.02		A report to Council Dec 25 to review the charter of the Local Transport Forum	DCI	Dec-25	

FEBRUARY 2026 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Classification as "Operational" Land - 52 John Oxley Drive, Port Macquarie - post exhibition.	20/06/2018 Item 14.05		Report prepared for October 2025 Ordinary Council meeting to initiate reclassification of the subject property to operational land through public exhibition process.	DCPE		Feb-25

MARCH 2026 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Statement of Business Ethics	16/11/2023 Item 10.20		Na	GMP	2026	
Places to Play Plan Sport Field Facilities Plan	17/07/2025 Item 13.03		A future report to Council - 2025-2026	DCPE	Mar-26	
DECEMBER 2026 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Administering 2028 Local Government Election	NA		NA	GMG	NA	NA
JULY 2027 REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Councillor Numbers for 2028 Local Government Election	NA		NA	GMG	NA	NA
FUTURE REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s for Report**
Flood Policy	21/08/2025 Item 11.13		Receive a revised version of the Draft Flood Policy for consideration of commencement of public exhibition	DCI		
PP2024-13.1 Planning Proposal Assement Report Ocean Drive Lake Cathie	21/08/2025 Item 13.03		A report to Council following public exhibition	DCPE		
House Raising Scheme	21/08/2025 Item 12.01		Provide a future report in alignment with Flood Risk Management Plans	DCI		

FUTURE REPORTS						
Report	**Date and Item of Resolution**	**Councillor Briefing**	**Status**	**Reporting Officer**	**Due Date from Council resolution**	**Previous Anticipated Date/s 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 at a future date with updates provided as part of the Strategic Property Update briefings.	DBP		Nov-23 Mar-24 May-24 Jul-24 Dec-24 Nov-24 Feb-25 Apr-25 May-25
Evaluation and Recommendation For Divestment of Council Land	12/12/2024 Item 14.01		A future report to a future Ordinary Council Meeting on the Sale	DBP		
Hastings River Flood Study Extension	19/06/2025 Item 12.01		A report to Council following public exhibition	DCI		
Kendall community Op Shop Parking	1707/2025 Item 12.02		Further analysis to be reported back to future council meeting			
NSW National Parks and Wildlife Services Land Revocation	15/08/2024 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.	DCI		
Pilot Training and Aircraft noise - Fly Neighbourly Agreement	17/07/2025 Item 11.11		Future report to council following the extension of the four-year period	DBP	Jul-29	

Cyclic Report	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		Every		
Recreation and Open Space Action Plan – Status/Review	DCPE	Annually	February		Draft endorsed for public exhibition - Aug-25
Draft Community Strategic Plan (following Council Election)	DBP	4 Years	March		
Grant Funding Opportunities (for inclusion in the 2025-2026 Operational Plan)	DCPE	Quarterly	Feb, Apr, July, Oct		
Friends of 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	Feb, Apr, Jun, Aug and Sep.		
Contracts Awarded under Delegation by the Chief Executive Officer	DBP	Quarterly	Feb, May, Aug, Nov		
Development Activity and Assessment System Performance	DCPE	Quarterly	Feb, May, Aug, Nov		
Quarterly Budget Review Statement	DBP	Quarterly	Feb, May, Aug, Nov		
Hastings River Flood Study Extension	DCI	Quarterly	Feb, May, Aug, Nov		
Community Inclusion Plan - Update of Tasks, Measures and Actions	DCPE	Biannual	Feb, Aug		
Glasshouse Strategic Plan Update	DBP	Biannual	Feb, Aug		
Legal Fees - Update Report (19/09/18 - Item 09.16)	CEO	Biannual	Feb, Aug		
Grant Application Biannual Report (16/02/23 - Item 11.05) (21/08/19 - Item 11.02)	DCPE	Biannual	Feb, Aug		
2022-2026 Delivery Program - Six Monthly Progress	DBP	Biannual	Feb, Aug		
Hastings Youth Voice Review - Six Monthly Progress	DCPE	Biannual	Apr, Oct		

Cyclic Report	Reporting Officer	Reporting Cycle	Month	Altered Report Date	Reason for Altered Date
Major Events Grants Round 1 Round 2	DCPE	Biannual	Apr, Sept		
Operational Plan – Quarterly Progress and Quarterly Budget Review combined report	DBP	Quarterly	May, Nov (other 2 quarters reported with DP 6 monthly progress report)		
Mayoral and Councillor Fees (Setting of)	CEO	Annually	May		
General Fund Operating Performance	CEO	Biannual	Jun, 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		
Draft Delivery Program (Incl Draft Integrated Planning and Reporting)	DBP	Annually	Jun		
Draft Resourcing Strategy (FP) (Incl Draft Integrated Planning and Reporting)	DBP	Annually	Jun		
Community Strategic Plan (following Council Election) (Incl Draft Integrated Planning and Reporting)	DCPE	4 Years	Jun		
Draft Community Engagement Strategy (Following Council Election)	DCPE	4 Years	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		
Chief Executive Officer's Performance Review	CEO	Annually	Aug		
Annual Drinking Water and Recycled Water Reports	DCU	Annually	Aug	December	Delayed due to waiting for data from external sources
Cultural Plan 2021 - 2025: Implementation and evaluation of actions undertaken (04/08/2021 - Item 10.01)	DCPE	Annually	Aug		
Living and Place Strategy, Affordable Housing Plan update on actions (20/03/2025 - Item 13.04)	DCPE	Annually	Aug		
Stormwater Strategic Action Plan	DCI	Annually	Aug (Commencing 2026)		
Affordable Housing Plan and Local Housing Delivery Plan	DCPE	Annually	Aug		

Cyclic Report	Reporting Officer	Reporting Cycle	Month	Altered Report Date	Reason for Altered Date
Audit, Risk and improvement Committee Annual Report	CEO	Annually	Sep	Nov	Chairperson's report received 3 October 2025. In accordance with OLG Guidelines, the General Manager is to develop an action plan to address issues identified in the chairperson's report prior to the report being considered by Council.
Integrated Transport Plan Reporting (20/03/2025 Item 12.02)	DCI	Annually	Sep		
Annual Disclosure of Interest Returns	CEO	Annually	Oct		
Professional Development of Councillors (15/09/2021 - Item 09.07)	CEO	Annually	Oct	Nov	
Opportunity for Local Firms to do Business with Port Macquarie-Hastings Council - Including: 1. Draft Procurement Strategy 14/11/24 - Item 10.21 2. Local Content Strategy Outcomes (*Previously: Local Preference Policy Outcomes*)	DBP	Annually	~~Oct~~	Nov	The deferral is due to the unavailability of key staff whose input and endorsement are required before report can be finalised
Election of Deputy Mayor	CEO	Annually	Oct		
Councillor Attendance at Meetings 14/11/24 - Item 10.04	DBP	Annually	Oct		
Budget Development Policy 17/04/2025 Item 10.10	DBP	Annual Workshop	Nov		
Council Meeting Dates	CEO	Annually	Nov		
Legislative Compliance Register	CEO	Annually	Nov		
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		
State of Our Region (Following Council Election)	DBP	4 Years	Nov		
Code of Conduct Complaints Annual Report	CEO	Annually	Dec		

Attachments

Nil

Item: 11.02

Subject: Disclosure Register - Annual Returns 2024-2025

Presented by: Business and Performance, Keith Hentschke

Recommendation

That Council:

1. **Note the information in the Disclosure Register for 2024-2025.**
2. **Note that the Chief Executive Officer determines Designated Persons of the organisation under delegation.**
3. **Note that a further report(s) will be presented to an Ordinary Council Meeting tabling the outstanding Annual Disclosure Returns as detailed in this report.**

Executive Summary

Council's Code of Conduct requires the Chief Executive Officer to keep a register of disclosure returns and table the returns at the first Council meeting after 30 September each year.

The Disclosure Register is a public register and can be accessed by members of the public, by appointment or on Council's website.

Report

1. Background

Council's Code of Conduct requires the Chief Executive Officer to keep a register of disclosure returns and table the returns at the first Council meeting after 30 September each year.

2. Discussion

Clause 4.21 of Council's Code of Conduct requires Councillors and Designated Persons to submit a disclosure return on an annual basis and lodge it with the Chief Executive Officer within 3 months after 30 June each year.

Clause 4.24 requires the 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.

Clause 4.23A to 4.23D of Council's Code of Conduct require circumstances to be reported to Council where a staff member has failed to submit a return within the required timeframes following multiple reminders or if a return has been submitted with visibly incomplete information. I can confirm that no such instances have occurred regarding the subject returns.

A review of Designated Persons has been completed and all disclosure returns for the period 1 July 2024 to 30 June 2025 have been lodged and will be tabled, by the Chief Executive Officer, when this report is dealt with by Council.

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.

As new positions are established, or position titles and responsibilities change, or positions become obsolete, it is necessary to review the list of Council positions which are Designated Persons. This is carried out under the delegated authority to the Chief Executive Officer.

Outstanding Annual Disclosure Returns

At the time of writing this report the following Annual Disclosure Returns are outstanding:

- Building Surveyor (Currently on extended leave returning January 2026. This outstanding return will be submitted following their return to work)
- Senior Plumbing and Drainage Officer (Submitted by due date however a correction has been recommended and as the subject staff member is currently on leave it will be reported to Council at the first opportunity following their return to work)
- Project Manager (the subject staff member is currently on leave and it will be reported to Council at the first opportunity following their return to work)

3. Conclusion

Council's Code of Conduct requires the Chief Executive Officer to keep a register of disclosure returns and table the returns at the first Council meeting after 30 September each year. This report satisfies this requirement.

Key Considerations

4. Financial and Economic Implications

There are no financial and economic implications arising from this report.

5. Legislative and Policy Implications

Clause 4.21 of Council's Code of Conduct requires Councillors and Designated Persons to submit a disclosure return on an annual basis and lodge it with the Chief Executive Officer within 3 months after 30 June each year.

Clause 4.24 requires the 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.

6. Strategic Context and Implications

There are no strategic context or implications arising from this report.

7. Risk and Insurance Implications

The annual returns ensure compliance with the *Model Code of Conduct* and the *Local Government Act 1993 (NSW)*, reducing the risk of breaches.

Transparent disclosures promote ethical leadership and accountability, helping protect the council's reputation from allegations of bias, favouritism, or corruption.

8. Engagement and Consultation

No engagement or consultation has occurred in the preparation of this report

9. Civic Leadership

Disclosures help identify potential conflicts early whether financial, personal, or professional allowing councils to manage or avoid situations that could compromise decision-making or public trust.

Annual disclosures reinforce a culture of honesty and ethical behaviour, encouraging staff and Councillors to act in the public interest and remain vigilant about their obligations.

Options

This report is for notation only.

Attachments

Nil

Item: 11.03

Subject: **Disclosure of Interest Return - Designated Persons**

Presented by: Business and Performance, Keith Hentschke

Recommendation

That Council note the Disclosure of Interest Return for the following position:

- **Environmental Health Officer - Community Planning and Environment**

Executive Summary

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

The return for the abovementioned position will be tabled at this meeting.

Report

1. Background

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

Environmental Health Officer

Clause 4.23A to 4.23D of Council's Code of Conduct require circumstances to be reported to Council where a staff member has failed to submit a return within the required timeframes following multiple reminders or if a return has been submitted with visibly incomplete information. I can confirm that no such instances have occurred regarding the subject returns.

2. Discussion

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.

3. Conclusion

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.

Key Considerations

4. Financial and Economic Implications

There are no financial or Economic Implications

5. Legislative and Policy Implications

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

6. Strategic Context and Implications

There are no Strategic Context and Implications

7. Risk and Insurance Implications

The failure of Councillors or Designated Persons to complete the returns as required under the Council's Code of Conduct could increase the risk of fraud or conflicts of interest. The public declaration of a designated person's interests provides oversight and informs the public of possible interests that that may exist in that designated persons work and personal environments.

8. Engagement and Consultation

- Group Manager Governance.
- Acting Chief Executive Officer.

9. Civic Leadership

There are no Civic Leadership implications

Options

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

Attachments

Nil

Item: 11.04

Subject: **Councillor Attendance at Meetings November 2024 - September 2025**

Presented by: Business and Performance, Keith Hentschke

Recommendation

That Council note the information provided within this report.

Executive Summary

At the November 2024 Ordinary Council meeting, Council resolved to receive an annual report indicating the number of Council meetings and other specific meetings attended by Councillors throughout the term of Council. This report provides this information.

Report

1. Background

At the November 2024 Ordinary Council meeting, Council resolved:

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, Extraordinary Meetings, Pre-Council Briefings and the number of Public Forums each Councillor has attended.

As this report was the result of the November 2024 Ordinary Council meeting, attendance is not available for October or November 2024 for Pre-Council Briefings and the number of Public Forums as attendance was not recorded at this time for these meetings.

2. Discussion

As mentioned previously, this report is the result of a resolution of Council from November 2024.

As this report was the result of the November 2024 Ordinary Council meeting, attendance is not available for October or November 2024 for Pre-Council Briefings and the number of Public Forums as attendance was not recorded at this time for these meetings.

With regard to the data recorded below, the following points are noted:

- The data presented reports that a Councillor attended a meeting, even where they left the meeting before it concluded.
- Pre-Council Meeting Briefings did not occur following February 2025, which explains why there are so few to report on.
- The maximum number of events for each category is indicated in the header of the table.
- There was no Ordinary Council meeting held in January 2025.
- All instances of non-attendance at Ordinary and Extraordinary Council Meetings were accepted as apologies by resolution of Council.

The information required from this resolution in included below:

Councillor	Number of Ordinary Council Meetings (Max No. 11)	Number of Extraordinary Council Meetings (Max No. 1)	Number of Public Forums (Max No. 9)	Number of Pre-Council Meeting Briefings (Max No. 2)
Mayor Roberts	11	1	9	0
Councillor Edwards	11	1	9	2
Councillor Hornshaw	10	1	8	2
Councillor Intemann	11	0	9	2
Councillor Kirkman	11	1	9	2
Councillor Lipovac	11	1	9	2
Councillor Maltman	8	1	7	2
Councillor Sheppard	11	1	9	2
Councillor Tubman	11	1	9	2

3. Conclusion

This information is provided for the information of Council.

Key Considerations

4. Financial and Economic Implications

There are no financial or economic implications arising from this report.

5. Legislative and Policy Implications

This report is the outcome of a Council resolution from the November 2024 Ordinary Council meeting.

6. Strategic Context and Implications

There are no strategic context implications arising from this report.

7. Risk and Insurance Implications

There are no risk or insurance implications arising from this report.

8. Engagement and Consultation

No engagement or consultation has occurred in developing this report.

9. Civic Leadership

This report provides transparency to Councillors and ratepayers and indicates the number of meetings attended by Councillors throughout the period.

Options

This report is provided for information only.

Attachments

Nil

Item: 11.05

Subject: **Draft Code of Meeting Practice and Draft Public Forum Rules**

Presented by: Business and Performance, Keith Hentschke

Recommendation

That Council:

1. **Note that pursuant to section 361(3) of the Local Government Act 1993, the draft Code of Meeting Practice place must be placed on public exhibition for a period of not less than of 28 days.**
2. **Note that pursuant to section 361(4) of the Local Government Act 1993, Council must accept submissions on the draft Code of Meeting Practice, for a period of not less than 42 days.**
3. **Place the draft Code of Meeting Practice, as attached as Attachment 1, on public exhibition for a period of 42 days.**
4. **Place the draft Public Forum Rules, as attached as Attachment 2, on public exhibition for a period of 28 days.**
5. **Note that a further report will be presented at the December 2025 Ordinary Council meeting, detailing the submissions received during the exhibition period for both the draft Code of Meeting Practice and draft Public Forum Rules.**

Executive Summary

Councils were notified by way of an Office of Local Government Circular (No 25-20) dated 29 August 2025 that a new Model Code of Meeting Practice had been released. This had followed a consultation period conducted by the Office of Local Government that commenced 17 December 2024 and concluded 28 February 2025.

Councils must adopt a code of meeting practice that incorporates the mandatory provisions of the 2025 Model Meeting Code no later than 31 December 2025.

Transitional provisions in the Regulation will provide that if a council does not adopt a code of meeting practice that incorporates the mandatory provisions of the 2025 Model Meeting Code by 31 December 2025, from 1 January 2026, any provision of the council's code of meeting practice that is inconsistent with a mandatory provision of the 2025 Model Meeting Code will be automatically overridden by the relevant mandatory provision of the 2025 Model Meeting Code.

The Model Code of Meeting Practice now allows councils to determine the rules under which public forums are to be conducted and when they are to be held. It is noted that under the provisions of the new Model Code of Meeting Practice, public forums can no longer be held during a Council meeting. Draft Public Forum Rules have been developed and are attached as Attachment 2 to this report. It is proposed that the draft rules be publicly exhibited for 28 days with a further report to come back to the December 2025 Ordinary Council meeting for Council's consideration.

Under section 361 of the Local Government Act 1993 (the Act), before adopting a new code of meeting practice, councils must first exhibit a draft of the code of meeting practice for at least 28 days and provide members of the community at least 42 days in which to comment on the draft code.

The draft Code of Meeting Practice as attached as Attachment 1 is the new Model Code of Meeting Practice with several clauses recommended for inclusion by Council that are not inconsistent with the Model Code.

It is proposed that the draft Code of Meeting Practice (Attachment 1) be publicly exhibited for 42 days (Local Government Act 1993 section 361(3)) and that Council accept submissions from the public for the required 42 day period (Local Government Act 1993 section 361(4)) before further considering the public submissions at the December 2025 Ordinary Council meeting.

Report

1. Background

Council recently adopted its Code of Meeting Practice in August 2025 as required to do within 12 months of the most recent Local Government election held September 2024.

Councils were subsequently notified by way of an Office of Local Government Circular (No 25-20) dated 29 August 2025 that a new Model Code of Meeting Practice had been released. This had followed a consultation period conducted by the Office of Local Government that commenced 17 December 2024 and concluded 28 February 2025.

Councils must now adopt a code of meeting practice that incorporates the mandatory provisions of the 2025 Model Meeting Code no later than 31 December 2025.

2. Discussion

Council is required to adopt a Code of Meeting Practice by 31 December 2025. The Office of Local Government (the Office) advised on 29 August 2025 that it has released a new Model Code of Meeting Practice and requires Council to adopt a Code of Meeting Practice consistent with this model code by 31 December 2025.

Some of the key changes to the Model Code of Meeting Practice include:

- The Mayor may now call an extraordinary meeting without the need to obtain the signature of two Councillors.
- The 2025 Model Meeting Code prohibits briefing sessions being held to brief Councillors on business listed on the agenda for meetings of the Council or committees of the Council.
- The prohibition on briefing sessions does not prevent a Councillor from requesting information from the General Manager about a matter to be considered at a meeting, provided the information is also available to the public. The information must be provided in a way that does not involve any discussion of the information.

- The public forum cannot be held during a Council meeting and must be held prior to a Council meeting.
- Councils are free to determine the rules under which public forums are to be conducted and when they are to be held. The Office will be issuing model best practice public forum rules that councils may use.
- Public forums must be livestreamed.
- The provisions governing attendance by Councillors at meetings by audio-visual link have been made mandatory and the option to attend meetings by audio-visual link has been restricted to where Councillors are prevented from attending a meeting in person because of ill-health or other medical reasons or because of unforeseen caring responsibilities.
- The restrictions on mayoral minutes under the previous code have been removed. A mayoral minute may be put to a meeting without notice on any matter or topic that the mayor determines should be considered at the meeting.
- Councils will no longer have the option of reducing the duration of speeches to less than 5 minutes. However, councils continue to have other options to expedite business at meetings such as moving that a motion be put where the necessary conditions have been satisfied and to resolve to deal with items by exception.
- Councils will be required to determine on the adoption of the new code and at the commencement of each council term, whether to authorise the person presiding at a meeting to exercise a power of expulsion.
- Members of the public can be expelled from meetings for engaging in disorderly conduct. Disorderly conduct includes:
  - speaking at meetings without being invited to,
  - bringing flags, signs or protest symbols to meetings,
  - disrupting meetings,
  - making unauthorised recordings of meetings.

A workshop was conducted with Councillors on 25 September 2025 to discuss the changes included in the Model Code of Meeting Practice. Councillors made several comments on certain areas of the draft Code of Meeting Practice at the workshop requesting amendments or considerations to how they should be addressed in Council's Code of Meeting Practice. Any proposed changes as a result of this workshop were sent to Councillors on Friday 26 September 2025. No comments received by Councillors on the draft amendments by Thursday 2 October as requested.

Amendments made to the draft Code of Meeting Practice as a result of the workshop include:

- Whether a point of order can be made against the meeting principles. It was noted that the previous model code of meeting practice specifically included a clause to indicate that points of order could not be made against adhering to the meeting principles. This has been removed from the new model code of meeting practice. Councillors had varying views regarding whether to include this as a supplementary clause or not. It has been included as a note in the draft Council Code of Meeting Practice as this was the previous practice.

- Supporting information being included with Notices of Motion. Councillors expressed that Notices of Motion submitted by Councillors should be accompanied by comments to assist in decision making regarding the motion. This has been included in the draft Code of Meeting Practice. It has also been specified that this supporting information must be provided by the closing time of the notice of motion lodgement.
- Questions with Notice. Several changes have been made to the questions with notice process including removing the proposed response orally at the meeting and whether additional questions are permitted.
- Where funding sources are required to be provided to support the implementation of a motion, nothing in the draft code prevents Councillors requesting assistance from staff to identify appropriate funding sources for Council's consideration.
- Power of expulsion. Councillors discussed and agreed that it is appropriate that the chairperson has the power of expulsion to expel any person (including members of the public and Council staff), with the exception of Councillors, from a meeting of Council due to disorder. Councillors can only be expelled by Council resolution.
- Protest symbols. The new model Code of Meeting Practice, through a mandatory clause, prohibits flags, signs or protest symbols to a Council meeting. Some additional words have been added for clarity.
- Tabling of documents. Several supplementary clauses have been added regarding the management of documents requested to be tabled. Additional wording has been added as a note to remind Councillors that an adjournment may be moved if they require additional time to inspect the proposed documents to be tabled before making a decision.

The draft Code of Meeting Practice is attached as Attachment 1 with several clauses recommended for addition by Council that are not inconsistent with the Model Code.

The Model Code of Meeting Practice now allows councils to determine the rules under which public forums are to be conducted and when they are to be held. It is noted that under the provisions of the new Model Code of Meeting Practice, public forums can longer be held during a Council meeting. Draft Public Forum Rules have been developed and are attached as Attachment 2 to this report. It is proposed that the draft rules be publicly exhibited for 28 days with a further report to come back to the December 2025 Ordinary Council meeting for Council's consideration.

3. Conclusion

It is proposed that the draft Code of Meeting Practice (Attachment 1) be publicly exhibited for 42 days (Local Government Act 1993 section 361(3)) and that Council accept submissions from the public for the required 42 day period (Local

Government Act 1993 section 361(4)) before further considering the public submissions at a future Council meeting in December 2025.

It is further recommended that the draft Public Forum Rules be exhibited for 28 days with a further report to come back to the December 2025 Ordinary Council meeting for Council's consideration.

Key Considerations

4. Financial and Economic Implications

There are no financial or economic implications arising from this report.

5. Legislative and Policy Implications

Councils were notified of an Office of Local Government Circular (No 25-20) dated 29 August 2025 that a new Model Code of Meeting Practice had been released. This had followed a consultation period conducted by the Office of Local Government that commenced 17 December 2024 and concluded 28 February 2025.

Councils must adopt a code of meeting practice that incorporates the mandatory provisions of the 2025 Model Meeting Code no later than 31 December 2025.

A draft Code of Meeting Practice must be publicly exhibited for not less than 28 days (Local Government Act 1993 section 361(3)) and Council must accept submissions from the public for a required minimum 42 day period (Local Government Act 1993 section 361(4)) before further considering the public submissions at a future Council meeting.

6. Strategic Context and Implications

There are no strategic context implications arising from this report.

7. Risk and Insurance Implications

Transitional provisions in the Regulation will provide that if a council does not adopt a code of meeting practice that incorporates the mandatory provisions of the 2025 Model Meeting Code by 31 December 2025, from 1 January 2026, any provision of the council's code of meeting practice that is inconsistent with a mandatory provision of the 2025 Model Meeting Code will be automatically overridden by the relevant mandatory provision of the 2025 Model Meeting Code.

It should be noted that a failure to adopt this draft code for public exhibition will result in statutory timeframes not being met in accordance with the truncated timeframes as specified by the Office of Local Government.

8. Engagement and Consultation

It is proposed that the draft Code of Meeting Practice be publicly exhibited for 42 days (Local Government Act 1993 section 361(3)) and that Council accept submissions from the public for the required 42 day period (Local Government Act 1993 section 361(4)).

The draft Public Forum Rules is also recommended to be exhibited for 28 days in conjunction with the draft Code of Meeting Practice.

It is proposed that following exhibition, a report be further considered by Council at its December 2025 Ordinary Council meeting for further consideration. Pending submissions received and acknowledging the timing of the December 2025 Ordinary Council meeting business paper publishing, there may be a possibility of the need for a late report to that meeting and in order to meet the requirement to adopt by 31 December 2025.

9. Civic Leadership

The Code of Meeting Practice is a set of rules and guidelines for how Council and certain committees of Council (where all members are Councillors) should conduct their meetings. It ensures meetings are fair, organised, accessible, and transparent.

Options

Council has a number of options in determining this matter. Council may resolve to:

- Place this draft Code of Meeting Practice on exhibition for public comment for a further report to come to Council following the exhibition period; or
- Place an amended draft Code of Meeting Practice on exhibition for public comment for a further report to come to Council following the exhibition period

Attachments

1. Draft Code of Meeting Practice
2. Draft Public Forum Rules

Item: 11.06

Subject: Council Loan Funding - September 2025

Presented by: Business and Performance, Keith Hentschke

Recommendation

That Council note the Loan Funding report for September 2025.

Executive Summary

This report provides a detailed analysis of Port Macquarie-Hastings Council's debt funding position as at 30 September 2025, with a focus on recent and planned borrowings to support major infrastructure delivery. In line with the 2025–2035 Long-Term Financial Plan (LTFP), Council's borrowing strategy is designed to fund significant capital works while maintaining flexibility in the use of internal reserves.

Council's loan program presented as a stand-alone report, reflects its growing significance in financing critical projects. The use of borrowings is a key enabler for progressing major works such as the Cowarra Water Treatment Plant, Thrumster Sewerage Treatment Plant, and the Ocean Drive Upgrade.

In June 2025, Council undertook new borrowings totalling $50.71 million, directed toward priority infrastructure to meet future community needs and service demands. While these borrowings are essential for advancing long-term strategic objectives, they also increase Council's debt servicing obligations, requiring ongoing monitoring to ensure fiscal sustainability.

The current debt profile highlights a strategic funding approach toward structured, project-specific financing as a core element of Council's long-term financial management. Careful alignment of borrowing levels with the LTFP will be critical to balancing infrastructure investment ambitions with the prudent management of future repayment commitments.

Report

1. Loan Portfolio Overview by Fund (as at 30 September 2025)

The following table presents the loan balances, repayments and monthly interest expense as of 30 September 2025 for the 2025-2026 financial year.

Fund	Amount Borrowed	Outstanding Balance	Weighted Average Interest Rate	Accrued Interest for Month	Remaining Repayments FYTD
General	65,385,170	57,066,612	5.50%	259,695	5,039,998
Water	-	-	-	-	-
Sewer	2,000,000	1,986,440	5.70%	9,370	126,181
Waste	1,500,000	174,074	3.44%	492	178,582
Total	**68,885,170**	**59,227,126**		**269,557**	**5,344,761**

2. Link to Long Term Financial Plan and 2025-2026 Proposed Borrowings

The Council's Long-Term Financial Plan (LTFP) outlines a progressive drawdown of Water and Sewer Fund reserves through to 2035. Structured borrowings are incorporated within the plan to preserve internal liquidity and align debt financing with the delivery milestones of key infrastructure, including:

- Cowarra Water Treatment Plant
- Thrumster Sewerage Treatment Plant

This milestone-based borrowing strategy is intended to minimise interest expense, optimise cash flow timing, and maintain continuity in infrastructure delivery and essential services.

The following table, Proposed Borrowings by Fund – 2025–2026 to 2030–2031, presents Council's planned loan funding as identified in the adopted 2025–2026 Operational Plan and the 2025–2035 Long-Term Financial Plan. The proposed borrowings are shown by fund and reflect Council's forward funding strategy to deliver major infrastructure programs. No new borrowings are planned beyond the 2030–2031 financial year.

These borrowings are intended to support the delivery of strategic infrastructure; however, Council has not yet formally resolved to proceed with the debt arrangements. Borrowings attributed to the Water and Sewer Funds remain subject to further review, including completion of the exploratory phase of relevant procurement processes and a future formal recommendation to Council endorsing both a preferred supplier and a financing approach.

Any changes to the proposed borrowing schedule will be included in future updates of the Long Term Financial Plan.

Proposed Borrowings by Fund and financial year (2025–2026 to 2030–2031)

Project	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
General Fund					
Rehabilitation of Priority Bridges - Limeburner's Creek Bridge	1,600,000				
Hastings River Drive-Land Acquisition	203,000				
Kindee Bridge - Critical Maintenance	1,200,000				
Lake Road Duplication - Ocean-Chestnut-Design and Approval	285,000				
West Port (Buller Street) Flood mitigation works	1,600,000				
Ocean Drive-Matthew Flinders to Greenmeadows Construction	14,000,000				
PMQ Airport - Biodiversity Certification	2,600,000				
Sesqui and Lake Cathie Bridge-Complete maintenance	900,000				
Settlement Shores Canal Replenishment-Reinstate to Base state		3,500,000			
Port Macquarie/Wauchope Depot - Construction		1,126,780	5,553,560	4,777,830	2,841,230
Beechwood Road Upgrade Stage 6 - High Priority Maintenance		3,800,000			
	22,388,000	**8,426,780**	**5,553,560**	**4,777,830**	**2,841,230**
Water Fund					

Project	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Cowarra Water Scheme-Construction		8,200,000	23,000,000	28,800,000	
	-	**8,200,000**	**23,000,000**	**28,800,000**	**-**
Sewer Fund					
Thrumster WWTP Scheme-Construction	6,200,000	48,300,000	33,000,000	33,000,000	
	6,200,000	**48,300,000**	**33,000,000**	**33,000,000**	**-**
Grand Total	**28,588,000**	**64,926,780**	**61,553,560**	**66,577,830**	**2,841,230**

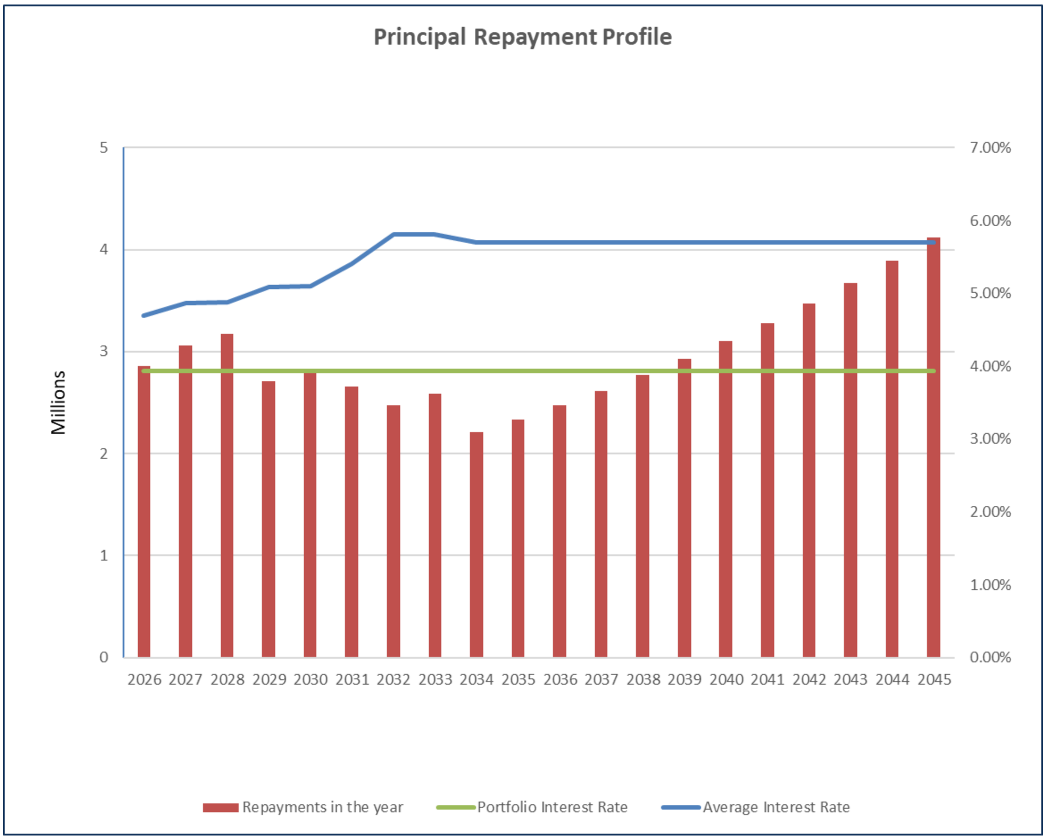
3. Treasury Strategy and Risk Management

Council's treasury strategy continues to reflect prudent risk management, including:

- Structuring of loans to smooth future repayment obligations.
- Use of fixed-rate instruments to mitigate interest rate volatility.
- Recognition that future borrowings may incur higher interest costs due to current and forecasted monetary conditions.

This approach supports a stable funding base and financial predictability over the long term.

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



4. Net Financial Position

While Council's net investment position remains positive, increasing debt levels and declining interest income highlight growing financial challenges. From 2026 to 2029, total borrowings are projected to rise from $103 million to $275 million, while total investments decline from $371 million to $254 million.

Over the same period, net monthly interest income (interest on investments less interest on loans) is projected to reduce from a revenue of $3.5 million in 2026 to $0.7 million in 2029. This trend indicates a narrowing interest gap, driven by declining investment returns as current reserves reduce and an increase in interest expense as projected borrowings are drawn down.

In a context of sustained economic uncertainty, rising debt service costs, and constrained revenue growth, Council must closely monitor its financial strategy to preserve liquidity and mitigate long-term risk to fiscal sustainability.

Net Financial Position	**2026**	**2027**	**2028**	**2029**
Total Investments	371,325	270,136	228,685	254,047
Total Borrowings	99,838	160,658	216,036	274,954
Net Investment Position	**271,487**	**109,478**	**12,649**	**-20,907**
Interest Received	-6,614	-7,103	-6,875	-6,758
Interest Paid	3,144	5,801	6,008	6,044
Net Monthly Interest Income	-3,470	-1,302	-867	-714

5. Legislative and Policy Implications

- Local Government Act 1993 (NSW)
- Local Government (General) Regulation 2021
- Ministerial Investment Order
- Council's adopted Investment Policy

6. Strategic Context and Implications

This report aligns with the Integrated Planning and Reporting Framework (IP&R), supporting financial sustainability objectives outlined in the Long-Term Financial Plan and Resourcing Strategy (2025-2035).

7. Risk and Insurance Implications

Borrowing decisions are undertaken within a comprehensive risk management framework designed to protect Council's long-term financial position. The loan portfolio is structured with a diversified maturity profile to avoid concentration risk and to smooth repayment obligations over time. Council remains exposed to ongoing risks from interest rate volatility and broader market uncertainty, with rising borrowing costs being closely monitored. Conservative credit exposure limits and adherence to legislative and policy requirements form key safeguards within this framework.

8. Engagement and Consultation

Council engages with a broad panel of financial institutions to ensure competitive borrowing terms and market diversity. Multiple quotes are obtained for each loan facility in accordance with procurement and treasury management protocols.

Internal consultation includes finance, infrastructure, and strategic planning teams to ensure that borrowing aligns with the timing and scope of approved capital projects, and that debt drawdowns are synchronised with project milestones.

9. Civic Leadership

Council's borrowing strategy seeks to balance the delivery of essential infrastructure with responsible fiscal management. While debt funding is an important enabler of major projects, Council remains committed to ensuring that all financing arrangements are transparent, compliant, and consistent with long-term community and service delivery priorities.

Options

This is an information report only.

Attachments

1. Loan Repayments for Financial Year 2025-2026

Item: 11.07

Subject: **Monthly Budget Review - September 2025**

Presented by: Business and Performance, Keith Hentschke

Recommendation

That Council:

1. **Adopt the adjustments in the September 2025 Adjustments section of the Monthly Budget Review – September 2025 report and associated attachment.**
2. **Amend the 2025-2026 Operational Plan to include all budget adjustments approved in this report.**

Executive Summary

For the 2025–2026 financial year, Council adopted a budget that was balanced in funding terms. In line with the Budget Development Policy, however, the emphasis is now placed on the operating result, which provides a clearer measure of the organisation's underlying financial sustainability.

The September 2025 Monthly Budget Review indicates that the consolidated operating result remains at a deficit of $7.9 million. This represents a modest worsening from the position at adoption, largely reflecting the incorporation of carry overs and prior month variations.

The adjustments set out in this report have been made in accordance with Council's long-term financial sustainability principles and maintain transparency in reporting changes to the operating position.

Report

1. Background

Council's adopted 2025–2026 budget provides for a consolidated operating deficit of $6.6 million. The operating results by fund are:

- General Fund ($21.4) million
- Water Fund $5.4 million
- Sewer Fund $6.7 million
- Waste Fund $2.7 million
- Consolidated ($6.6) million

In line with Council's Budget Development Policy, the emphasis has shifted from balancing cash flows to actively managing the operating result as a measure of sustainable service delivery. This policy change highlights the longer-term implications of operational decisions, moving the focus beyond short-term cash neutrality.

The most significant pressure lies within the General Fund, where a deficit of $21.4 million reflects that operational expenditure continues to exceed revenue. This persistent imbalance underscores the need for ongoing corrective strategies to restore financial sustainability. By contrast, the Water, Sewer, and Waste Funds deliver positive results, providing some offset to the overall deficit position.

2. Discussion

The September 2025 budget review confirms that while the funding balance remains unchanged, the overall operating result continues to reflect a deficit. The General Fund remains the primary contributor to this shortfall, while the Sewer, Waste, and Water Funds are maintaining their forecast surpluses.

Adjustments – September 2025

- Strategic Land Use Planning Contractor: ($220,762)
- Community Recovery Support Fund ($500,000)
- Reserve Transfers
    - Westport (Buller Street) Flood Mitigation Works: ($97,490)
    - Limeburners Creek Bridge: ($200,000)

The above adjustments are summarised below.

Strategic Land Use Planning Contractor

This Budget Variation Request (BVR) seeks approval to reallocate $220,762 from operational expense savings within Salaries & Wages to fund contractor payments. These savings arise from vacancies within the Strategic Land Use Planning team, which are expected to remain unfilled until 30 June 2026.

Engaging a contractor will allow Council to continue progressing planning proposals while addressing both legal and reputational risks. The arrangement ensures that Council meets its legislative obligations, with contractors engaged on a performance basis and remunerated only for work completed to the satisfaction of Council staff and management. The risks associated with this approach are considered manageable and provide a practical means of mitigating existing pressures.

As this request represents a transfer of identified savings, there is no impact on the operating deficit.

Community Recovery Support Fund

This project addresses make-safe works required due to a landslip affecting a section of the elevated coastal walkway between Town Beach and Oxley Beach, Port Macquarie. The damage occurred during the AGRN1212 NSW East Coast Severe Weather Event (May 2025 Flood), rendering the popular walkway unsafe for public use and necessitating its closure.

These works will restore the integrity of the damaged asset, ensuring the safety and functionality of the coastal walkway. The remediation will enable the reopening of this well-used public space, reinstating coastal amenity.

It is proposed that this project is funded from the Environment and Community Infrastructure levy reserve, with possible reimbursement from NSW Public Works.

Reserve Transfers

A portion of the loan funds raised in the 2024–25 financial year for the Westport Flood Mitigation and Limeburners Creek Bridge projects remained unspent and were subsequently allocated to Council's Loan Reserve. Following internal consultation, it has been confirmed that the planned borrowings for 2025–26 for these projects can be reduced by the value of the unspent amounts.

Accordingly, it is recommended that loan funding for these projects be reduced by $97,490 and $200,000 respectively. These project components will instead be funded internally through Council's Unspent Loan Reserves.

Additional accounting adjustments and project reallocations were processed in September 2025 without affecting the balanced funding position. The detailed reconciliation of all variations is provided in Attachment 1, which aligns with the Forecast Budget Statement for the year ending 30 June 2026.

Attachment 2 sets out the budgeted 2025–2026 Operating Result, along with the impacts of the approved variations and the monthly budget adjustments outlined in this report. The following table provides an abridged analysis of the impacts on Monthly Budget adjustments on each fund.

Fund	Budgeted Operating Result $000	Approved Variations $000	Monthly Budget Adjustment $000	Forecast Operating Result $000
General Fund	-21,402	-1,295	-	-22,697
Water Fund	6,682	-	-	6,682
Sewer Fund	2,731	-	-	2,731
Waste Fund	5,359	-	-	5,359
Consolidated	**-6,630**	**-1,295**	**-**	**-7,925**

The table below provides a consolidated view of the Income Statement by fund, showing the budgeted position, approved variations, and forecast operating result.

Forecast Income Statement for the Year Ended 30 June 2026

Income Statement						
	2025-26 Original Budget $000	Carry Overs $000	Approved Adj YTD $000	Prior Month Forecast $000	Current Month Adj $000	2025-26 Full Year Forecast $000
Operating Activities Movements						
Income from continuing operations	**276,019**	**7,208**	**-841**	**282,386**	**0**	**282,386**
Rates and Annual Charges	130,644	0	0	130,644	0	130,644
User Charges and Fees	49,647	0	0	49,647	0	49,647
Interest Received	13,757	0	0	13,757	0	13,757
Grants and Contributions - Operating	19,358	180	200	19,738	0	19,738
Grants and Contributions - Capital	55,539	7,028	-1,041	61,526	0	61,526
Other Operating Receipts	7,074	0	0	7,074	0	7,074

Income Statement						
	2025-26 Original Budget $000	Carry Overs $000	Approved Adj YTD $000	Prior Month Forecast $000	Current Month Adj $000	2025-26 Full Year Forecast $000
Expenses from continuing operations	**-230,160**	**-1,450**	**-225**	**-231,835**	**0**	**-231,835**
Employee Costs	-75,195	0	35	-75,160	233	-74,927
Materials and Contracts	-60,486	-1,450	-260	-62,196	-233	-62,429
Depreciation	-66,905	0	0	-66,905	0	-66,905
Interest Paid	-3,714	0	0	-3,714	0	-3,714
Other Operating Payments	-20,810	0	0	-20,810	0	-20,810
Overhead - Internal transfer	0	0	0	0	0	0
Dividend Payment	0	0	0	0	0	0
Loss on Disposal of Assets	-3,050	0	0	-3,050	0	-3,050
Operating result from continuing operations	**45,859**	**5,758**	**-1,066**	**50,551**	**0**	**50,551**
Exclude Capital Items	**52,489**	**7,028**	**-1,041**	**58,476**	**0**	**58,476**
Net Operating Result before Grants and Contributions provided for Capital Purposes	**-6,630**	**-1,270**	**-25**	**-7,925**	**0**	**-7,925**

3. Conclusion

The September 2025 Monthly Budget Review highlights that Council's operating result remains in deficit, with the consolidated position forecast at ($7.9 million). While the General Fund continues to be the main source of financial pressure, the positive results of the Water, Sewer, and Waste Funds provide some offset.

The adjustments recommended in this review including the reallocation of identified salary savings to fund essential planning resources, and the application of unspent loan reserves to priority infrastructure projects demonstrate that variations have been managed prudently and in line with Council's financial sustainability principles.

Although the underlying challenges within the General Fund remain significant, the measures adopted ensure transparency, mitigate identified risks, and support continuity of service delivery. Ongoing focus will be required to address the structural imbalance in operating performance, particularly within the General Fund, to progress Council toward long-term financial sustainability.

Key Considerations

4. Financial and Economic Implications

The operating result remains in deficit, reinforcing the need to manage costs and strengthen revenue streams over the medium term. Reserve movements and works program adjustments have been managed in line with policy, with the ongoing monthly review process providing early detection of risks.

5. Legislative and Policy Implications

The review complies with the Local Government Act 1993 and with the Budget Development Policy. There are no new legislative requirements, and ESG principles have been considered in relevant program funding decisions.

6. Strategic Context and Implications

This review supports the Integrated Planning and Reporting framework, ensuring resource allocation remains aligned with Council's Delivery Program and Operational Plan while maintaining focus on long-term sustainability.

7. Risk and Insurance Implications

The primary risk is the persistence of a structural operating deficit in the General Fund. This is mitigated through active monitoring, service reviews, efficiency initiatives and the requirement for additional review of major variations.

8. Engagement and Consultation

Budget adjustments were informed by consultation with the Senior Leadership Team and budget managers, ensuring operational priorities remain within approved financial parameters.

9. Civic Leadership

This report reflects Council's commitment to transparent reporting, prudent financial management, and the strategic shift towards managing the operating result as the key measure of long-term sustainability.

Options

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

Attachments

1. September 2025 Monthly Budget Review
2. September 2025 Detailed Statements by Fund

Item: **11.08**

Subject: **Investment Performance - September 2025**

Presented by: Business and Performance, Keith Hentschke

Recommendation

That Council note the Investment Performance report for September 2025.

Executive Summary

This report provides an overview of Council's investment portfolio performance as at 30 September 2025. All investments are compliant with legislative requirements under section 625 of the Local Government Act 1993, associated regulations, and Council's adopted Investment Policy. Council's strategy of capital preservation, alongside income maximisation has continued to deliver strong outcomes.

Key highlights:

- Council's investment portfolio remained fully compliant with policy and legislative requirements.
- Year-to-date investment income exceeded budget expectations by $1,286,128.
- Portfolio return (0.95%) slightly exceeded the benchmark (0.92%).

Report

1. Background

Clause 212 of the Local Government (General) Regulation 2021 mandates that the Responsible Accounting Officer provide a monthly investment report. This includes certification of compliance with relevant legislation, ministerial orders, and Council policy.

2. Discussion

Investment Portfolio

Attachment 1 - Port Macquarie-Hastings Council Monthly Investment Review provides a detailed summary of performance and movements in Council's investment portfolio. Benchmarking undertaken by Council's investment advisor confirms that Port Macquarie-Hastings Council continues to rank among the strongest performing councils in New South Wales in terms of long-term investment performance (over five years).

Council's proactive and strategic approach to portfolio management, specifically, maintaining a slightly longer duration positioning, has proven effective in protecting interest income, particularly during periods of market volatility such as the COVID-19 pandemic.

This strategy has delivered consistent benefits to Council in recent years, and there is confidence that maintaining a disciplined long-term approach will continue to enhance portfolio performance going forward.

Investment Valuation

Attachment 2 - Port Macquarie-Hastings Council Investment Report provides a valuation and detailed analysis of Council's investment portfolio's performance for August 2025.

Council's investment portfolio totalled $430.849 million as at 30 September 2025. This consisted of $384.291 million (89.19%) in externally restricted funds and $46.558 million (10.81%) in internally restricted funds.

A detailed breakdown of investments by external and internal restrictions as of 30 September 2025 is provided below.

	Amount $	**% of total**
Externally Restricted		
Water Fund	**172,264,408**	**39.98%**
Water Reserve	90,218,244	20.94%
Developer Contributions	82,046,163	19.04%
Sewer Fund	**57,501,695**	**13.35%**
Sewer Reserve	26,419,731	6.13%
Developer Contributions	31,081,963	7.21%
Waste Fund	**28,699,584**	**6.66%**
General Fund	**125,825,386**	**29.20%**
General Reserves	30,974,057	7.19%
Developer Contributions	94,851,329	22.01%
Total externally restricted	**384,2291,075**	**89.19%**
Internally Restricted		
General Fund	46,558,517	10.81%
Total internally restricted	**46,558,517**	**10.81%**
Total investments	**430,849,592**	**100.00%**

Strategic Use of Internally Restricted Funds

Council's borrowing strategy involves initial use of internal reserves to fund priority projects, followed by replenishment through new borrowings. This optimises the timing of loan drawdowns, defers interest costs, and maintains financial flexibility. Borrowings taken in June 2025 have restored internally restricted balances, allowing investments to increase temporarily.

The 2025-2035 Long-Term Financial Plan (LTFP) forecasts substantial drawdown of Water and Sewer reserves ($212 million) to fund:

- Cowarra Water Treatment Plant
- Thrumster Sewerage Treatment Plant

- Kew STP Upgrade

General Fund investments are primarily committed for:

- Developer Contributions: $87.3M
- Unexpended Grants: $34.3M
- Deposits & Bonds: $7.9M
- Working Capital: $7.1M
- Committed Works: $3.8M
- Plant Replacement: $4.5M
- Leave Entitlements: $3.8M

Investment Activity Summary (September 2025)

Maturities and New Investments:

Details of investment movements during September 2025 are outlined below.

Activity	Institution	Rate	Term	Amount $	Funds Fossil Fuel
Matured	ICBC	1.20%	4yr	5,000,000	Yes
Matured	ING	5.05%	2yr	5,000,000	Yes
Matured	ING	5.00%	2yr	5,000,000	Yes
Matured	P & N	4.65%	3yr	4,000,000	No
Matured	P & N	4.65%	3yr	5,000,000	No
Matured	NAB	5.08%	2yr	5,000,000	Yes
Withdrawal	Westpac	4.10%	On Demand	-	Yes
Total Matured				**29,000,000**	
Investment	ICBC	4.16%	1yr	5,000,000	Yes
Investment	AMB	4.01%	2yr	5,000,000	No
Investment	AMB	4.03%	3yr	5,000,000	No
Investment	ICBC	4.17%	1yr	3,000,000	Yes
Investment	AMB	4.05%	2yr	3,000,000	No
Investment	ING	4.20%	4yr	4,000,000	Yes
Deposit	Westpac	4.10%	On Demand	101,837	Yes
Total New Investments				**25,101,837**	
Net Investment Movement being the difference in Principle invested at end of month & excluding Investment Earnings				**(3,898,163)**	

<u>Fossil Fuel Exposure:</u>

Council continues to prioritise fossil fuel-free institutions where returns and policy compliance permit. In its investment decisions, Council seeks multiple quotes from a range of financial institutions across various rating levels. When a bank does not lend to the fossil fuel industry, offers the highest rate, and complies with

Council's Policy risk limits, Council prioritises that bank in alignment with the Investment Policy.

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

Financial institutions funding fossil fuels	Purchases since 01/07/2025	Purchases since 01/07/2025	Amount invested at 30/09/2025	Amount invested at 30/09/2025
Yes	22,020,000	63%	278,349,593	65%
No	13,000,000	37%	152,500,000	35%
	35,020,000		**430,849,593**	

Council has not resolved to divest from its current investment holdings with fossil fuel exposure, as doing so could adversely affect portfolio credit quality, ratings, and interest income forecasts. However, within ministerial and policy guidelines, Council will continue to prioritise newly issued fossil fuel-free investments where they align with Council's risk and return objectives.

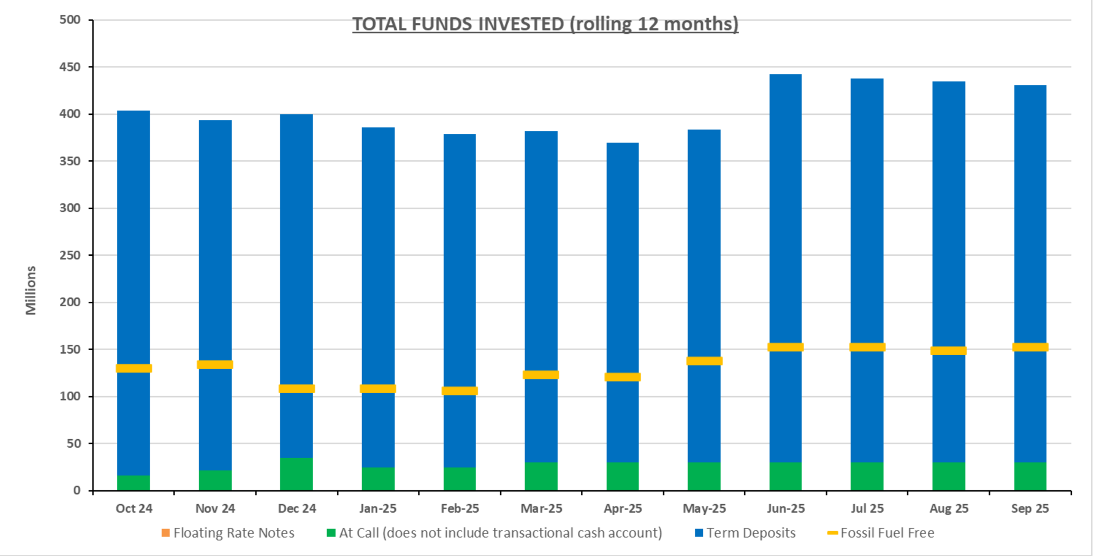
Performance Overview

The following table shows the interest returns as of 30 September 2025 and the portfolio performance against benchmark (bank bill Index).

Item	General Fund	Water Fund	Sewer Fund	Performance
Interest for the Month ($)	$682,395	$574,137	$191,809	$1,448,341
Interest YTD ($)	$2,164,577	$1,821,180	$608,426	$4,594,183
% of Annual Budget Rec'd	36%	35%	32%	34%
Portfolio Performance FYTD Actual (%)				0.95%
AusBond Bank Bill Index FYTD Actual (%)				0.92%
Performance Compared to Bank Bill Index (%)				0.03%

Investment Charts

Total Funds Invested (Rolling 12 Months)

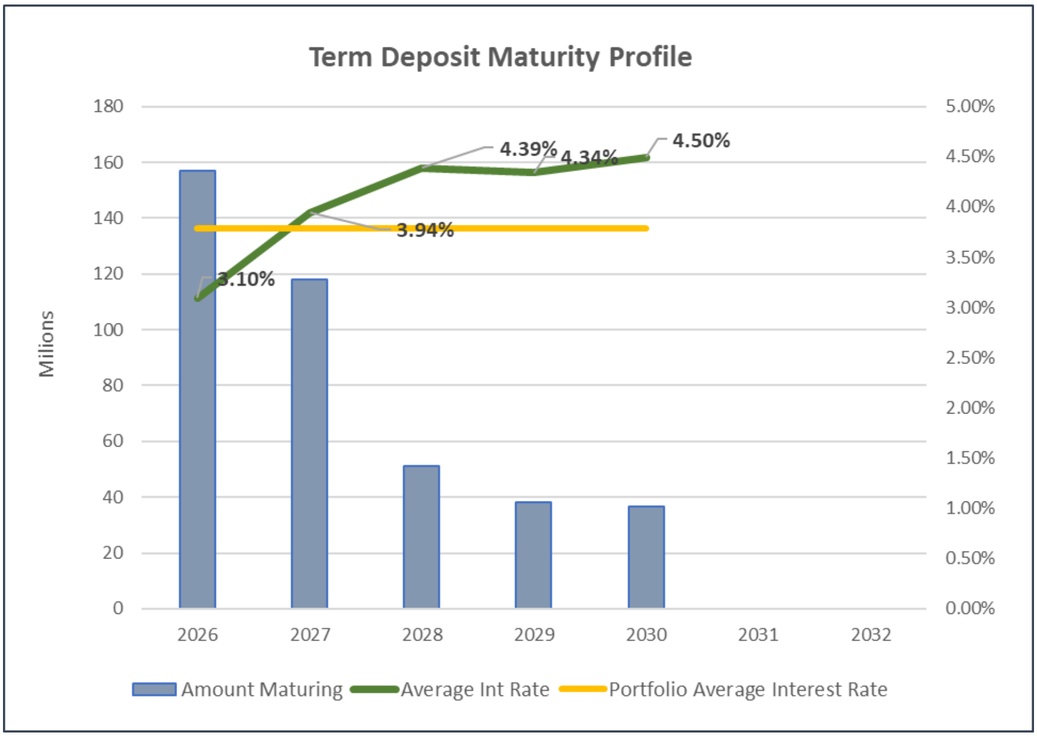


This chart shows the distribution and composition of Council's investments, indicating a sharp increase in total term deposits in June 2025, aligned with replenishment of internal reserves via strategic borrowings.

Term Deposit Maturity Profile

This graphic illustrates that most term deposits mature between 2026 and 2028.

The maturity profile of investments (excluding the cash management account, which is on call), demonstrates a balanced distribution of maturities over the next 3 to 5 years, in line with Council's Investment Policy and the timing of future reserve funding requirements for key projects.



3. Conclusion

Council's investment performance for September 2025 reflects prudent financial management underpinned by compliance, strategic reserve use, and alignment with long-term financial planning. The reinvestment of maturing funds at higher interest rates, alongside the restoration of internal reserves through structured borrowings, positions Council to maintain sound liquidity while supporting major infrastructure delivery in coming years.

Looking ahead, Council's treasury strategy will continue to focus on maximising income, safeguarding capital, and ensuring alignment with the Long-Term Financial Plan. This approach reinforces Council's financial sustainability and its capacity to respond effectively to emerging community priorities.

Key Considerations

4. Financial and Economic Implications

Council's investment income is ahead of budget, with a total of $4,594,183 earned year-to-date. Borrowing costs remain low, with interest expenses of $269,557 for September 2025. Council's net interest position for the month was

$1,178,784. Delayed borrowings and strategic fund timing have helped reduce reliance on internally restricted funds.

Domestic Economic Conditions

The Monthly CPI Indicator for August rose to +3.0% y/y, above consensus of +2.9% y/y, the highest level since July 2024. The annual trimmed mean fell to +2.6% y/y from +2.7%, but that is due to base effects (particularly travel) and should not be seen as good news. Market Services Inflation came in hot, a sharp shift from the pace of price growth over recent quarter in what tends to be more persistent components.

In a unanimous decision, the RBA's Monetary Policy Board left the cash rate on hold at 3.60% in September, as expected. The key observation was that "inflation in the September quarter may be higher than expected at the time of the August Statement on Monetary Policy".

The unemployment rate remained unchanged at 4.2% in August. To two decimal places, it stayed at 4.24% despite the drop in employment due to a fall in the participation rate. Employment fell 5.1k, as a large fall in full time employment (-40.9k) was only partially offset by a rise in part time employment (35.5k).

Q2 GDP surprised higher at +0.6% q/q and +1.8% y/y (consensus +0.5% q/q). Private demand drove growth in the quarter, with household consumption up +0.9% even as private investment contributed little to growth.

Dwelling prices rose +0.7% m/m in August to be +4.1% higher over the year. The reacceleration in growth has been reasonably broad-based. Melbourne has continued to lag other capitals, with +0.3% m/m growth being well behind top performers Brisbane and Perth (+1.2% and +1.1% m/m respectively).

Corporate profits fell -2.4% q/q. Mining industry profits were broadly steady, down -0.5% q/q, while declines across the non-mining economy were reasonably broad-based and generally unwinding gains in Q1.

The Australian dollar gained around +0.98%, finishing the month at US66.02 cents (from US65.38 cents the previous month).

Global Economic Conditions

Equity markets continued their upward trajectory through the month, with major US indices, the S&P 500, NASDAQ, and Dow Jones all reaching new record highs. The rally was fuelled by renewed optimism around artificial intelligence, following Nvidia's substantial investment in OpenAI (ChatGPT), as well as expectations of further monetary easing over the next 12 months, albeit at a slower pace than previously anticipated.

The US S&P 500 rose +3.53%, while the NASDAQ outperformed with a +5.61% gain. European markets were mixed: the UK's FTSE advanced +2.38%, and France's CAC added +1.60%, whereas Germany's DAX slipped -0.77%.

<u>Monetary Policy Developments</u>

The US Federal Open Market Committee (FOMC) delivered a widely expected 25bp rate cut, bringing the federal funds target range to 4.00%–4.25%. The accompanying statement noted that the adjustment was "in light of the shift in the balance of risks," and notably removed reference to a "solid" labour market, suggesting a softening employment outlook.

In Canada, the Bank of Canada also cut rates by 25bp to 2.50%, similarly citing a rebalancing of economic risks.

The European Central Bank (ECB) held rates steady for a second consecutive meeting, with minimal revisions to its inflation outlook — headline CPI projected at +1.7% in 2026 and +1.9% in 2027, and core inflation at +1.9% and +1.8%, respectively.

Inflation and Labour Data

In the US, August core CPI increased +0.3% m/m (just shy of rounding to +0.4%) and +3.1% y/y, both in line with expectations. Headline CPI eased to +2.9% y/y, while the unemployment rate edged higher to 4.3% from 4.2%.

In the UK, inflation data also aligned with forecasts. Headline CPI held steady at +3.8%, while core CPI eased 0.2pp to +3.6%. Services inflation moderated to +4.7%, driven partly by a fall in volatile airfare prices, reinforcing expectations that the Bank of England will keep rates unchanged in the near term.

Asia-Pacific Developments

In China, August CPI returned to negative territory at -0.4% y/y, undershooting expectations as food price deflation deepened. Core inflation edged up to +0.9%, though this increase was largely attributed to temporary factors, including a government-led consumer goods trade-in scheme.

5. Legislative and Policy Implications

- Local Government Act 1993 (NSW)
- Local Government (General) Regulation 2021
- Ministerial Investment Order
- Council's adopted Investment Policy

6. Strategic Context and Implications

This report aligns with the Integrated Planning and Reporting Framework (IP&R), supporting financial sustainability objectives outlined in the Long-Term Financial Plan and Resourcing Strategy (2025-2035).

7. Risk and Insurance Implications

Investment and borrowing decisions are managed within a comprehensive risk framework. Council maintains a diversified maturity profile and adheres to conservative credit exposure limits. Market volatility and rising interest rates are ongoing risks being actively monitored.

8. Engagement and Consultation

Council engages an independent investment advisor and routinely seeks market quotes across a diversified panel of institutions. Internal consultation includes finance, infrastructure, and strategic planning teams to align funding with project delivery.

9. Civic Leadership

Council is progressively aligning investments with ESG priorities. While current holdings include fossil fuel-exposed institutions, all new investments are assessed for ethical alignment where consistent with risk and return mandates.

Options

This is an information report only.

Attachments

1. Port Macquarie-Hastings Monthly Investment Report - 30 September 2025
2. Port Macquarie-Hastings Portfolio Valuation - 30 September 2025

Item: 11.09

Subject: Draft Customer Commitments

Presented by: Business and Performance, Keith Hentschke

Recommendation

That Council:

1. **Note the information contained in this report regarding the development of the draft Customer Commitments.**
2. **Adopt the draft Customer Commitments as Council's framework for its customer experience standards.**
3. **Endorse the priorities outlined in this report for staged implementation.**

Executive Summary

The draft Customer Commitments outline what customers can expect when engaging with Council's services. Developed through extensive engagement with community members and Council employees, they reflect what matters most to the community and set a clear direction for customer experience improvement by providing a clear and focused framework to guide service design, delivery, and continuous improvement, strengthening trust and confidence.

Framed around the principles of **Transparent, Reliable, Unified, Simple, and Timely (TRUST)**, Council sets its direction for service delivery improvement through these five Customer Commitments:

(T) We Are Timely.
We will give prompt responses and clear updates that keep you informed.

(R) We Are Reliable.
You can count on us to deliver quality services.

(U) We Are Unified.
No matter how you interact with us, you'll experience one Council working together for you.

(S) We Make It Simple.
It will be easy to use and access our services and understand the information we give you.

(T) We Are Transparent
You will clearly see how and why we make decisions, building on your trust in us.

The Commitments align with the Community Strategic Plan Imagine2050, Outcome 5: Leadership, which focuses on transparency, accessibility, and excellence in service delivery, and are outlined as a principal activity in the Delivery Program 2025–2029.

Adoption of the draft Customer Commitments is recommended to formalise Council's commitment to improving customer experience, provide a consistent basis for Customer Experience performance reporting, and support continuous improvement across all service areas.

Report

1. Background

The draft Customer Commitments have been developed to capture what matters most to customers when interacting with Council and to identify opportunities to strengthen the customer experience. They are based on extensive consultation and engagement with more than 500 community members and 60 Council employees, through surveys, intercepts, interviews, and workshops. Feedback was gathered from a broad cross-section of the community, including ratepayers, renters, business owners, rural residents, young families, parents, and culturally diverse groups, and was further informed by insights gathered from previous Council engagement activities.

The insights emphasised the need for timely responses, clear and consistent information, transparency in decision-making, reliable services across all channels, equitable access, and supported frontline staff.

The draft Customer Commitments translate community and employee feedback into measurable outcomes, establishing a clear direction for customer experience improvement and providing a clear and focused framework to guide service design, delivery, and continuous improvement across Council.

2. Discussion

Council delivers a wide range of services. From essential services such as waste collection and water supply to recreational facilities and libraries, every interaction, whether direct or indirect, contributes to how the community views and experiences Council.

The draft Customer Commitments are visible statements of intent to improve the customer experience. Council's customer experience vision is*: 'It is easy for the community to connect with Council by delivering consistent, accessible and efficient services that meet their needs and build trust.'* The Commitments turn this vision into practice by setting service expectations for customers, providing a clear direction for Council's customer experience improvement, and offering a framework to guide service design and delivery, while embedding a whole-of-organisation culture of accountability.

This approach is also consistent with the Australian Business Excellence Framework, particularly Principle 2, which highlights the need to understand what customers and stakeholders value in order to guide decision-making and ensure services remain relevant and responsive.

Defining Customer Experience

Customer Experience is how customers feel and perceive Council shaped by the sum of their interactions with Council's services, people, facilities, communications, information, and channels – before, during, and after they engage with us. It goes beyond customer service, which is a single interaction at a point in time. Customer Experience is holistic and organisation-wide, spanning the entire customer journey, from the first need through to the final outcome.

The draft Customer Commitments focus on improving the end-to-end customer journey, not just individual interactions, because every interaction influences community trust and confidence in Council.

Overview of the draft Customer Commitments

Grounded in the community's voice, the five draft Customer Commitments are Council's service promise to the community, and the foundation for setting a clear direction for customer experience improvement and guiding action. They make it clear what the community can expect when interacting with Council. Each one has a clear outcome of what we are aiming to achieve:

- **Transparent:** Customers will clearly see how and why decisions are made. Council will share how feedback influences changes and performance.
- **Reliable:** Services and communications will be consistent and delivered to clear standards so customers know what to expect and can have confidence in every interaction.
- **Unified**: Services, teams, and channels will work together as 'One-Council' so the customer's experience is seamless and connected.
- **Simple:** Processes, information, and access will be easy to understand and inclusive for everyone.
- **Timely:** Customers will receive prompt responses, with clear updates, reducing effort and uncertainty.

Why Customer Commitments Matter

The draft Customer Commitments translate strategic Customer Experience improvement objectives into everyday practice. For the community, they provide clarity and confidence by setting clear expectations, strengthening transparency, and making services easy to use and accessible. For Council, they provide a clear direction for customer experience improvement and act as a unifying statement of intent, supported by a focused framework for employees. They establish clear service standards, guide service-related policy and process design, and embed accountability to ensure consistent, customer-focused experiences across Council's daily operations.

Implementation Priorities

If adopted, Council will commence work on the following priority actions to operationalise the Customer Commitments:

- **Public release and visibility:** Publish the adopted Customer Commitments on Council's website and in customer-facing locations.
- **Governance and accountability:** Assign an Executive Sponsor to the Customer Experience improvement program to drive organisational alignment, provide visible leadership and accountability, and report progress through the Operational Plan and Delivery Program.
- **Service response standards:** Implement a two-business day acknowledgement and ten-business-day response standard for customer enquiries.
- **Internal integration:** Embed the adopted Customer Commitments into Council's employee experience, frameworks, and communication practices to support organisation-wide application.

These priorities will demonstrate early progress in improving customer experience and establish the foundation for the ongoing action plan.

3. Conclusion

The draft Customer Commitments reflect the priorities of the community and align with Council's strategic objectives. They set a clear direction for customer experience improvement, establish a framework to guide service delivery, embed accountability across the organisation, and reinforce Council's commitment to service quality.

The Commitments represent a public commitment to delivering on Council's customer experience vision: '*It is easy for the community to connect with us — we deliver consistent, accessible, and efficient services that meet their needs and build trust.'*

Key Considerations

4. Financial and Economic Implications

All draft Customer Commitments actions planned for the current financial year, 2025-26, will be delivered within the existing adopted budget. Actions and deliverables outlined in future years will be considered through annual budget planning.

5. Legislative and Policy Implications

Adopting the Customer Commitments supports Council's statutory obligations under the Local Government Act 1993 to deliver services that are effective, equitable, and transparent. They also align with Council's Integrated Planning and Reporting (IP&R) Framework and directly advance Community Strategic Plan Imagine2050 Outcome 5: Leadership.

Following adoption, the Customer Experience Policy will be reviewed and updated in Q1 2026 to align with the Commitments. In addition, other customer-facing policies and procedures will also be reviewed to ensure alignment.

6. Strategic Context and Implications

The draft Customer Commitments directly support the delivery of Community Strategic Plan Imagine2050 (CSP) Outcome 5: Leadership, specifically strategies 5.3, 5.4 and 5.5, which focus on delivering accountable and transparent services, providing accessible and convenient ways for the community to connect with Council. They also reflect the Australian Business Excellence Framework's Principle 2, understanding what customers and stakeholders value now and into the future.

7. Risk and Insurance Implications

Adopting the Customer Commitments reduces strategic and reputational risk by showing Council is responding to community expectations, setting clear service standards, and making service performance visible. It promotes a consistent, whole-of-organisation approach to customer experience that is aligned with Local Government sector practice. Operational risk is lowered through defined acknowledgement and response timeframes, consistent progress updates, and aligned procedures.

8. Engagement and Consultation

Development of the draft Customer Commitments involved an extensive engagement program involving over 500 community members and 60 staff. Insights were gathered through various mediums including surveys, phone interviews, in-person intercepts, and workshops. Engagement included a diverse cross-section of the community such as ratepayers, renters, business owners, rural residents, young people, parents, and culturally diverse groups. Findings were further informed by previous community engagement activities carried out by Council.

9. Civic Leadership

Endorsing the draft Customer Commitments demonstrates Council's leadership in service delivery and transparency. It positions Council as future-ready, embedding consistent standards now to meet the challenges of growth, changing expectations, and technology. It also represents a public commitment to building trust, accountability, and stronger community relationships.

Attachments

1. Draft Customer Commitments

Item: **12.01**

Subject: **Quarterly Floodplain Management Project Status Update**

Presented by: Community Infrastructure, Blayne West

Recommendation

That Council note the content of the report outlining the status of the Hastings River Flood Study Extension, Flood Risk Management Study, and Flood Risk Management Plan.

Executive Summary

At the August 2025 Ordinary Council Meeting (Item 12.02), Council resolved to:

"*Receive quarterly updates on the progress of the Hastings River Flood Study Extension, Flood Risk Management Study, and Flood Risk Management Plan, with reporting to continue until the adoption of the Flood Risk Management Study and Flood Risk Management Plan*"

This report provides the first quarterly update on the progress of the above-mentioned project as of 30 September 2025.

Report

1. Background

Port Macquarie-Hastings Council is responsible for managing flood-prone land within the LGA, in line with the NSW Government's Flood Prone Land Policy (2023), which places primary responsibility on councils to determine appropriate planning and development controls to manage flood risk.

The NSW Flood Risk Management Manual (2023) outlines a staged approach to flood risk management, beginning with flood studies to define flood behaviour, followed by risk management studies and plans to identify and implement mitigation measures. These steps are essential for identifying vulnerable communities and infrastructure, informing planning decisions, and accessing grant funding for mitigation works.

At the August 2025 Ordinary Council Meeting (Item 12.02), Council resolved to receive quarterly updates on the Hastings River Flood Study Extension, Flood Risk Management Study, and Flood Risk Management Plan. This report provides the first update as of 30 September 2025.

1.1 Hastings River Flood Study Update and Extension

Initiated in response to the March 2021 flood event, the Hastings River Flood Study Update and Extension expands previous modelling into the upper catchment, including Beechwood, Telegraph Point (west), Long Flat, Kindee, Pappinbarra, Bellangry, and Rollands Plains.

The study, completed in late 2024, provides updated flood mapping to support:

- Planning and development controls;
- Emergency preparedness and evacuation planning;
- Improved flood forecasting and response.

Following public exhibition (28 Feb – 28 Apr 2025), 24 submissions were received. Key concerns included PMF levels, outdated LiDAR data, insurance implications, and mapping clarity. A report to Council in June 2025 recommended deferring adoption to allow further review of planning impacts, community engagement, and PMF modelling.

1.2 Hastings River Floodplain Risk Management Study and Plan

Council has secured $199,999 in grant funding from the Department of Climate Change, Energy, Environment and Water, supplemented by $100,000 from Council reserves, to undertake the Hastings River Floodplain Risk Management Study and Plan.

This project builds on the updated flood study and will:

- Assess flood risks to people, property, and infrastructure;
- Identify mitigation strategies;
- Support emergency services through improved risk mapping and community action plans.

In response to community feedback, the scope has been expanded to include re-modelling of PMF levels in the lower Hastings River, including a detailed assessment of the North Shore sand dunes to model a potential dune breakout scenario. A standalone report will document this component, and Council will re-engage with the community once revised PMF mapping is complete.

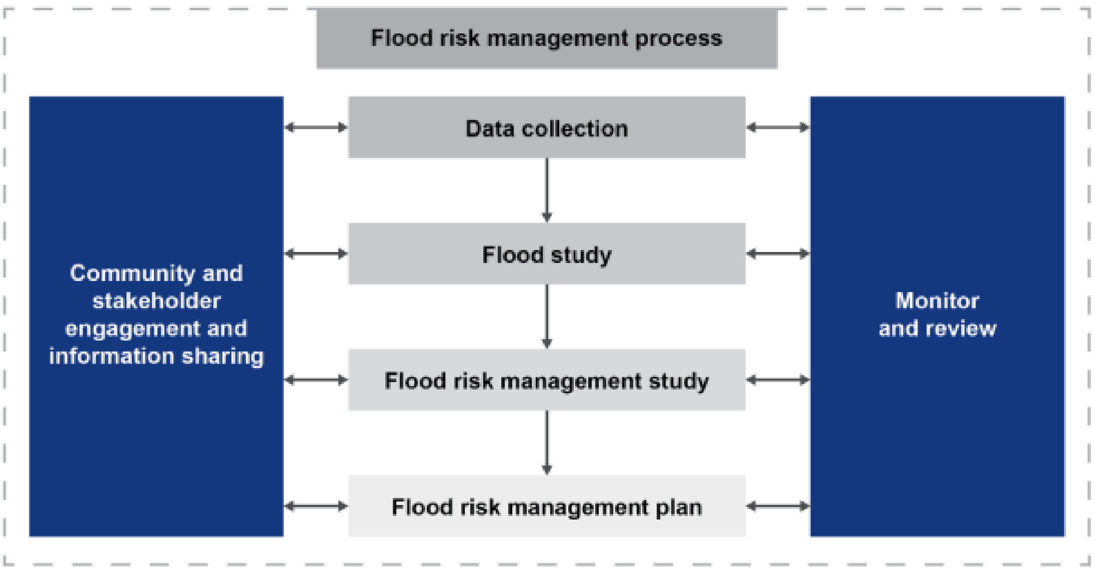


Figure 1 - Flood Risk Management Process, NSW Flood Risk Management Manual (2023)

1. Current Status

1.1. Hastings River Flood Study Extension and Update:

As outlined in Section 1.1, finalisation of the Hastings River Flood Study Update and Extension has been deferred to address key concerns raised during public exhibition. These include the modelling of Probable Maximum Flood (PMF) levels, the use of outdated LiDAR data, potential impacts on insurance premiums, and inconsistencies with existing flood policy.

To address these matters, the Community Infrastructure Planning and Design team has undertaken the following actions:

- **Planning Implications and Internal Consultation**
  Staff have held detailed discussions with Council's Development and Strategic Planning teams to assess the implications of the draft flood modelling. These consultations have clarified the impact of updated mapping on existing planning controls and confirmed the need for targeted engagement with landowners affected by changes to flood extents.

  As the updated mapping will extend current LEP flood overlays, direct notification to impacted landowners will be incorporated into the future re-exhibition of the study. Strategic Planning has confirmed no changes to current zoning are required; however, future development on newly mapped flood-affected lots will be subject to flood-related development controls.

- **Targeted Community Engagement**
  Broader and more specific engagement is planned to inform affected landowners of property-specific flood level changes. A GIS-based analysis has been completed to overlay flood extents with lot boundaries, enabling identification of changes at the individual property level.

  A draft notification letter has been prepared, but distribution is pending completion of revised PMF modelling under the Floodplain Risk Management Study and Plan.

- **PMF Re-Modelling – Dune Breakout Scenario**
  As part of the expanded scope of the Floodplain Risk Management Study and Plan, a detailed assessment of the North Shore sand dunes is underway to model a potential dune breakout scenario. This will inform revised PMF mapping based on an accepted alternate condition. A standalone technical report will document this process and its outcomes.

- **Survey Data Refinement**
  In response to community feedback, ground level data is being refined in areas where recent development has altered topography. Working with the flood study consultant, Council has developed a process to update mapping in subdivision-scale developments where certified survey data is available.

  This process involves validating developer-provided survey levels against Council asset data and adjusting flood extents accordingly. Importantly, this refinement is limited to larger developments with public infrastructure, not individual dwellings.

1.2. Hastings River Floodplain Risk Management Plan and Study:

The Hastings River Floodplain Risk Management Plan and Study project is currently in the planning phase, with the project team finalising procurement and contract planning, prior to seeking quotations from specialist consultants in October 2025.

The project is planned to commence in mid-November 2025, subject to receiving appropriate and compliant consultant / tenderer RFQ submissions.
Given the significant scale of the project scope and deliverables, this project is currently anticipated to be completed in the 2027/2028 Operational year. This will be confirmed following the procurement process.

Key Considerations

1. Financial and Economic Implications

Hastings River Flood Study Extension

The preparation of the Hastings River Flood Study Extension has been prepared using Council funding. Post adoption, the Hastings River Flood Study Extension project will be utilised to inform the preparation of an updated Hastings River Floodplain Risk Management Study and Plan.

Hastings River Floodplain Risk Management Study and Plan

The preparation of the Hastings River Floodplain Risk Management Study and Plan will be prepared using a combination of Council funding of $100,000 and grant funding from DCCEEW in the amount to $199,999 to undertake the Hastings River Flood Risk Management Study and Plan update project.

This project will identify and prioritise future flood mitigation measures across the catchment. The mitigation measures identified will inform future budget bids for prioritisation and consideration as part of future Delivery Programs.

2. Legislative and Policy Implications

The Hastings River Flood Study Extension, and Hastings River Floodplain Risk Management Study and Plan are being developed in accordance with the NSW Floodplain Development Manual and using advice and guidance from the grant provider and technical oversight DCCEEW.

3. Strategic Context and Implications

These projects align with the Integrated Planning and Reporting (IP&R) framework, particularly the Community Strategic Plan objective to build resilient communities and manage natural hazards. The study supports evidence-based planning and risk mitigation strategies in flood-prone areas.

4. Risk and Insurance Implications

There are no risks and insurance implications to flag in this quarterly progress report.

5. Engagement and Consultation

Engagement for the Hastings River Flood Study Extension has been conducted including public exhibition for 61 days, including the completion of community information sessions at various localities, and online feedback mechanisms.

Further engagement has been identified as detailed in the report body above.

Extensive engagement is proposed to be undertaken at multiple stages throughout the Hastings River Floodplain Risk Management Study and Plan project. Further details and timeframes will be provided in future quarterly updates.

6. Civic Leadership

These projects demonstrate Council's commitment to transparent governance, community engagement, and evidence-based decision-making. It reflects environmental, social and governance principles by prioritising public safety, environmental stewardship, and responsible infrastructure planning.

Attachments

Nil

Item: 13.01

Subject: Draft Economic Development Strategy 2025-2035

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Endorse the Draft Economic Development Strategy 2025–2035 for the purposes of public exhibition for a minimum period of 28 days.**
2. **Note the Implementation and Evaluation Framework.**
3. **Note that a further report will be presented following the conclusion of the exhibition period, incorporating community and stakeholder feedback.**

Executive Summary

The purpose of this report is to seek Council's endorsement to proceed to public exhibition of the draft Economic Development Strategy 2025–2035 (EDS), which provides a long-term framework to guide sustainable economic growth, diversification, and resilience across the Port Macquarie-Hastings local government area.

The draft Economic Development Strategy responds to the challenges of a rapidly growing and ageing population, significant workforce pressures, housing and infrastructure demands, and reliance on population-serving sectors. It also highlights opportunities to strengthen high-value and export-oriented industries, improve workforce readiness, and reduce economic leakage through local supply chain development.

The Strategy is built around Economic Pillars and Growth Enablers that reflect the community's aspirations and align with State and Regional planning frameworks. The six priorities are:

- Next Generation Ready
- Regional Strengths and Shared Identity
- Informed by Data Insights
- Enabling Infrastructure
- Cultivating a Culture of Enterprise
- Empowering Business Ecosystems.

Together, these provide the direction for targeted action and resource allocation to ensure the best possible outcomes for the greatest number of people.

Report

1. Background

At the Ordinary Council Meeting of 20 February 2025, Council resolved to develop a new Economic Development Strategy (EDS) Item 10.24 - Developing an Economic Development Strategy.

"That Council:
1. Note that no funding source has been identified specifically for the development of a new Economic Development Strategy in the 2024-2025 Operational Plan.
2. Determine to include development of a draft Economic Development Strategy in the 2025-2026 draft Operational Plan, that would enable a Draft Economic Development Strategy to be presented to an Ordinary Meeting of Council, no later than October 2025, should the action be included in the adopted 2025-2026 Operational Plan.
3. Request a Councillor briefing in March 2025 detailing:
i. What, if any, work has already taken place or is underway in the 2024-2025 financial year that would support the preparation of a new Economic Development Strategy.
ii. What further work is required to support preparation of a new Economic Development Strategy early in the 2025-2026 financial year."

Since this Council Resolution:

- The Draft Economic Development Strategy was included in the 2024 - 2025 Operational Plan adopted on the 15 May 2025 at the Ordinary Council Meeting.
- A Councillor Briefing was provided on the 27 March 2025.
- Community Engagement commenced which included stakeholder meetings and a Community Workshop on the 26 August 2025.
- A Councillor Briefing was provided on the 11 September 2025 to discuss the high-level principles for the Economic Development Strategy identified in Community Engagements.
- The completion of the draft Economic Development Strategy, presented to Council in this report with a recommendation to place it on public exhibition.

The development of the draft Economic Development Strategy is developed and informed by key data insights from a Remplan Economic Analysis and Opportunity and Gap assessments (Attachment 3). The synthesis of this information, extensive consultation with stakeholders and strategic input from Councillors has ensured the draft Economic Development Strategy reflects current and future challenges relevant to a local response and strategically aligned with the future direction of Council and the Community.

2. Discussion

The draft Economic Development Strategy identifies several important issues and opportunities shaping the future of the local economy:

- Employment is forecast to grow by 13,689 jobs to 2046. The working-age population is expected to increase by 18,173, creating a net shortfall of jobs.

- The region has an ageing population, declining school enrolments, and youth out-migration, placing pressure on the future workforce pipeline.
- Supply chain analysis shows $2.26 billion in goods and services are imported into the LGA, representing both economic leakage and opportunity for local industry development.
- Key growth sectors identified include advanced manufacturing, agribusiness, marine industries, creative industries, and renewable energy construction and development.
- Population-serving sectors such as health, education, and construction will need to continue to expand ensuring Port Macquarie-Hastings is building on its strengths whilst also acknowledging the need to be complemented by emerging value and export-oriented industries.

The draft Economic Development Strategy articulates a vision for a diversified and resilient economy, supported by six Economic Pillars and Growth Enablers. It adopts a quadruple bottom line approach, ensuring that actions are assessed on their economic, social, environmental, and governance impacts.

Empowering Business Ecosystems
Helping businesses start, grow and compete through networks, services, and digital capability.

Next Generation Ready
Preparing our workforce with future-focused skills and education-to-employment pathways.

Cultivating a Culture of Enterprise
Supporting innovation, creativity and entrepreneurship to encourage new industries and ideas.

Regional Strengths and Shared Identity
Promoting our lifestyle, culture and environment to build a strong regional brand that attracts talent and investment.

Enabling Infrastructure
Ensuring transport, utilities, land and connectivity meet the needs of sustainable economic growth.

Informed by Data Insights
Using research and intelligence to guide decision-making, track progress and target resources.

These proposed principles form the foundation of the draft Economic Development Strategy and will guide future actions and priorities.

A draft Implementation and Evaluation Framework (Attachment 2) has been developed to provide confidence and clarity of the actions that will execute the draft Economic Development Strategy and provide a framework of the prioritisation, the individual actions intended time frame of delivery across the 10 years of the draft Economic Development Strategy, and provide an evaluation framework upon which execution, success and challenges can be consistently and visibly reported to Council in an annual progress report.

The Implementation and Evaluation Framework includes clear, actionable components that ensure alignment, execution, measurement of progress, and the identification of key risks to execution including the identified mitigants to these risks. This framework articulates strategic objectives and goals, success measures, and monitoring mechanisms. The annual report to Council will additionally include any identified risks, and risk mitigation measures, emergent information for strategy and plan refinement, and next cycle planning.

3. Conclusion

The draft Economic Development Strategy 2025–2035 provides a comprehensive framework for guiding Council's role in Economic Development. Economic Development is not the role of Council alone. The draft Economic Development Strategy provides for outcomes through partnerships and collaboration. The draft Economic Development Strategy seeks to maximise the collective effort of the contributions of all parties, that utilises collective expertise and leads to more effective results and financially sustainable outcomes. Strong collaboration between all levels of government and our community of business, industry, education, government agencies, and community groups and leaders is essential for the success of the draft Economic Development Strategy.

Collectively the community, all levels of Government and stakeholders can use the draft Economic Development Strategy to align to clear priorities to address workforce, infrastructure, and industry challenges, while positioning the region to capture emerging opportunities.

Public exhibition of the draft Economic Development Strategy will provide the community and stakeholders with the opportunity to provide further feedback and contributions before finalisation.

Key Considerations

4. Financial and Economic Implications

<u>Development Costs</u>

Drafting the draft Economic Development Strategy required staff resources, engagement costs, and specialist data inputs. (employment forecasts, REMPLAN analysis). These are absorbed within existing Economic Development budgets and overheads costs.

<u>Implementation Funding</u>

Should the draft Economic Development strategy be adopted the draft Economic Development Strategy will require targeted investment in programs, infrastructure, and partnerships. This will need to be sequenced through Council's Operational Plan and Delivery Program, with some actions subject to external grant opportunities. Council's funding of programs in the Economic Development Strategy will not require any increase in historical budgets and expenditure.

<u>Grant Leverage</u>

By aligning the draft Economic Development Strategy with State and Federal frameworks (North Coast Regional Plan 2041, RCAP 2036, Hastings Macleay REDS), Council strengthens its position to secure external funding. This reduces reliance on ratepayer contributions and ensures that Port Macquarie-Hastings, as a designated growth council, can argue for greater than its standard share of funding from other levels of government.

Resource Prioritisation

Embedding evidence-based principles (*Informed by Data Insights* and *Enabling Infrastructure*) ensures that Council's finite resources are directed to initiatives with the strongest benefits to the greatest number of people.

ECONOMIC IMPLICATIONS FOR THE COMMUNITY

Addressing Jobs to Population Gap

Forecasts indicate that by 2046 the working age population will grow by 18,173 people, while local jobs are projected to grow by only 13,689. Without intervention, this creates a net jobs shortfall of approximately 5,000 jobs. The draft Economic Development Strategy prioritises building on existing strengths and industry diversification and enterprise growth to address this forecast data.

Industry Diversification

The REMPLAN gap analysis highlights a $2.26 billion annual leakage in imported goods and services. By supporting local manufacturing, agribusiness, food processing, and marine industries, while building on existing strengths in development and construction, the Strategy seeks to capture a greater share of this value locally.

Visitor Economy Growth

With events, business travel, sporting travel and tourism as key contributors to regional Gross Regional Product (GRP), the draft Economic Development Strategy leverages cultural assets like the Glasshouse, infrastructure like the Airport, and natural attractions to expand visitation and off-peak spending, directly supporting jobs in accommodation, retail, and hospitality.

Productivity Gains

Investing in enabling infrastructure (transport, utilities, digital connectivity) improves business efficiency, reduces costs, and makes the region more attractive to external investors.

Resilience and Adaptation

By aligning with quadruple bottom line outcomes (economic, social, environmental, governance), the draft Economic Development Strategy strengthens the region's capacity to adapt to economic shocks (natural disasters, demographic shifts, market changes).

5. Legislative and Policy Implications

The draft Economic Development Strategy is consistent with and supports the following frameworks:

- NSW North Coast Regional Plan 2041, which positions Port Macquarie as a regional city anchor.

- Port Macquarie-Hastings Local Strategic Planning Statement – Shaping Our Future 2040, which sets long-term directions for sustainable growth and employment.
- Port Macquarie Regional City Action Plan 2036, which outlines land use, infrastructure, and employment priorities.
- Hastings-Macleay Regional Economic Development Strategy, which provides a regional approach to industry growth, resilience, and workforce attraction.
- Council's Community Strategic Plan and Delivery Program, which embed economic prosperity as a core objective.

6. Strategic Context and Implications

The draft Economic Development Strategy aligns with Council's Integrated Planning and Reporting framework and provides a high-level Strategy for economic development. It establishes a clear link between local priorities and State and regional policy directions, ensuring Port Macquarie-Hastings is well-positioned to advocate for investment and support.

The draft Economic Development Strategy priorities will inform future Delivery Programs and Operational Plans, ensuring a consistent and strategic focus on economic growth.

7. Engagement and Consultation

Development of the draft Economic Development Strategy was informed by extensive consultation, including targeted stakeholder workshops in August 2025 attended by representatives from business, industry, education, government agencies, and community groups. Key themes from consultation included the importance of workforce readiness, the need for data-informed decision-making, and opportunities to leverage regional strengths and identity.

Following the endorsement of the draft Economic Development Strategy it will be placed on public exhibition for a not less than a period of 28 days, providing the broader community with the opportunity to make submissions and further contribute to the draft Economic Development Strategy. Council staff will be available throughout the exhibition period to respond to enquiries and support the Community's understanding of the Strategy.

8. Civic Leadership

The Strategy adopts a quadruple bottom line framework, ensuring that initiatives deliver benefits across economic, social, environmental, and governance outcomes. It strengthens Council's civic leadership role by:

- Advocating for Port Macquarie-Hastings to secure greater than its standard share of external funding as a growth regional council.
- Providing evidence-based direction to guide Council investment and prioritisation of resources.

- Facilitating collaboration between government, business, education, and community stakeholders.
- Promoting transparency and accountability in decision-making.
- Providing a visible annual report on progress, impacts, success, risks and opportunities in the execution of the draft Economic Development Strategy.

Broader Benefits

Economic
Increased employment, business growth, inward investment, and improved competitiveness.

Social
Retention of young people through better training pathways, stronger community identity, and enhanced liveability.

Environmental
Infrastructure and enterprise aligned with sustainability goals, promoting resilience and reduced environmental impact.

Governance
Clear alignment with State and national policy enhances transparency, strengthens partnerships, and builds confidence among stakeholders and funding bodies.

Through this approach, the draft Economic Development Strategy reinforces Council's role as a convener, advocate, and partner in shaping the region's economic future.

Options

Council has the option to:

1. Endorse the Draft Economic Development Strategy 2025–2035 for public exhibition or
   Request amendments to the draft Economic Development Strategy prior to exhibition noting the delay in the public exhibition of the document or
2. Not proceed with the draft Economic Development Strategy or
3. Resolve in some other manner.

The recommendation of this report is Option 1.

Attachments

1. Draft Economic Development Strategy for Public Exhibition 2025 - 2035
2. EDS Draft Implementation and Evaluation Framework
3. PMHC Opportunity and Gap Analysis Update 2025

Item: 13.02

Subject: **Port Macquarie City Heart Strategy and Masterplan**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Note the feedback received to date in the development of the draft Port Macquarie City Heart Strategy and Master Plan as included in the Engagement Outcomes Final Report.**
2. **Endorse the draft Port Macquarie City Heart Strategy and Master Plan to go on public exhibition for a period of not less than 28 days.**
3. **Note that a further report will be presented to Council following the public exhibition period.**

Executive Summary

The draft Port Macquarie City Heart Strategy and Master Plan (Attachment 1), “A strategy for living, working and belonging,” is a strategic framework to guide the revitalisation and long-term growth of the Port Macquarie centre, which includes the Central Business District (CBD). The Draft City Heart Strategy and Master Plan has been prepared by Council staff and informed by background studies and advice from AJC Urban Design and Architecture, Gyde Planning Town Planning, and economic analysis from Atlas Economics. The plan builds on extensive background research and targeted engagement with stakeholders and the community.

The engagement program, implemented to inform the development of the draft Port Macquarie City Heart Strategy and Master Plan included targeted stakeholder engagement with specific groups throughout June 2025, July 2025 and August 2025 and included a Community Engagement Workshop attended by 34 members of the Community. A full City Heart Strategy and Master Plan Engagement Outcomes Final Report is included as Attachment 2.

The draft City Heart Strategy and Master Plan aligns with the strategic directions of:

- The Port Macquarie Regional City Action Plan
- The Living and Place Strategy (Local Housing Strategy)
- The Port Macquarie-Hastings Urban Growth Management Strategy.

The City Heart Strategy and Masterplan aims to:

- Develop an integrated and unified Port Macquarie City Heart Vision
- Identify suitable development sites for more residential dwellings
- Be realistic and deliverable
- Holistically consider integration of land use, urban renewal, infrastructure and public space improvements and demand

- Guide planning controls, site development and investment over the next 10 - 20 years
- Strategically plan quality of life considerations

The draft City Heart Strategy and Master Plan will achieve its aims for a vibrant, connected, and welcoming city centre that:

- Enhances public spaces and encourages community interaction
- Supports a diverse mix of housing options
- Strengthens local economic activity and investment
- Improves movement, accessibility, and connectivity
- Reinforces the city's identity through high-quality planning and urban design

This report recommends that Council endorse the draft Port Macquarie City Heart Strategy and Master Plan for the purpose of public exhibition for not less than 28 days, giving the community and key stakeholders an opportunity to provide further feedback prior to the plan being finalised and if supported, adopted by Council.

Report

1. Background

The draft City Heart Strategy and Master Plan has been prepared to guide the future growth, development, and revitalisation of the heart of Port Macquarie. The draft City Heart Strategy and Master Plan provides the long-term strategic vision for creating a vibrant, connected, and sustainable city centre that incorporates more diverse housing options, enhanced public spaces, and improved movement through the city.

The draft City Heart Strategy and Master Plan identifies opportunities to deliver greater housing diversity in the City Heart, supporting Council's Living and Place Strategy (Housing Strategy) and the broader objectives of Council's Community Strategic Plan and Local Strategic Planning Statement. The draft City Heart Strategy and Master Plan also explores opportunities to expand and strengthen the Central Business District's identity, encourage a night-time economy, promote investment, and integrate distinctive green and blue landscapes into the urban fabric.

Council has previously considered the activation of the defined Central Business District precinct through the Town Centre Master Plan, a collaboration between Council and commercial property owners who expressed a desire to revitalise the Port Macquarie Central Business District.

In 1994, the Town Centre Master Plan Sub-Committee was formed to assist in continuing to develop the Town Centre Master Plan. The objective of this sub-committee was to support Council with proposing works priorities, making recommendations regarding the development, review and amendment of the Town

Centre Master Plan and acting as a communication conduit between Council and Central Business District stakeholders.

Owners and business from the Central Business District were specifically consulted in the community engagement for the development of the draft City Heart Strategy and Master Plan.

The revitalisation of the Port Macquarie City Heart has been identified as a key strategic priority in alignment to the Port Macquarie Regional City Action Plan. The Regional City Action Plan emphasised strengthening the Central Business District as a vibrant regional city centre, with a focus on housing diversity, public domain improvements, and economic activity.

In late 2024, Council successfully secured Grant Funding through the Australian Government's Housing Support Program – Stream 1. This funding has enabled the engagement of consultants AJC and GYDE Planning to prepare technical studies and background to inform the draft City Heart Strategy and Master Plan.

There is a further $200,000 of Grant Funding secured in Round 3 of the Housing Support Program for a Planning Proposal which will deliver the amendments to the Planning Controls to achieve the vision for the City Heart Strategy and Masterplan. The Planning Proposal will be progressed once the City Heart Strategy and Masterplan be ultimately adopted by Council.

2. Discussion

The draft City Heart Strategy and Master Plan has been prepared by Council staff, informed by the technical studies and background provided by consultants AJC Architects and GYDE Planning, with Grant Funding from the Australian Government's Housing Support Program (Stream 1).

The technical studies are the background evidence and input to inform the draft City Heart Strategy and Master Plan. The City Heart Strategy and Master Plan is a priority initiative of Council and is guided by a range of strategic documents, including:

- The Port Macquarie Regional City Action Plan
- The Living and Place Strategy (Local Housing Strategy)
- The Port Macquarie-Hastings Urban Growth Management Strategy.

At the Ordinary Council Meeting of 19 September 2025 at item 13.01 City Heart Strategy and Master Plan, Council resolved as follows:

"That Council:

1. *Note the report and the Community Engagement and Consultation outcomes on the City Heart Strategy and Masterplan development.*
2. *Endorse the City Heart Principles as identified in this report and derived from the Community Engagement and Consultation program subject to the inclusion of an additional Principle that recognises the importance of embedding climate change resilience and natural disaster resilience into the City Heart Strategy and Master Plan.*
3. *Receive a further report to the November 2025 Ordinary Council Meeting on the City Heart Strategy and Master Plan seeking endorsement for public exhibition.*

4. *Request that the report referred to in item 3 include the proposed additional Principle for embedding climate change resilience and natural disaster resilience as identified in item 2 and details of the consideration of climate and natural disaster resilience in the development of the City Heart Strategy and Master Plan, in accordance with Council's adopted Climate Change Response Policy, relevant legislation and other relevant planning requirements."*

The draft City Heart Strategy and Master Plan applies to the Port Macquarie City Heart area, as shown in Figure 1 below, encompassing the Central Business District and its immediate surrounds. This area is the primary focus for renewal and investment, given Port Macquarie's role as a key regional growth city for the North Coast.

The purpose of the draft City Heart Master Plan is to provide a long-term, integrated framework to guide the revitalisation of the Port Macquarie's heart and Central Business District over the next 20 years. It seeks to establish the City Heart as the vibrant and connected centre of the region, capable of supporting diversity of housing supply, business growth, the visitor economy, cultural life, and environmental quality. The draft City Heart Strategy and Master Plan responds to the challenges and opportunities currently in the Central Business District, including the need to diversify housing, attract private investment, improve amenity, and enhance movement and accessibility for all users.

Key directions of the Draft Master Plan include:

- **Diverse housing options:**
  Identification of sites and planning pathways to support a greater mix of housing typologies. The City Heart Strategy and Master Plan highlights the capacity for medium and higher density residential and mixed-use development within the City Heart, helping to meet local and regional housing targets and enabling more people to live close to services, jobs and public transport.

- **Public domain and placemaking:**
  Proposals for new and upgraded streetscapes, urban plazas and laneways designed to deliver a safe, attractive, and welcoming city centre. These improvements aim to stimulate activity, support businesses and strengthen the identity of Port Macquarie as a key regional growth city.

- **Green and blue spaces:**
  Integration of green infrastructure and water sensitive urban design, including tree planting, landscaping and improved access to the waterfront, to enhance liveability.

- **Movement and connectivity:**
  Improve the transport network, improving conditions for pedestrians and cyclists, enhancing public transport connectivity, and ensuring vehicle access and parking are managed in a sustainable and coordinated way.

- **Council-owned Land and Strategic Opportunities:**
  Options for renewal and activation of Council-owned and other strategic sites to support housing diversity, public domain improvements, and investment confidence.
- **Building Resilience:**
  Embedding climate change resilience and natural disaster preparedness into the draft City Heart Strategy and Master Plan will provide a framework for management of risks now and in the future for the community, environment,

and economy and deliver on Council's adopted Climate Change Response Policy.

The draft City Heart Strategy and Master Plan has been informed by a comprehensive program of community and stakeholder engagement including surveys, community workshops, a Community Engagement Workshop, and targeted engagement with local businesses, landowners, and government agencies. Recurring themes included:

- The importance of diverse and affordable housing
- A safe and vibrant public realm
- Improved connectivity across the City Heart
- Opportunities for environmental and climate resilience.

Figure 1. City Heart Study Area

The draft City Heart Strategy and Master Plan represents a balanced and evidence-based vision for the City Heart. It aligns with Council's broader strategic objectives for housing, economic development, and liveability, while also responding directly to community aspirations. Importantly, it positions the City Heart to play a central role in supporting growth and meeting housing demand under the NSW Government's Regional City framework.

The draft City Heart Strategy and Master Plan is informed by the background technical studies, which provide the supporting evidence for the City Heart Strategy and Master Plan and the future implementation of the changes to planning controls.

The draft City Heart Strategy and Master Plan is recommended to be placed on public exhibition for not less than 28 days, giving the community and key stakeholders further opportunity to review the document and provide feedback. All submissions will be reviewed and reported back to Council, along with any recommended refinements to the City Heart Strategy and Master Plan, prior to its finalisation and potential adoption.

3. Conclusion

The draft City Heart Strategy and Master Plan, provides a clear, long-term framework to guide the growth and revitalisation of the City Heart area. The plan focuses on housing diversity, public domain improvements, movement and connectivity, and environmental resilience, and is supported by technical studies that provide evidence and analysis to inform the draft City Heart Strategy and Master Plan.

The draft City Heart Strategy Master Plan has been prepared by Council staff and informed by technical studies and extensive community stakeholder engagement, ensuring it aligns with Council's adopted strategic directions and reflects local aspirations, while positioning the city for future Grant funding opportunities to build on the Grant Funding received.

It is recommended that Council endorse the draft City Heart Strategy and Master Plan for public exhibition for a period of not less than 28 days, providing the community and stakeholders an opportunity to review the document and provide feedback before the plan is finalised and potentially adopted by Council.

Key Considerations

4. Financial and Economic Implications

The preparation of the City Heart Strategy and Master Plan is being funded through the Australian Government's Housing Support Program – Stream 1, following Council's successful grant application in 2024. In addition, $100,000 has been allocated from Council's Land Use Planning projects budget (Port Macquarie Civic Precinct Planning) to support the delivery of the City Heart Strategy and Master Plan incorporating the Civic Precinct Planning.

The City Heart Strategy and Master Plan itself does not commit Council to future capital works expenditure. However, it will provide the strategic framework to guide future investment in public domain improvements, infrastructure upgrades, and housing supply initiatives within the City Heart. This framework will also strengthen Council's position when seeking additional external Grant Funding opportunities.

In the longer term, implementation of the City Heart Strategy and Master Plan is expected to deliver positive economic outcomes, including:

- Facilitating more diverse housing options to meet local and regional demand
- Attracting new investment and supporting business activity within the City Heart
- Reinforcing Port Macquarie's role as a key Regional Growth City and enhancing the vitality of the City Heart.

5. Legislative and Policy Implications

The preparation of the City Heart Strategy and Master Plan is not a legislative requirement in itself; however, it responds directly to a range of existing strategic planning frameworks and policy directions.

At the regional and local level, the City Heart Strategy and Master Plan supports the North Coast Regional Plan 2041, the Port Macquarie Regional City Action Plan, the Living and Place Strategy, and the Port Macquarie-Hastings Urban Growth Management Strategy. Collectively, these strategies and plans emphasise the need for more diverse housing options, revitalised centres, and sustainable growth.

The draft City Heart Strategy and Master Plan does not establish new policy but provides a strategic framework to inform future amendments to local planning controls, including the Local Environmental Plan (LEP) and Development Control Plan (DCP). Any such amendments will follow the legislative processes under the EP&A Act, including public exhibition and assessment. These elements do have $200,000 of Grant Funding from Round 3 of the Housing Support Program for the Planning Proposal that will deliver the planning control amendments, should the draft City Heart Strategy and Master Plan be endorsed.

Overall, the City Heart Strategy and Master Plan complies with relevant legislative and policy frameworks and advances Council's strategic objectives for housing, growth management, and urban renewal, while providing guidance for the long-term development and activation of the City Heart.

6. Strategic Context and Implications

The draft City Heart Strategy and Master Plan aligns with Council's Integrated Planning and Reporting Framework (IP&R) and supports the following strategies:

IP&R Theme	Strategic Alignment
Liveable and well-connected places	Facilitates diverse housing options in the City Heart; supports improved connectivity and movement networks.
A thriving, inclusive economy	Strengthens the City Heart as a regional centre; encourages investment, business activity and job creation.
Sustainable environments	Embeds green and blue infrastructure; promotions sustainable urban design.
Community voice and leadership	Provides transparent, evidence-based planning that reflects community aspirations and supports Council's role as regional leader.

The draft City Heart Strategy and Master Plan also advances outcomes identified in adopted strategies, including:

- **Living and Place Strategy**
  Supports housing supply and diversity.
- **Urban Growth Management Strategy**
  Consolidates growth within the existing urban footprint.
- **Regional City Action Plan 2036 (RCAP)**
  Reinforces the City Heart as the focal point for cultural, social, and economic activity.

Overall, the draft City Heart Strategy and Master Plan provides a strategically aligned framework that integrates Council's planning objectives, community aspirations, and regional priorities to guide the long-term growth, revitalisation, and activation of the City Heart.

7. Risk and Insurance Implications

A risk management strategy was included in the detailed project plan throughout the procurement process. The risk management strategy identified risks for the projects life cycle and included mitigation controls.

A number of risks have been identified in relation to the City Heart Strategy and Masterplan, including potential community opposition to change, financial constraints, and disruption during construction, which could affect local businesses, traffic flow, and community amenity. There is also a risk that desired outcomes, such as increased vibrancy, activation, and economic uplift, may not be fully achieved, alongside environmental risks such as flooding. Heritage and cultural values may be affected if not adequately considered, and implementation risks, including delays in approvals or stakeholder coordination, could impact delivery.

These risks are mitigated through ongoing community engagement, careful planning and staging of works, integration of climate resilience measures, alignment with heritage requirements, and clear governance and project and risk management arrangements.

Overall, the risk management approach ensures that potential issues are identified, managed, and monitored, supporting the successful delivery of the draft City Heart Strategy and Master Plan while mitigating risks for Council, the community, and key stakeholders.

8. Engagement and Consultation

The engagement and consultation for the draft City Heart Strategy and Master Plan to date has been collaboratively undertaken by Council Staff, AJC and Gyde, in alignment with the Port Macquarie-Hastings Council Community Participation Plan.

The engagement was targeted with the wider Port Macquarie-Hastings community, local businesses, interest groups and stakeholders as well as with other levels of government and government agencies. The program was developed and guided by the following principles:

- **Open**
  Invite a broad range of people to participate and get involved
- **Meaningful**
  Encourage participation and produce meaningful outcomes that will be directly reflected in the City Heart Strategy and Master Plan
- **Timely**
  Consult the community early and with plenty of time to respond, to inform the development of the City Heart Strategy and Master Plan
- **Inclusive**
  Ensure that everyone can provide their feedback through a range of forums
- **Clear**
  Make complex, strategic information clear and easy to understand by a wide audience.

The following engagement activities were undertaken to inform the creation of the Draft Master Plan:

- **Advertising**
  The City Heart Strategy and Master Plan and Community Workshop were advertised on Council's Have Your Say page on its website. Physical postcards were sent out across the City Heart area, downloadable postcards were available on the website, with supporting mapping information. A QR code was included on the postcard directing recipients to the Have Your Say page.

- **Community Enquiries**
  The community and interested stakeholders were able to contact Council for information about the City Heart Strategy and Master Plan via survey or email.
- **City Heart webpage -** information about the City Heart was available on Council's Have Your Say page and website
- **Social media and Council collateral**
  The engagement was advertised on Councils social media pages.
- **Community Survey**
  a community survey was made available on Council's website, advertised on the community postcard and the QR code was promoted at the Community Workshop.
- **Stakeholder meetings and briefings**
  Individual and group meetings were held with key stakeholders from the City Heart, seeking feedback on the key priorities. Business Port Macquarie were briefed on the development of the draft City Heart Strategy and Master Plan.
- **Community Engagement Workshop -** A Community Engagement session was held on 12 June 2025, at the Westport Club. Members of the community and stakeholders workshopped their ideas on the vision, values and suggestions for the City Heart.

There were over 1,500 page visits to Council's Have Your Say page as follows:

- 364 downloaded documents
- 127 surveys were completed
- The postcard was viewed or downloaded 174 times
- The mapping viewed or downloaded 114 times.

A total of 34 participants registered for and attended the Community Engagement Workshop event. Participants were invited to comment on four (4) themes at a table discussion facilitated by a Council staff member. The four (4) themes and a summary of the feedback is listed below.

- **Theme 1:** The City Centre - now and the future
  - Enhance active transport and pedestrian friendly streets with safe, visually appealing public spaces.
  - Activate waterfront areas and public spaces with events, nightlife, and cultural activities.
  - Support Central Business District's role as the primary commercial and business hub.
  - Improve east west connections and create focal nodes for social interaction.
  - Encourage local businesses, pop-ups, and cultural heritage initiatives.
- **Theme 2**: Public spaces and the waterfront
  - Strengthen visual and physical connections to the waterfront.
  - Increase dining and leisure options along waterfront areas.
  - Improve parks and underutilised green spaces.
  - Establish swimming areas and activate spaces near jetties.
- **Theme 3:** Businesses, attractions, events and activities

    - Promote Town Green for events and reduce barriers to public space activation.
    - Host more local festivals, markets, and sporting events.
    - Consider destination precincts like Fisherman's Wharf with restaurants, bars, and microbreweries.
- **Theme 4:** Housing and liveability
    - Increase City Heart housing density, including affordable and senior housing.
    - Encourage mixed-use developments and shop-top housing.
    - Address parking, heritage, and economic feasibility challenges.
    - Improve public transport, pedestrian safety, street furnishings, lighting, and connectivity.
    - Use examples like Newcastle's Honeysuckle precinct for inspiration on integrating residential and public spaces.

Key Priorities Across Themes:

- Activate streets, laneways, and public spaces.
- Enhance connectivity, safety, and amenity for all users.
- Preserve heritage while enabling higher-density development and economic feasibility.
- Create a vibrant, inclusive, and culturally rich city centre integrated with waterfront areas.

9. Civic Leadership

The City Heart Strategy and Master Plan is strongly aligned with Environmental, Social and Corporate Governance factors:

- **Environmental –** supports more sustainable land use patterns, reduces pressure on greenfield development, and integrates green and blue landscapes within the City Heart.

- **Social –** promotes diverse and affordable housing, improved public spaces, accessibility, and community wellbeing.

- **Governance –** has been developed through transparent processes, supported by grant funding under the Australian Government's Housing Support Program – Stream 1, and will be subject to community consultation through public exhibition.

Options

Council may choose to:

1. Place the draft City Heart Strategy and Master Plan on public exhibition.

   This option allows the community, stakeholders and key interest groups to review and provide feedback on the draft City Heart Strategy and Master Plan over a not less than 28-day exhibition period. Public exhibition will enable Council to consider further community input prior to potential final adoption.

Option 1 is the recommendation of this report.

2. Do not proceed to place the draft City Heart Strategy and Master Plan on public exhibition.

   This option would delay community consultation. It may result in delay to the implementation of initiatives aimed at revitalising the City Heart and creating more diverse housing options. It may also impact the Grant Funding for the future Planning Proposal stage.

3. Council may resolve in some other manner.

The recommendation of this report is Option 1.

Attachments

1. DRAFT - City Heart Strategy and Master Plan for Public Exhibition
2. City Heart Strategy and Master Plan Engagement Outcomes Final Report

Item: 13.03

Subject: **Post Exhibition Report - Thrumster Business Park PP-2023-2079 / 32.2023.0006.01**
Applicant - Love Project Management
Proponent - Thrumster Business Park Pty Ltd

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Note the Engagement Report.**
2. **Note the conditional Gateway Determination granted by the Department of Planning, Housing and Infrastructure on 19 February 2025 authorising Council as the Planning Proposal Authority to exercise the functions of the local plan-making authority under section 3.36(2) of the Environmental Planning and Assessment Act 1979.**
3. **As a result of the consideration of the submissions and Government agency responses:**
   a) **Endorse the Planning Proposal as publicly exhibited (Attachment 1) under section 3.35 of the Environmental Planning and Assessment Act 1979 in relation to Lots 101-135, DP 1304965, and proposed Lots 304 - 306 in subdivision of part Lot 100 DP 1304965 Achievement Avenue, Vision Street and Legacy Street, Thrumster NSW 2444.**
   b) **Take the necessary steps under Section 3.36 of the Environmental Planning and Assessment Act 1979 to finalise the Port Macquarie-Hastings Local Environmental Plan 2011 (Amendment No. 63) to give effect to the Planning Proposal.**
4. **Delegate authority to the Director Community, Planning and Environment to make inconsequential or minor administrative amendments to the Planning Proposal prior to forwarding it to the Department of Planning, Housing and Infrastructure should the Proposal proceed for finalisation.**
5. **Thank and notify all persons who lodged a submission of Council's decision.**

Executive Summary

The purpose of this report is to inform Council about the Post Exhibition outcome of a proponent-initiated Planning Proposal (PP) concerning land at Thrumster Business Park, located at Lots 101-135, DP 1304965, and proposed Lots 304 - 306 in subdivision of part Lot 100 DP 1304965 Achievement Avenue, Vision Street and Legacy Street, Thrumster NSW 2444. A copy of the Engagement Report is provided (Attachment 7).

The Planning Proposal (Attachment 1) has been prepared on behalf of Thrumster Business Park Pty Limited by Love Project Management to support a request for the rezoning of the subject land.

The Planning Proposal aims to amend the Port Macquarie Hastings Local Environmental Plan 2011 (LEP) by:

1. Rezoning the site from E4 General Industrial to E3 Productivity Support.
2. Applying a Schedule 1 Additional Permitted Use for Shop Top Housing over 12 lots subject to Acoustic controls.

This Planning Proposal was presented to the 12 December 2024 Ordinary Council Meeting (Item 13.07).

As identified in the 12 December 2024 Ordinary Council Meeting Council report, the Planning Proposal has been assessed as having strategic planning merit; however, it is not entirely consistent with certain site-specific merits, which presents a manageable level of risk to Council should the proposal proceed as recommended in this report.

These risks relate to the following:

- The Port Macquarie Airport's Australian Noise Exposure Forecast (ANEF) Boundary impacts.
- Residential and Industrial Land Use potential land use conflicts, particularly the potential for noise generated by Industrial uses.
- The impact that amplified noise mitigants may have on the potential cost of the proposed affordable worker housing.
- Wastewater Management.
- Water Network Design constraints

The proposal has had several changes since it was first lodged. The first lodgement proposed to rezone the site from E4 General Industrial to MU1 Mixed use. Following this, the second lodgement sought to rezone the proposed land from E4 General Industrial to E3 Productivity Support and add a Schedule 1 inclusion of Shop Top Housing and Serviced Apartments.

Gateway Determination (Attachment 5) and Alteration to Gateway Determination (Attachment 6), the Department of Planning, Housing and Infrastructure required the proposal to be further amended to rezone the land from E4 General Industrial to E3 Productivity Support and amend the Schedule 1 inclusion of Shop Top Housing only with the 12 lots under the Schedule 1 being subject to Acoustic Controls.

The PP now meets the conditions of the Gateway Determination. This report recommends that Council endorse the Planning Proposal as exhibited and undertake the necessary legislative functions to draft and finalise an amendment to the Land Zoning (LZN) map, Acoustic Controls Map and to schedule 1 of the LEP (Attachment 2) to implement the Planning Proposal.

Report

1. Background

An initial pre-lodgement meeting was held on the 14 December 2022. A subsequent pre-lodgement meeting followed on the 4 October 2023. The proponent has consulted with Council to address the matters raised during the pre-lodgement phase and lodged a PP on the 15 August 2024.

Thrumster Business Park initially proposed a change for an area of approximately 5.5 Hectares from the existing Zone E4 General Industrial to E3 Productivity Support. Within this proposed E3 Productivity Support area, 12 lots have been identified as Precincts A and have been designated for a Schedule 1 - Additional Land Use option, which would allow for shop-top housing subject to Acoustic Controls.

Council resolved as follows at its Ordinary Council Meeting on 12 December 2024 at Item 13.07:

"That Council:

1. *Endorse the draft Planning Proposal (Attachment 1), to enable rezoning of land at Thrumster Business Park and associated amendments prepared under section 3.33 of the environmental Planning and Assessment Act 1979.*
2. *Forward the draft Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination under Section 3.34 of the Environmental Planning & Assessment Act 1979, and request that the Gateway Determination authorise Council to be the local plan-making authority.*
3. *Delegate authority to the Director Community, Planning and Environment to make any minor updates to the Planning Proposal prior to seeking a Gateway Determination, and action/address conditions of Gateway determination accordingly.*
4. *Receive a report following the public exhibition period on any submissions received.*
5. *Notify the proponent of Council's decision.*
6. *Request the Chief Executive Officer to provide a report to the March 2025 Ordinary Council meeting providing an update on the development of the Affordable Housing actions being considered under Council's recently endorsed Affordable Housing Plan."*

The PP was submitted to the Department for Gateway Determination on 18 December 2024. Gateway Determination was received on 19 February 2025.

The Gateway Conditions (Attachment 5) included:

1. *Prior to agency and community consultation, the Planning Proposal is to be amended to:*
   - *(a) remove references to the inclusion of shop top housing and serviced apartments as additional permitted uses;*
   - *(b) remove references to the previous property description and replace with the current property descriptions for the land to which the Planning Proposal applies; and*
   - *(c) include the zoning of road reserves within and surrounding the site to match adjoining zoned land.*

2. *Public exhibition is required under section 3.34(2)(c) and clause 4 of Schedule 1 to the Act as follows:*

(a) *the planning proposal is categorised as standard as described in the Local Environmental Plan Making Guideline (Department of Planning and Environment, August 2023) and must be made publicly available for a minimum of 20 working days; and*

(b) *the Planning Proposal authority must comply with the notice requirements for public exhibition of Planning Proposals and the specifications for material that must be made publicly available along with Planning Proposals as identified in Local PP-2023-2079 (IRF25/125) Environmental Plan Making Guideline (Department of Planning and Environment, August 2023).*

3. *Consultation is required with the following public authorities and government agencies under section 3.34(2)(d) of the Act and/or to comply with the requirements of applicable directions of the Minister under section 9 of the Act:*

   - *NSW Rural Fire Service*
   - *The owner and operator of the Port Macquarie Airport*
   - *Civil Aviation Safety Authority*
   - *Airservices Australia*
   - *Transport for NSW*

   Each public authority is to be provided with a copy of the planning proposal and any relevant supporting material via the NSW Planning Portal and given at least 30 working days to comment on the proposal.

4. *A public hearing is not required to be held into the matter by any person or body under section 3.34(2)(e) of the Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).*

The Proponent submitted a Gateway Review on 1 April 2025, seeking to amend condition 1 of the Gateway Determination. The Gateway review initiated by the proponent was later withdrawn. Instead, the proponent opted to amend the Planning Proposal, the amended PP was lodged with Council on 23 April 2025

Alteration of Gateway Determination was issued on 23 May 2025 (Attachment 6), and the proponent was required to amend the PP prior to Agency Consultation and Public Exhibition. Following receipt of the updated PP and site maps (Attachment 2), Council staff continued to progress the proposal in accordance with the Council resolution of December 2024.

The following agencies were referred on 3 July 2025:

1. Transport for NSW,
2. Rural Fire Services,
3. Air Services Australia,
4. Civil Aviation Authority and
5. Port Macquarie Airport Authority

Subsequently, the PP was placed on Public Exhibition from 23 July 2025 to 19 August 2025.

The Proponent also submitted an Expression of Interest (EOI) to the Housing Delivery Authority (HDA) for the proposal to be considered as State Significant Development on 25 June 2025. The HDA did not recommend this proposal be declared SSD under s4.36(3) of the EP&A Act for the following reasons:

- The proposal did not adequately satisfy certain objectives or criteria of the HDA EOI being:
  - Objective 2: Identify projects that can be assessed quickly
  - Criteria 2.1: Largely consistent with development standards
  - Objective 3: Drive quality and affordable housing

The HDA recommended that the applicant be advised that there were alternative pathways in the NSW planning system for development on this site including a development application following finalisation of PP 2023-2079.

2. Discussion

Consistent with the 12 December 2024 Ordinary Council Meeting report at Item 13.07 content, the Guideline for Planning Proposals, issued under Section 3.33(3) of the Act, the Proposal was assessed for strategic merit. The discussion highlighted that the land was considered suitable for zone E3 Productivity Support and aligned with employment and residential objectives, which is consistent with North Coast Regional Plan 2041, the Port Macquarie Regional City Action Plan 2036, LSPS "Shaping Our Future 2041", the Urban Growth Management Strategy 2018 and other relevant strategies.

<u>Potential risks associated with this proposal</u>

The following have been identified as potential risks:

- The Port Macquarie Airport's Australian Noise Exposure Forecast (ANEF) Boundary impacts on the proposed residential uses.

The proposed land to be rezoned E3 - Productivity Support is approximately 1 kilometre from the end of the runway of Port Macquarie Airport. It must be noted that the 20 ANEF contour does not encompass the proposed rezoned land, as per the current ANEF boundaries provided by Port Macquarie Airport.

However, considering the updated ANEF contours within the draft Airport Master Plan 2045, a small part of the proposed rezoned land specifically, 2 out of the 12 lots that have a Schedule 1 - Additional Use for Shop Top Housing, would fall within the 20 ANEF contour. This raise identified risks regarding the impact of the aircraft noise on the proposed residential uses under Schedule 1 of this proposal.

The Noise Impact Assessment undertaken by the proponent ensures noise attenuation measures such as double-glazed windows and ducted air conditioning. However, it is recommended that detailed assessment be undertaken on an individual case basis at the DA stage for each development on these 12 lots.

In addition, consultation with the airport team highlighted safety risks regarding development height during construction (use of cranes) and post construction, which may penetrate the Obstacle Limitation Surface (OLS). Based on this identified risk (Attachment 4), the staff sought to review the Development Control Plan 2013 (DCP) for future developments within Port Macquarie Airports' airspace. After raising this risk with the proponent, they have agreed to enter into a Positive Covenant that would impose height restrictions on the rezoned land should the proposal proceed to finalisation.

The initial review of the DCP for future developments within the airspace of Port Macquarie Airport identified some risks in the existing controls for the future of the Airport. These controls could be improved to offer greater guidance and certainty for future development projects and the airport itself. Therefore, it is the intention of staff, that if Council decides to proceed with finalising the PP, that staff will conduct a formal review of the relevant DCP controls within the airspace of Port Macquarie Airport.

- Residential and Industrial Land Use potential land use conflicts, particularly the potential for noise generated by Industrial uses.

The proposed rezoned land is bounded by industrial land on the northern side. Schedule 1 of the proposal seeks to include additional residential uses in the form of shop top housing, which may potentially lead to conflicts between residential and industrial uses.

As a note, several development applications (DAs) have already been approved for industrial development within this proposed rezoned area under its current land use. Some of these industrial developments are on adjacent lots to the proposed Shop top Housing lots.

- The impact that amplified noise mitigants may have on the potential cost of the proposed affordable worker housing.

The proposal seeks to provide shop top housing in the form of affordable and low-cost apartment style housing to support essential workers. However, the construction costs involved in providing adequate noise mitigation measures may impact the affordability of housing as proposed in the planning proposal.

- Wastewater Management

Since the land was previously zoned E4- General Industrial, the site was considered part of the existing wastewater treatment plant. However, within the rezoned land, Schedule 1 - development of shop top housing will increase the demand on the existing sewer network.

At the Ordinary Council Meeting held on 18 August 2022, regarding current issues with the Wastewater Treatment within the Local Government Area, the Council resolved on item 14.04 a resolution that included the following at Point 4, to:

> *"Not proceed past Stage 6 Finalisation Stage of the Planning Proposal process for any existing or new Planning Proposals that will increase the loading to the*

Port Macquarie, Kew/ Kendall and Wauchope Wastewater treatment Plants units such time as all design work is complete and approval are in place for the respective upgrades."

In complete compliance with the resolution at item 14.04 Waste Water Treatment Plant Capacities from the 18 August 2022 Ordinary Council Meeting, the development of shop-top housing must be contingent upon the completion of the Thrumster Wastewater Scheme, which is scheduled for commissioning in late 2028 to facilitate urban growth in Thrumster and Sancrox. To avoid over demand on the existing treatment plants and in accordance with the standards outlined in clause 7.13 of the LEP, the Council has the option to enforce this resolution. In that situation the proposal should not proceed beyond the Stage 6 Finalisation Stage, and Council should adopt option 2.

To mitigate this risk, the proponent has developed a utilities servicing plan that limits the development potential based on sewer loading and capacity. This approach allows for a staged development that ensures the project will not be fully realised until additional sewer capacity becomes available.

Additionally, the existing pump station on the site has been designed accommodate the current zoning (E4 General Industrial). Therefore, the proposed intensification, including the development of shop top housing on 12 lots within the rezoning (E3 - Productivity Support), will likely require augmentation to the current pump station and/or rising mains. During the review of the Draft Development Servicing Plan in November 2024, the Proponent made a submission for the inclusion of an on-site generator for emergency storage (TSSPS08) at Thrumster which was adopted in the final DSP as Future Sewerage Assets to be delivered in 2025.

- Water Network Design Constraints

Internal referrals from the water and sewer team indicated that the Cowarra Water Treatment Plant (CWTP) and Northern Arm Trunk Main (NATM) are currently planned for construction in 2028. Until then, there may be inadequate water supply capacity to cater to additional loads associated with the intensification through land use zoning changes with this planning proposal.

The existing water supply network has been designed to service existing industrial zoned lands. Further intensification may require augmentation to the existing/proposed network, including trunk main extensions to service the area from Thrumster Street and/or John Oxley Drive. As a result, in addition to upgrading of the rising main for sewer, the developer will also be required to bear the cost of upgrading the Trunk main prior to any Development Approvals being granted to be able to service those lots.

<u>Gateway Determination</u>

Gateway Determination was issued on 19 February 2025. Following this Gateway Determination the Proponent submitted a Gateway Review on 1 April 2025 which was later withdrawn. A copy of the Gateway Determination has been provided (Attachment 5).

<u>Alteration of Gateway Determination</u>

Gateway Alteration was granted on 24 April 2025. The alteration was requested for Condition 1(a) of the gateway determination which states:

1. *Prior to agency and community consultation, the Planning Proposal is to be amended to: (a) remove references to the inclusion of shop top housing and serviced apartments as additional permitted uses;*

Staff supported the amended proposal, submitted by the proponent on 23 April 2025, that removes references to serviced apartments in accordance with the Gateway condition requirements. However, it retains shop-top housing, which will be limited to the southern side of the site. Additionally, the amended proposal aims to expand the E3 Productivity Support zone to create a more natural boundary between the E3 Productivity Support and E4 General Industrial zones at Legacy Street.

A copy of the Alterations to Gateway Determination dated 24 April 2025 is provided as Attachment 6.

On 3 July 2025 an updated Planning Proposal was submitted to the Planning Portal addressing Gateway determination conditions 1 (a) to (c). This included an updated proposed land zoning map. Figure 1 shows the updated proposed land to be rezoned E3 and Figure 2 shows the additional uses map.

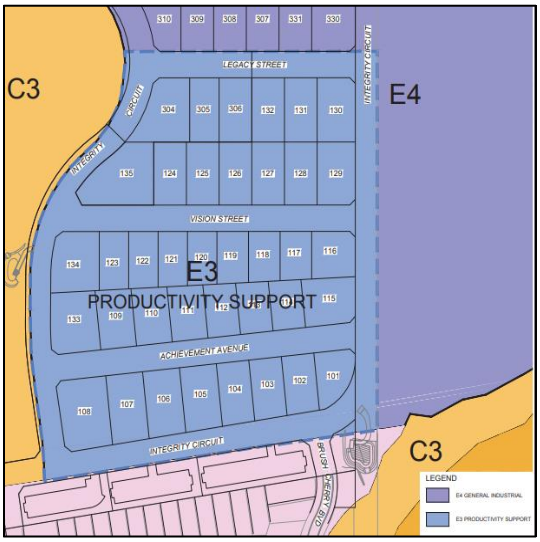


Figure 1: Proposed land to be rezoned E3.

Figure 2: Additional uses map - for Shop Top Housing over 12 lots.

Agency consultation and public exhibition

On 3 July 2025, agencies were referred the PP, wherein each Authority was provided with a copy of the updated PP, rezoning and additional uses' maps, and other supporting documents. All agency comments were received by the due date of 18 August 2025. The agency comments and corresponding planning response have been included in the Engagement Report as attached (Attachment 7).

The referrals comments are summarised as follows:

- **NSW Rural Fire Services:** *"The NSW RFS has no objection to the Planning Proposal. Future development applications shall comply with Planning for Bushfire Protection guidelines."*
- **Transport for NSW:** TfNSW *"has no objection to this proposal as it is unlikely to result in a significant impact on the State transport network."*
- **Civil Aviation Safety Authority (CASA):** CASA suggested management guidelines from the National Airports Safeguarding Framework (NASF) Guidelines. These guidelines were to be followed at a later stage since CASA had no objections to the proposed Planning Proposal at this stage. *"CASA is prepared to provide further comment / recommendations at a later stage in the planning process once the dimensions and locations of buildings / structures / cranes are known."*
- **Air Services Australia:** Air Services had no comments on this Planning Proposal.
- **The owner and operator of the Port Macquarie Airport:** The airport team identified risks with regards to the Australian Noise Exposure Forecast (ANEF) and its impacts on the residents. Additionally, safety concerns for the Obstacle Limitation Surface (OLS) were expressed for building height during (use of cranes) and after construction.

The PP was placed on Public Exhibition for a period of 28 days, including letters posted to inform adjoining landowners. Public Exhibition was undertaken from 23 July 2025 to 19 August 2025. Council received 1 submission during this period. The Engagement Summary Report has been attached (Attachment 7).

The engagement results showed:

- Total page visits - 258
- Total document downloads - 80
- Number of submissions - 1

The submitter had no significant objection against this proposal. The submission was:

> "*I'm all for bringing employment zones to Port Macquarie, so I support the Thrumster Business Park, but the shop top housing does not meet the Liveable communities' guidelines. There are no provisions for parks, public transport etc as part of this proposal, these need to be included and provided in this document."*

3. Conclusion

The proposal though having certain site-specific constraints did not have any major objections from any agencies or the public exhibition and therefore has no substantial reason to not proceed. However, detailed assessment would need to be undertaken at the DA stage to ensure the development complies with all recommended safety measures to minimise social and infrastructure risks.

Additionally, Council has previously resolved that before the proposal proceeds past Stage 6 Finalisation Stage all design works and upgrades needs to be put in place for the Thrumster Wastewater Treatment Plant to avoid overloading the existing treatment plants. This is not achievable in the current gateway timeframe for the proposal, if Council wishes to enforce this requirement it will need to resolve that the proposal not proceed and be resubmitted once the relevant works are complete.

The proponent proposes to manage this risk relating to wastewater demand through the utilities plan provided (Attachment 3) with the PP. Staff have assessed this proposal and are satisfied by the assessment and calculation methodology.

Key Considerations

4. Financial and Economic Implications

The Stage 4 & 5 Post-Gateway fee of $30,000 was paid on 11 June 2025, consistent with Council's Fees and Charges at the time. These fees are designed to cover the cost to Council in assessing and progressing the Planning Proposal.

Should the recommendation to finalise the Planning Proposal be supported by Council, an additional fee of $2,424 is to be paid by the Proponent for Stage 6 - finalisation, in accordance with Council's approved fees and charges.

5. Legislative and Policy Implications

The proposed amendments are consistent with the legislative requirements under the Environmental Planning and Assessment Act 1979 (EP&A Act), which governs the preparation and amendment of Local Environmental Plans.

As the Local Plan Making Authority (LPMA) in this matter, Council is authorised under the Gateway Determination to finalise the PP in accordance with the conditions imposed on the Gateway Determination and make the LEP giving effect to the Planning Proposal. A public hearing has not been required to be held into the matter under section 3.34(2) of the Act.

Should the recommendation to finalise the Planning Proposal be supported by Council, the Plan (Port Macquarie-Hastings Local Environmental Plan 2011 (Map Amendment No. 63) will be made by the Director Community, Planning and Environment under delegation and published on the NSW legislation website, and the NSW Planning Portal.

6. Strategic Context and Implications

The land highlighted in the Planning Proposal was considered suitable for zone E3 Productivity Support and aligned with employment and residential objectives, which is consistent with North Coast Regional Plan 2041, the Port Macquarie Regional City Action Plan 2036, Local Strategic Planning Statement (LSPS) "Shaping Our Future 2041" and the Urban Growth Management Strategy (UGMS) 2018.

7. Risk and Insurance Implications

This proposal was not entirely consistent with certain site-specific merits, which presents a manageable level of risk to Council. As previously mentioned, the proposal is approximately 1 kilometre from the end of the runway of Port Macquarie Airport and is bounded by industrial land on the northern side.

The following have been identified as potential risks:

- The Port Macquarie Airport's Australian Noise Exposure Forecast (ANEF) Boundary impacts.
- Residential and Industrial Land Use potential land use conflicts, particularly the potential for noise generated by Industrial uses.
- The impact that amplified noise mitigation measures may have on the potential cost of the proposed affordable worker housing.
- Wastewater Management.
- Water Network Design constraints

The proponent proposes to manage this risk relating to wastewater demand through the utilities plan provided (Attachment 3) with the Planning Proposal. Staff have assessed this proposal and are satisfied by the assessment and calculation methodology.

8. Engagement and Consultation

As per Gateway conditions, agency consultation was undertaken from 3 July 2025 to 18 August 2025 as per section 3.34(2)(d) of the Act.

The following agencies were consulted:

- NSW Rural Fire Service
- The owner and operator of Port Macquarie Airport
- Civil Aviation Safety Authority
- Airservices Australia
- Transport for NSW

Subsequently, Public Exhibition was undertaken from 23 July 2025 to 19 August 2025, in accordance with section 3.34(2)(c) of the Act.

The engagement results showed:

- Total page visits - 252
- Total document downloads - 176
- Number of submissions - 1

In summary, no significant objections or submissions were received from this consultation and engagement.

9. Civic Leadership

The rezoning is unlikely to have negative impacts on ecological communities or disrupt current employment land uses, given that the land was previously zoned E4 - General Industrial. This approach aligns with sustainable land management principles by ensuring the continuity of land use that supports local economic stability. Furthermore, the thorough assessment process undertaken from the initial stages to the present demonstrates a strong governance framework committed to responsible decision-making and risk minimisation.

Council has been granted delegation by the NSW Minister of Planning to be the Local Plan Making Authority (LPMA) if Council resolve to make the Planning Proposal Council staff will proceed, with the Department of Planning and Parliamentary Counsel's Office (PCO), to draft and publish the LEP amendment.

Options

Council is the Local Plan Making Authority (LPMA) for this Planning Proposal. As the LPMA, the following options are available to Council:

1. Endorse the Planning Proposal as exhibited and take the necessary steps under Section 3.36 of the *Environmental Planning and Assessment Act 1979* to allow for the finalisation of Port Macquarie-Hastings Local Environmental Plan 2011 (Amendment No 63) to give effect to the Planning Proposal. This is the recommended option.
2. Not proceed with the Planning Proposal due to risk of land use conflicts and demand on the limitation of water and sewer infrastructure. Council would need to replace recommendation 3a) and b) with the following drafted alternative recommendation if Council wanted to pursue this option:

   In accordance with section 3.35 (4) of the Environmental Planning and Assessment Act 1979 request that the NSW Minister of Planning determine the matter not proceed. As adopted in the Council Resolution during the Ordinary Council Meeting held on 18 August 2022, to not proceeds past Stage 6 Finalisation Stage for any Planning Proposal until the completion of the Thrumster Wastewater Scheme.

   This option results in not making the amendments to the LEP. Noting the proponent can resubmit the Planning Proposal once these infrastructure limitations have been addressed. This is not the recommendation of this report.
3. Resolve in some other manner or defer a decision on the Planning Proposal pending further work and/or review, or other alternative action.

Attachments

1. Planning Proposal - Thrumster Business Park
2. Planning Proposal Maps
3. Utilities Plan - Thrumster Business Park
4. OLS Overlay Map - Thrumster Business Park
5. Gateway Determination
6. Alteration of Gateway Determination
7. Engagement Summary Report

Item: 13.04

Subject: **Stage 2 Planning Proposal - Health and Education Precinct Mixed Use Development**
Applicant: King + Campbell
Landowner: Alceon Group No.81 Pty Ltd

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Endorse the Planning Proposal (Attachment 1), to enable rezoning of land within the Health and Education Precinct prepared under section 3.33 of the *Environmental Planning and Assessment Act 1979*.**
2. **Forward the Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination under Section 3.34 of the *Environmental Planning & Assessment Act 1979*.**
3. **Note the Letter of Offer for a Planning Agreement and authorise staff to negotiate and draft a Planning Agreement for public exhibition.**
4. **Delegate authority to the Director Community, Planning and Environment to make any minor updates to the Planning Proposal prior to seeking a Gateway Determination, and action/address conditions of Gateway determination accordingly.**
5. **Receive a report following the public exhibition period on any submissions received.**

Executive Summary

This report assesses the Planning Proposal for land within the Health and Education Precinct (HEP), including supporting technical studies and draft Planning Agreement. The site is identified as a catalyst location in the Health and Education Precinct (HEP) and plays a critical role in delivering the precinct’s long-term vision as a regional centre for health, education, housing, and civic activity.

The proposal achieves key elements of the HEP Master Plan by delivering a north-south connector spine, central civic plaza, key worker and student housing, and mixed-use health and education facilities. However, the design departs from the Master Plan’s pedestrian-first vision, as the proposed spine incorporates a two-way road with on-street parking. Council acknowledges the Proponent’s arguments on financial viability and connectivity but remains conscious of the vehicle dominance in an area planned for pedestrian activity. A compromise outcome has been negotiated, with strict pedestrian-priority and traffic-calming measures to be embedded in a locality-specific DCP to be drafted by Council.

Council’s assessment identifies several critical issues as follow:

- Sewer Servicing - a justified inconsistency exists as the site cannot be serviced until the Thrumster Wastewater Treatment Plant upgrade anticipated in 2029.

Clause 7.13 of the LEP provides statutory safeguards ensuring no development can proceed without infrastructure in place

- Biodiversity - High Environmental Value vegetation and mapped Secondary (A) Koala Habitat require further arboricultural and ecological investigations. These are proposed to be deferred to the Development Assessment stage where appropriate enforceable safeguards can be applied
- Traffic - Traffic generation demand and parking supply are considered adequate. However, further modelling refinements are required by Council and Transport for NSW at future points in the process. The design of the connector spine will require strong pedestrian-priority controls
- Draft Planning Agreement - A voluntary negotiation secures the pedestrian spine and public open space. Further negotiation will be required to satisfy the requirement that deleted water infrastructure works are replaced with equivalent contributions. This issue has been raised in Council's Request for Further Information but has not been addressed by the proponent to date.

Despite these detailed matters to be addressed at future stages of the Planning Proposal, the Planning Proposal delivers positive social outcomes by improving workforce and student housing supply, strengthening accessibility and inclusivity through new public spaces, and enhancing access to essential services. It provides clear economic benefits by consolidating the Health and Education Precinct as the region's primary employment hub and ensuring long-term viability.

From a risk perspective, unresolved servicing and ecological issues are manageable through staging, statutory controls, and detailed studies at the Development Assessment stage.

It is considered that the Planning Proposal delivers the Health and Education Precinct Master Plan's original vision and is consistent with its intent. It does however deviate in part, particularly on the pedestrian spine and shared path proposal, but is, on balance, a positive outcome for the HEP and an acceptable design outcome. The Planning Proposal demonstrates sufficient strategic and statutory merit to proceed, provided that the outstanding issues are resolved through further negotiation at future stages. On this basis, the Planning Proposal is recommended to be supported as a justified proposal, representing a pragmatic balance between enabling growth and safeguarding community, environmental, and infrastructure outcomes.

Report

1. Background

Site Locality

This Planning Proposal applies to 5 properties, forming a consolidated landholding of approximately 20,785m² within the Health and Education Precinct (HEP), located at:

- 8 Highfields Circuit (Lot 180 on DP1197447),
- 3 Kulai Place (Lot 7 on DP262597),
- 5 Kulai Place (Lot 8 on DP262597),
- 9 Kingfisher Road (Lot 1 on DP262597),

- 11 Kingfisher Road (Lot 2 on DP262597) (refer to Figure 1).

Figure 1 - Site Location

The properties are currently occupied by detached dwellings and cleared land.

Strategic Context

Key strategic planning framework documents applicable to this Planning Proposal include:

a) *North Coast Regional Plan 2041,*

b) *Community Strategic Plan - Imagine 2050,*

c) *Local Strategic Planning Statement - Shaping Our Future 2040,*

d) *Port Macquarie-Hastings Local Environmental Plan 2011,*

e) *Health and Education Master Plan 2019,*

f) *Urban Growth Management Strategy 2017-2036,*

g) *Living and Place Strategy, August 2024*.

Health and Education Master Plan 2019

The *Health and Education Master Plan 2019* (HEP Master Plan) is the primary strategic document guiding the assessment of this Planning Proposal. In the HEP Master Plan, the site is identified as a “catalyst site”, meaning it is strategically positioned to deliver the first stages of the precinct’s key organising elements, particularly the Pedestrian Spine and the Kulai Place Activity Node. Catalyst sites are intended to set a benchmark for design quality, activate the public domain, and provide the early infrastructure and land uses that generate activity, unlock adjacent land, and drive the broader transformation of the precinct.

The HEP Master Plan was commissioned by Council and prepared by Architectus in 2019 to guide the transformation of the precinct into a regionally significant centre of excellence for health, education, research, training, and associated services. Developed through an extensive Enquiry by Design (EBD) process involving key institutions, landowners, service providers, and State agencies. The HEP Master Plan establishes a shared long-term vision for a vibrant, connected, and sustainable precinct that strengthens Port Macquarie’s role as a regional city.

The precinct is loosely bounded by John Oxley Drive to the west, Lake Road to the north, the Lake Innes Nature Reserve to the east, and St Columba Anglican School (SCAS) to the south. It incorporates the Port Macquarie Base Hospital, Charles Sturt University (CSU), SCAS, the Shared Health Research and Education Campus (SHREC), the Lake Innes Shopping Village, and surrounding lands (refer to Figure 2).

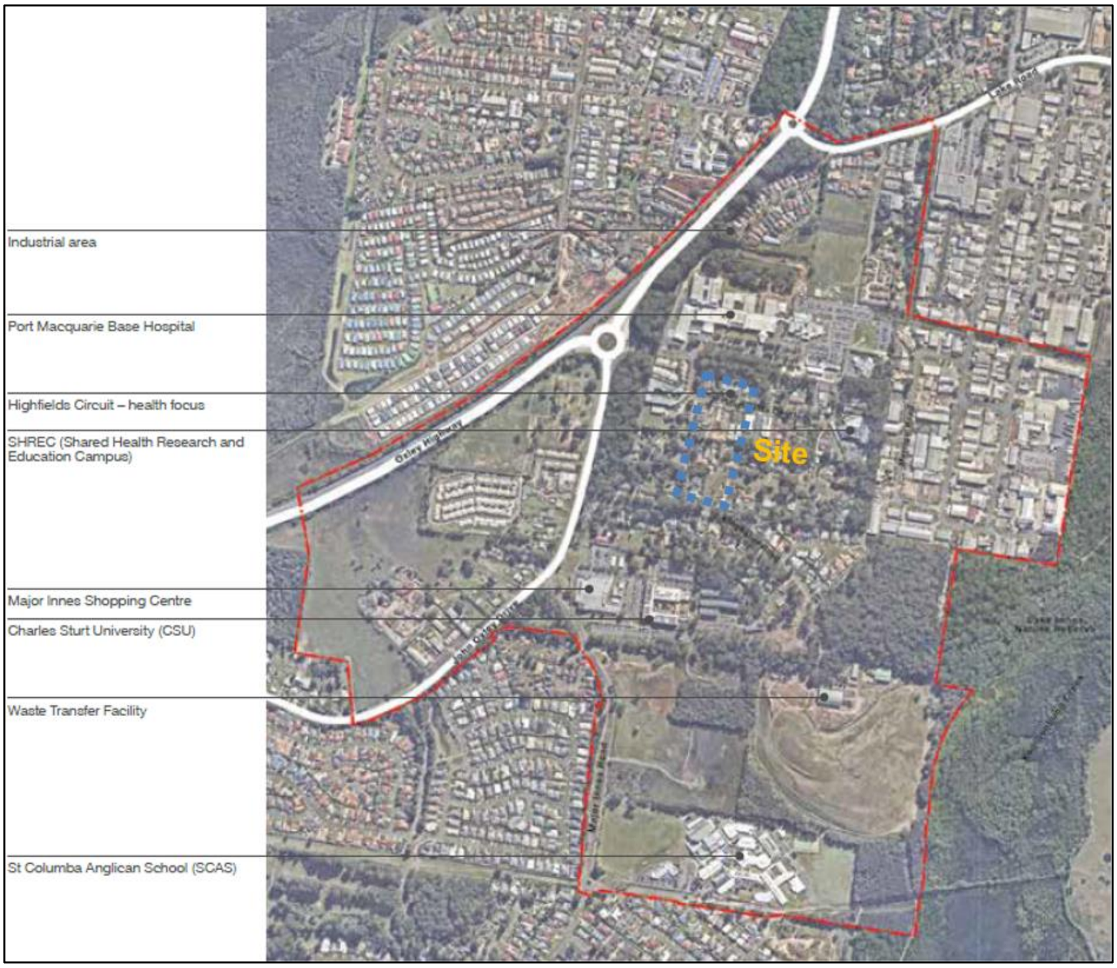


Figure 2 - Health and Education Precinct

The site also plays an important role in activating the Kulai Place frontage, identified in the HEP Master Plan as an "Activity Node". This frontage is intended to accommodate community, retail, and recreational uses that generate activity and support the vibrancy of the central plaza. At the heart of the HEP Master Plan are two major "big moves":

1. *The Pedestrian Spine* - the civic backbone and defining feature of the precinct, conceptualised as a linear plaza connecting the Hospital in the north to SCAS in the south,
2. *The Bus Loop* - a dedicated public transport circuit linking key institutions and activity nodes, integrated with regional transport networks.

Of the two Big Moves, the Pedestrian Spine is the most relevant to this proposal, as the site, identified as a catalyst site within the precinct, is tasked with delivering this key element.

- *The Pedestrian Spine*

The Pedestrian Spine represents the most significant 'big move' of this Planning Proposal, as the site is identified as a catalyst site for the precinct and will serve as the primary north-south connection. Given that this linear civic space will ultimately be dedicated to Council for management, it is critical that the design is robust, functional, and aligned with Council's long-term vision for the precinct.

The Pedestrian Spine is explicitly described in the Master Plan as the "*Centrepiece of the Master Plan*". It was shaped through the Enquiry By Design (EBD) process as the unifying structure to resolve systemic issues such as fragmented land parcels, disconnected pedestrian networks, car dominance, and lack of a cohesive identity. The spine is envisaged not as a simple circulation route, but as a linear civic space being a safe, continuous and activated public realm that physically and socially connects institutions, fosters vibrancy, and establishes the precinct's identity.

The HEP Master Plan translates these principles into measurable design controls through cross-sections, spatial standards, and figures known as Design Strategies.

- *Design Strategies*

The Design Strategies (Section 6) in the HEP Master Plan form the practical, spatial directions that guide how the precinct should develop over time. They translate the overarching vision and principles into specific, measurable requirements for land use, movement networks, built form, streetscapes, and public spaces and include a supporting map.

Figure 3 shows a consolidated map illustrating key design features envisaged in the Design Strategies for the site. Key features include:

- a north-south pedestrian spine across the entire length of the site (no vehicles),
- activation of the pedestrian spine with retail and active uses,
- a pedestrian spine lined with street trees to create a vista line framed by trees
- active building frontages that face the pedestrian spine,
- access to the proposed bus loop on Highfields Circuit,
- an 'Activation Site' at the corner of Kulai Place and Kingfisher Road that establishes a lively, well-used public frontage and promotes pedestrian activity,
- an 'Activity Node' use such as a hotel, cafe/dining, bar and venue-type uses on Kulai Place,
- managed on-street parking on Kulai Place,
- retaining existing tree canopy along Kingfisher Drive.

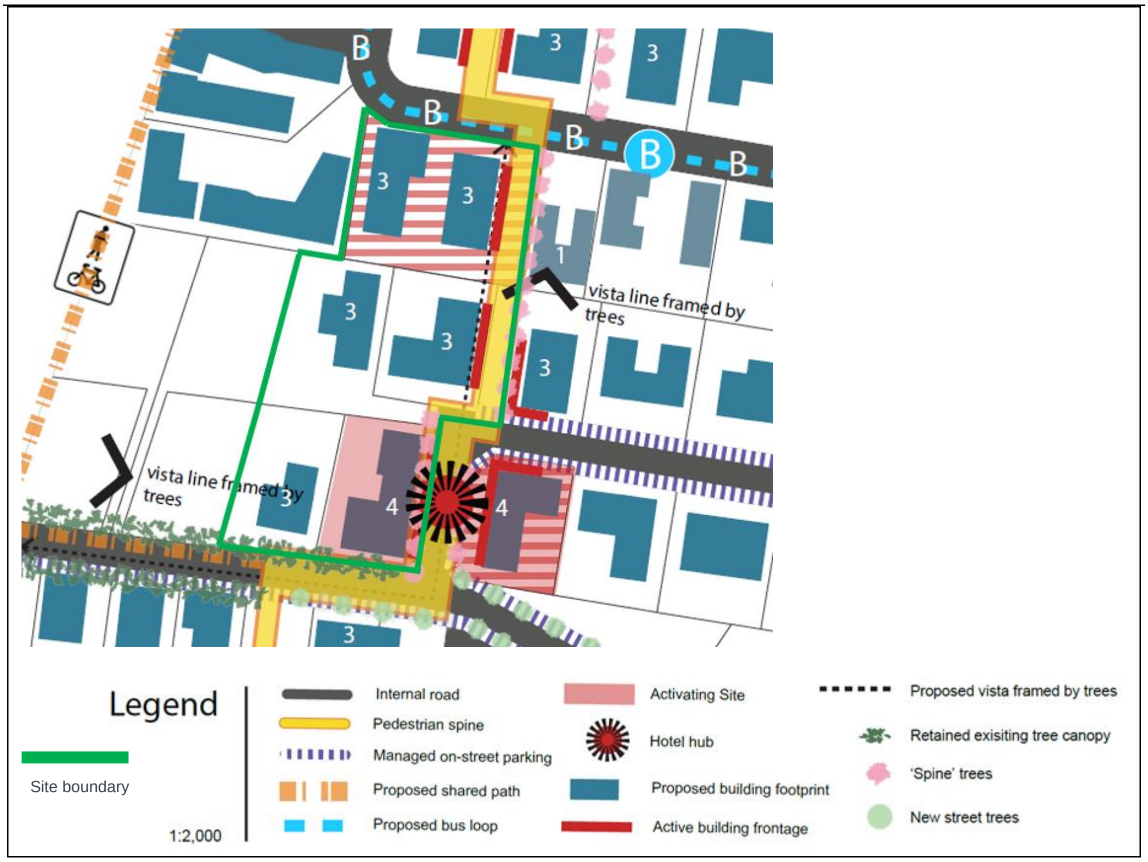


Figure 3 - Combined HEP Master Plan Design Strategy Elements

Figure 4 shows the minimum pedestrian spine widths envisaged for the precinct, including the northern portion of the site referred to as the 'Through-block Spine' (Section B) and the southern portion of the site on Kulai Place referred to as the 'Activity Node Spine (Section C).

Section B envisages an 11.5m pedestrian spine with 5m dedicated to a pedestrian and cyclist path and buffer areas. No vehicles or roads are envisaged in this section of the pedestrian spine. A new road linking Highfields Circuit and Kulai Place is not envisaged.

Section C is different as Kulai Place needs to accommodate vehicles as well as pedestrians and cyclists. Section C also envisages a 5m shared pedestrian and cycle path with buffer areas but also includes a carriageway (Kulai Place) and footpaths on adjacent sites to create a 19m pedestrian and vehicle spine.

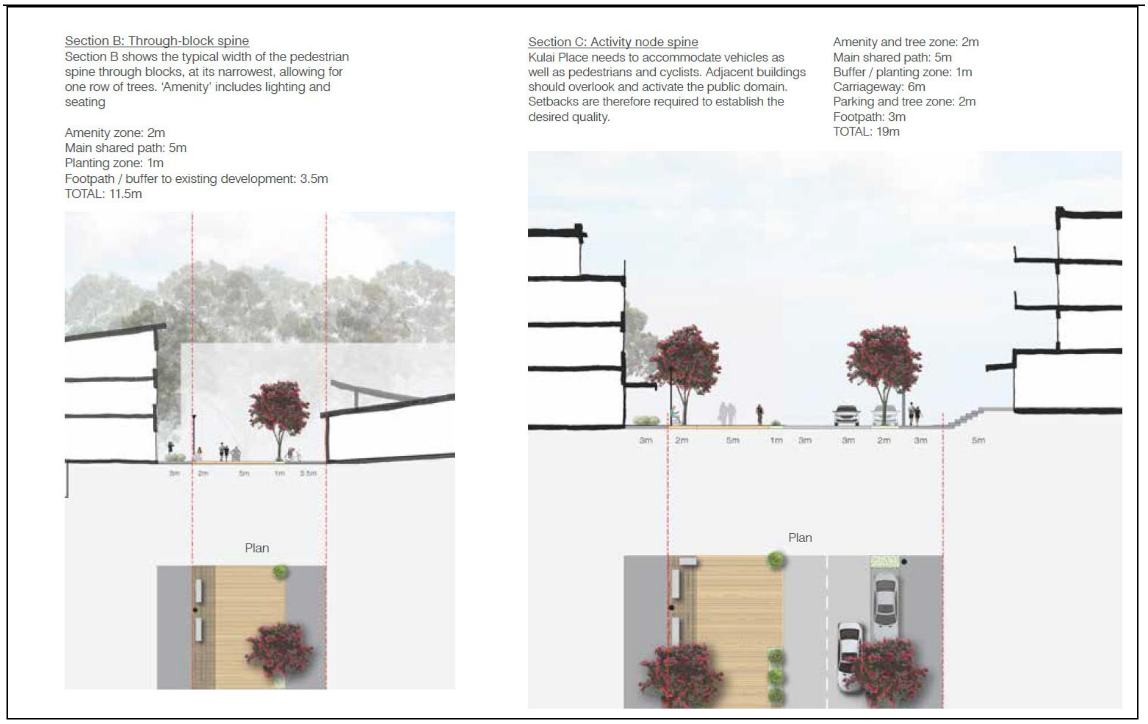


Figure 4 - Pedestrian Spine Widths

Previous Planning Proposal - PP2020-3.1

In August 2020, a Planning Proposal was lodged by the previous owner and then Proponent, to rezone the same site, plus an adjoining lot at 7 Kulai Place (Lot 9 on DP0262597), to enable a similar mixed-use development comprising:

- a central pedestrian spine comprising 30m x 200m pedestrian and cycle throughfare,
- 6 x predominately 7-storey buildings for health and medical facilities, accommodation and education buildings,
- approximately 58,000m² of gross floor area (refer to Figure 5).

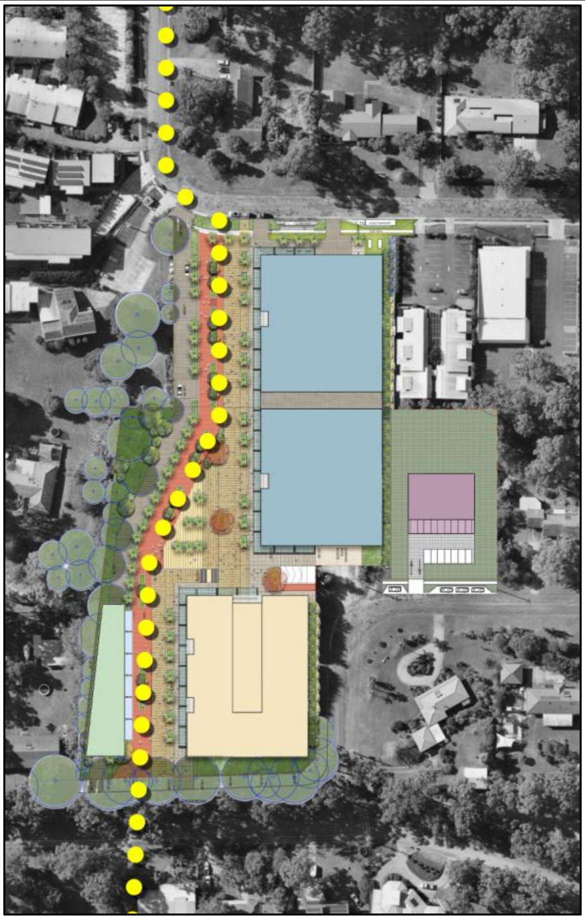


Figure 5: Concept Plan (2020)

This proposal was considered by Council and referred to the Department of Planning, Industry and Environment (the Department) for Gateway determination. A Gateway determination was issued in March 2021, subject to conditions requiring further strategic justification, infrastructure and traffic analysis, and consultation with relevant State agencies. Additionally on 6 October 2021, the site changed ownership from Highfields Development Pty Ltd to Alceon Group No.81 Pty Ltd.

Between 2021 and 2022, additional investigations and consultation were undertaken. However, the proposal was ultimately found to lack sufficient strategic justification when assessed against the *North Coast Regional Plan 2041* and Council's strategic planning framework. Significant infrastructure and traffic issues remained unresolved, with no clear pathway to deliver the necessary upgrades.

Concerns were also raised regarding land fragmentation, the ability to achieve coordinated development outcomes, and consistency with the adopted HEP Master Plan. Following further assessment, Council resolved on 16 March 2023 to discontinue the Planning Proposal. Key reasons for refusal included:

- the proposal lacked sufficient strategic justification against the *North Coast Regional Plan 2041* and Council's adopted strategic planning framework,
- unresolved infrastructure and traffic capacity issues, with no clear delivery pathway for required upgrades,
- concerns regarding land fragmentation and delivery of coordinated infrastructure outcomes.

Prelodgement Meeting for Current Proposal (PP-2025-957)

A pre-lodgement meeting was held on 5 November 2024 between Council Staff, State agencies and the new owner and Proponent, Alceon Group (refer to Attachment 10). The new proposal involves rezoning the site from R1 General Residential and R2 Low Density Residential to MU1 Mixed Use with provision for 2x health and education buildings, 2x key worker accommodation buildings, 2x student accommodation buildings and the pedestrian spine.

Key issues identified during the meeting included:

- **Water and wastewater servicing constraints**, noting the Port Macquarie Wastewater Treatment Plant is at or above capacity and no Planning Proposal will progress past Gateway until detailed design and contracts for the Thrumster Wastewater Treatment Plant upgrade are in place (2025/26),

- **Transport infrastructure impacts**, including the need for a detailed Traffic and Transport Strategy with Transport for NSW input, particularly regarding Oxley Highway access,
- **Biodiversity and ecology**, requiring a biodiversity constraints analysis and consistency with the *North Coast Regional Plan 2041*,
- **Bushfire risk**, with a strategic bushfire assessment to be prepared.

While staff considered this proposal to have strategic merit, it could only proceed to formal lodgement subject to addressing the identified servicing, infrastructure, and policy requirements. Any lodged Planning Proposal must include supporting technical studies (urban design, traffic, infrastructure, bushfire, biodiversity, social and community needs, economic impact, and stormwater management) and address all matters outlined in the Prelodgement Meeting Minutes.

Timeline of Actions and Matters Raised

Below is a consolidated timeline of actions commencing with the lodgement of the Planning Proposal.

May 2025

- May 23 - Planning Proposal was submitted to Council.

June 2025

- 6 June - Council issued a Request for Information to address missing documentation including assessment against Council's Local Strategic Planning Statement (LSPS), and supporting studies identified in the Pre-lodgement Meeting Minutes were not provided, specifically a Social and Community Needs Assessment and Retail Economic Impact Assessment.
- 18 June - the Proponent disagreed with Council and argued that the Planning Proposal satisfactorily responds to Council's LSPS, and that Council's existing strategic documents are underpinned by robust studies addressing social, community, and retail impacts. As the benefits of the HEP are already well defined, additional analysis is not warranted.
- 19 - 25 June - Council engaged with the proponent on the matters raised and determined that a revised Planning Proposal is required to adequately address the LSPS. It was further resolved that the preparation of a Social and Community Needs Assessment, and a Retail Economic Impact Assessment would be deferred.
- 26 June - updated Planning Proposal submitted to Council.

July 2025

- 1 July - Planning Proposal referred to internal Council teams for comment.
- 17 July - Council met with the Proponent to discuss the design and preliminary matters of non-compliance identified by Council. These matters included:
    - Non-compliance with Council's LSPS Planning Priorities 6 and 8, especially the Planning Proposal and Urban Design Report lacked sufficient detail to demonstrate a place-based, context-responsive

outcome, with a fragmented pedestrian spine, no clear open space hierarchy or activity nodes, no coordinated landscape framework and introduction of a new road in a pedestrian-only site with no justification,

- Non-compliance with Local Planning Direction 6.1 - Residential Zones, as the proposal relied on future Thrumster Wastewater Treatment Plant upgrades (not operational until 2029) without a capacity assessment, detailed servicing strategy, or staged approach,
- Non-compliance with the HEP Master Plan - a significant number of Design Strategies were either not addressed or substituted with unjustified alternatives not envisaged in the HEP. The proposed design failed to deliver the vision of the HEP Master Plan because:
  - the Pedestrian spine was not the ‘centrepiece’ of the design,
  - the proposed pedestrian spine widths in some locations are less than half the minimum dimensions recommended,
  - the introduction of an internal road connecting Highfields Circuit to Kulai Place results in a vehicle-dominated design,
  - the design lacks excellence resulting in a generic, non-place-specific design,
  - Public Domain and Landscape Plans were not submitted despite being a key design element,
  - no activation is proposed along the Kulai Place frontage ‘Activity Node’,
  - it would be difficult to deliver development under Council’s DCP provisions. A Locality-specific DCP is required.

To assist the proponent in understanding the Design Strategies and vision of the HEP Master Plan, two (2) site layout design interpretations were provided for consideration showing how to prioritise the pedestrian spine while considering an internal road (refer to Figure 6).

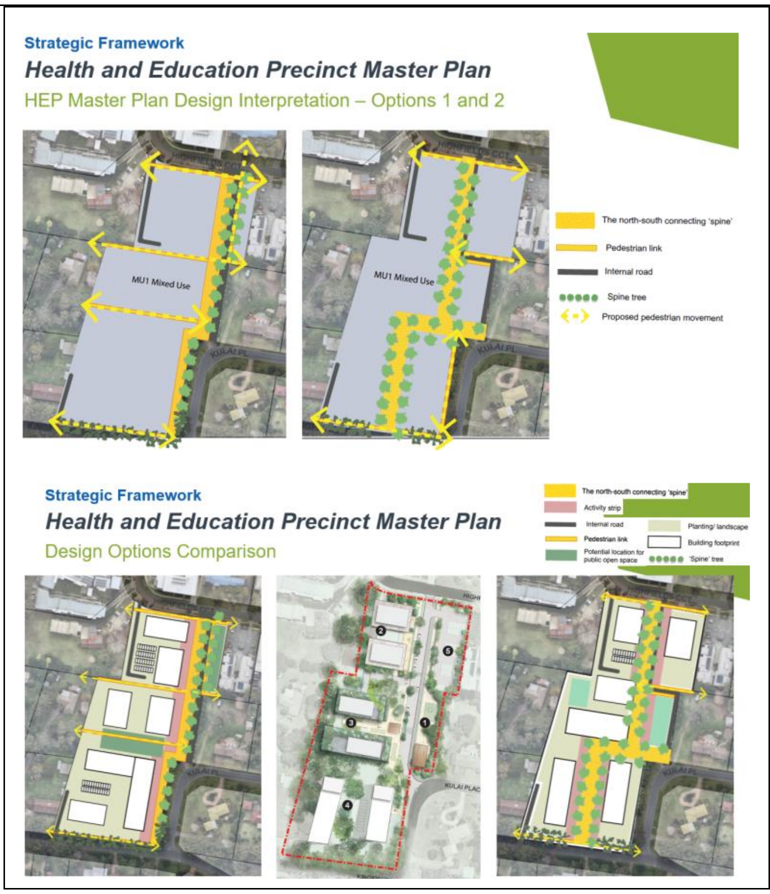


Figure 6 - HEP Master Plan Design Interpretation Options and Comparison

- 23 July - Planning Proposal referred to Transport for NSW (TfNSW) for preliminary comments. Note - this is not a requirement in the LEP Plan-making Process but was pursued due to network and capacity matters identified in previous proposals and the broader locaility.
- 30 July - a 'Request for Further Information' letter was issued to the Proponent by Council Staff. This included a consolidated list of all matters of non-compliance identified by Council (refer to Attachment 11). This included:
    - non-compliance with Council's LSPS Planning Priorities 6 and 8,
    - non-compliance with Local Planning Direction 6.1 - Residential Zones,
    - non-compliance with the Design Strategies of the HEP Master Plan,
    - update the Planning Proposal and Urban Design Report to address the above matters,
    - engage an Arborist Report to identify all trees proposed to be retained, particularly those along Kingfisher Road identified as High Ecological Value (HEV),
    - update the HEV Land Assessment Report to address matters identified during a site inspection by Council's ecologists,
    - the draft Planning Agreement offer was not accepted, as the offer to fund water management works relates to upgrades required solely to service development arising from zoning intensification. An alternative delivery item was requested.

August 2025

- 4 August - at a meeting with the proponent, Council agreed that updated HEV and Arborist Reports could be deferred, as existing information and environmental mapping was sufficient for assessing the proposal at this stage. These studies are more appropriately undertaken at the Development Application stage, when final siting and design are resolved, consistent with standard practice and avoiding unnecessary duplication.
- 20 August - a second meeting with the proponent was held in which updated concept plans and supporting studies were discussed and in-principle support was provided by Council on the Planning Proposal's progression.

September 2025

- 5 September - the Proponent submitted a response to the Request for Further Information, comprising an updated Planning Proposal, an Urban Design Report with accompanying landscape and public domain mapping, and supporting technical information.

2. Discussion

The amended Planning Proposal has been prepared by King and Campbell Consultants in accordance with the requirements of the EP&A Act and the Department of Planning and Environment's (DPE) LEP Making Guideline (August 2023). It has been accompanied by relevant technical reports that support the proposed rezoning.

Proposal Details - PP-2025-957 - September 2025

The amended Planning Proposal, incorporating a revised Concept Plan and updated supporting studies was submitted to Council on 5 September 2025 in response to matters outlined in Council's Request for Information (refer to Attachment 11). The updated design represents the latest design iteration (refer to Figures 7 and 8).

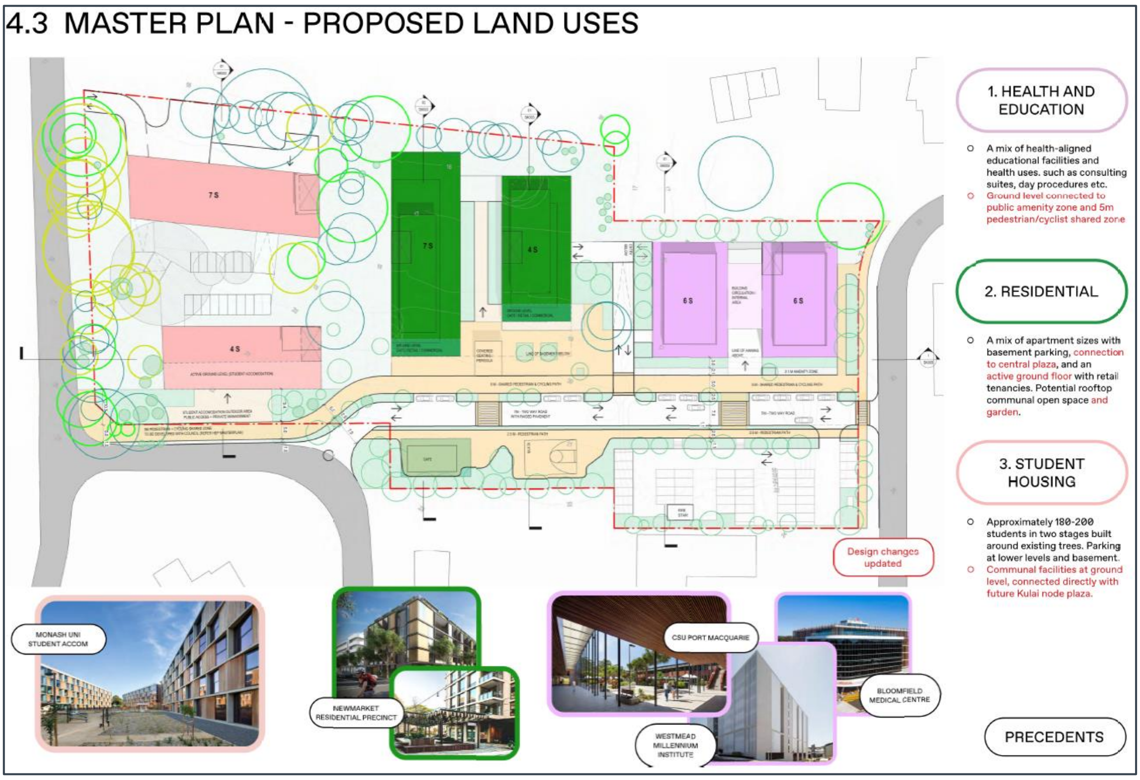


Figure 7: Proposed Land Uses

Figure 8: Artist impression - south-west showing internal road and spine

LEP Amendments Sought

This Planning Proposal seeks amend Council's LEP from R1 General Residential and R2 Low Density Residential to MU1 Mixed Use. The Planning Proposal also seeks associated amendments to remove the minimum lot size control (currently 3,000m²), increase the maximum building height from 8.5m to 35m, and apply an unspecified floor space ratio (refer to Table 1).

Table 1 - Proposed LEP Amendments

LEP Control	Current	Proposed
Zone	R1 General Residential, R2 Low Density Residential	MU1 Mixed Use
Lot Size	3,000m²	Unspecified
Height of Buildings	8.5m	35m
Floor Space Ratio	0.65:1 and Unspecified	Unspecified

LEP Control	Current	Proposed

Proposed Land Uses

There are 3 primary land uses proposed as well as the central spine (refer to Figure 9 and Table 2).

Figure 9: Updated Concept Design (September 2025)

Table 2- Building Footprint

Building #	Function	Storeys	Height (metres)	Total GFA (m²)
0	Pedestrian Spine	0	Length is approx. 5m x 150m	
1	Health / Education inc. shared area	6	23m	3,330m²
2		6	23m	3,450m²
3		6	23m	1,230m²
			Total GFA	*8,010m²*
4	Key Worker Residential inc. commercial ground floor	4	13m	1,865m²
5		7	22.6m	4,823m²
6		2	6.5m	305m²
			Total GFA	*6,993m²*
7	Student Accommodation	7	22.8m	5,285m²
8		4	14.6m	2,480m²
			Total GFA	*7,765m²*
9	Café	2	8m	180m²
			OVERALL TOTAL GFA	**22,948m²**

<u>Central Pedestrian Spine</u>

A 5m width x 150m length north-south pedestrian and cycle spine links Highfields Circuit (north) to Kulai Place (south), providing the site's primary pedestrian movement corridor and direct, accessible connections to buildings and facilities (refer to Figure 10).

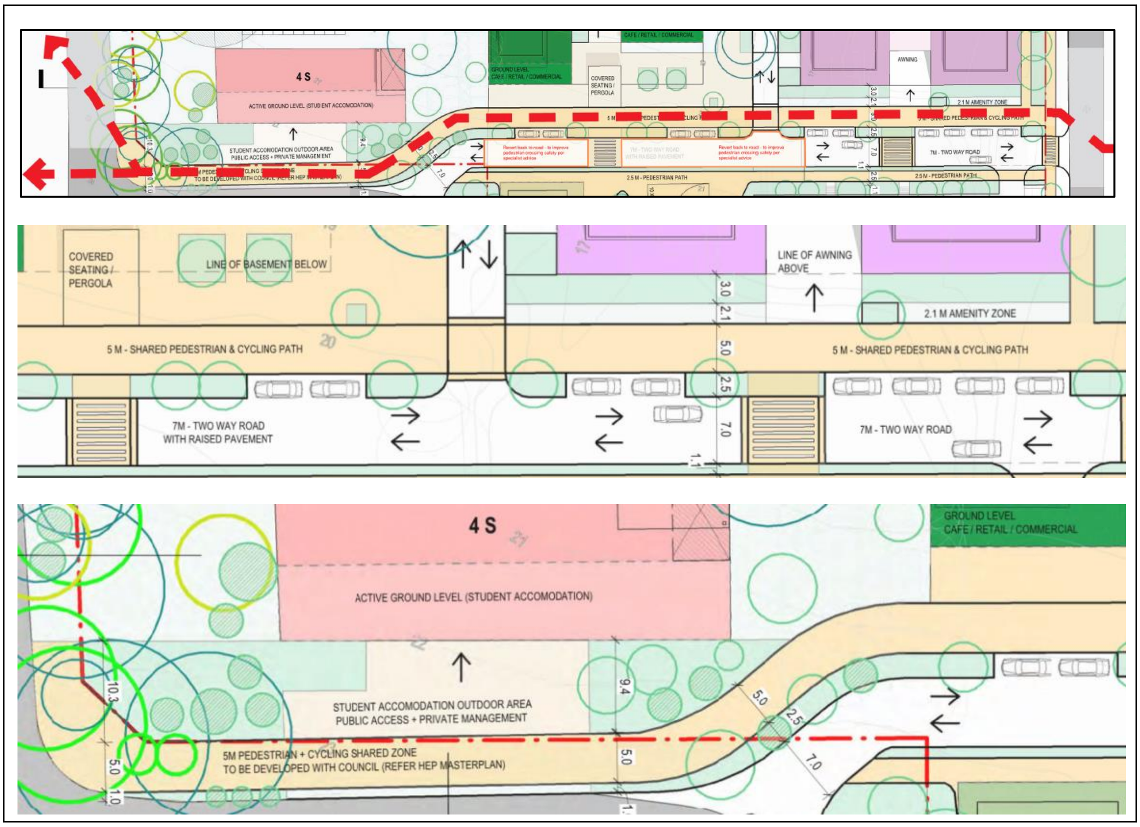


Figure 10: Central Pedestrian Spine and close-ups

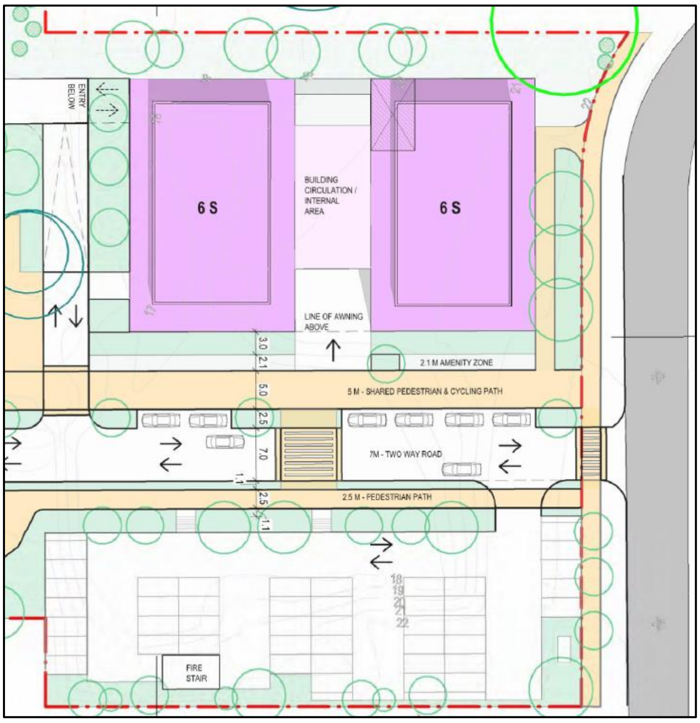
The spine runs parallel to a new internal road separated in parts by landscape treatments and car parking spaces directly on the spine. The road is a 7m two-way carriageway, alongside the 5m shared pedestrian/cycle path on the east side and a supplementary 2.5m pedestrian only footpath (not considered part of the pedestrian spine) on the west side to service the at-grade car park.

At the centre of the site, the pedestrian spine expands into a civic plaza designed as the heart of the precinct. High-quality public domain treatments, including paving, shade structures, planters, seating, and integrated bollards. create a flexible space for rest, recreation, public art, and community events. Activation is anchored by a 180m² café site across the internal road and a half basketball court.

The southern end of the spine connects the student accommodation buildings and offers the opportunity to connect to future pedestrian paths to the broader precinct. Here, it directly interfaces with active ground-level student housing and an outdoor area that, while privately managed, provides public access through the site. Throughout its length, active ground-floor uses are encouraged along building frontages to generate activity and support a people-focused environment.

<u>Health and Educational Centre</u>

The Health and Education Centre comprises two six-storey, purpose-built commercial buildings (23m height) with a combined GFA of approximately 8,010m² (refer to Figure 11). Together, they deliver specialist consulting suites, diagnostic and day procedure facilities, education and training spaces, and ground-floor commercial uses, forming a key land use within the precinct.



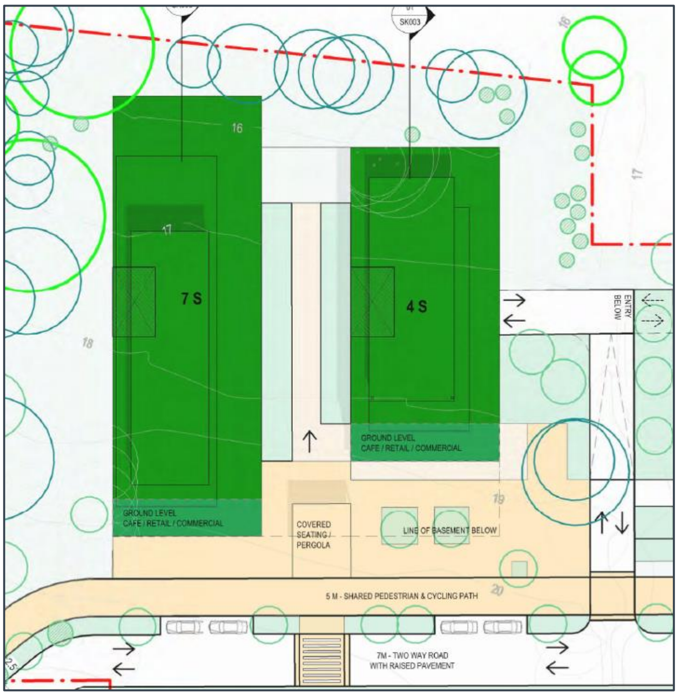
Vehicle access is provided via a southern ground-level car park and a 217-space underground facility beneath the buildings. The southern car park, located across a new 7m internal road, serves staff, students, and visitors, with pedestrian connections linking directly to the 5m pedestrian and cycling spine. A separate western entry provides direct access into the underground car park.

The Centre will expand the range of local medical and allied health services, reducing demand on Port Macquarie Base Hospital.

Figure 11: Health and Education Centre Buildings

<u>Key Worker Residential Accommodation Buildings</u>

The Key Worker Residential Accommodation comprises two purpose-built apartment buildings of 4 and 5 storeys, providing 55 units and 305m² of ground-floor retail within a combined GFA of approximately 6,688m² (refer to Figure 12).



In response to Council's Request for Further Information, one building was increased from 6 to 7 storeys. The Proponent advised this change was necessary for financial viability, with independent economic analysis indicating the base scheme delivered only marginal returns. The additional floor (690m² GFA) was estimated to improve project value by $1.6m, offsetting the cost of delivering over $3 million in public access spaces. The Proponent claims that without this uplift, the Key Worker component risked becoming non-viable and unable to meet precinct objectives.

Figure 12: Key Worker Residential Accommodation Buildings

The development will provide a mix of 1 and 2 bedroom apartments for health and education staff, supported by ground-floor retail, landscaped communal areas, and a basement car park with 76 spaces accessed via the new internal road. Direct pedestrian connections link residents to the central spine, plaza, and nearby facilities, ensuring convenient access to transport, health, education, and retail services.

<u>Student Accommodation Buildings</u>

The Student Accommodation comprises two purpose-built residential buildings of four and seven storeys, with a combined GFA of approximately 7,765m² and capacity for 180-220 student beds (refer to Figure 13).

The buildings integrate with the precinct's public domain and are designed to provide a high-amenity residential environment.

A mix of self-contained apartments and shared living arrangements is proposed, supported by ground-floor communal facilities such as study areas, social rooms, and indoor recreation spaces. Outdoor courtyards provide opportunities for gatherings and informal recreation, while secure bicycle storage offers direct access to the pedestrian and cycle spine connecting to Charles Sturt University, the Base Hospital, and other precinct facilities.

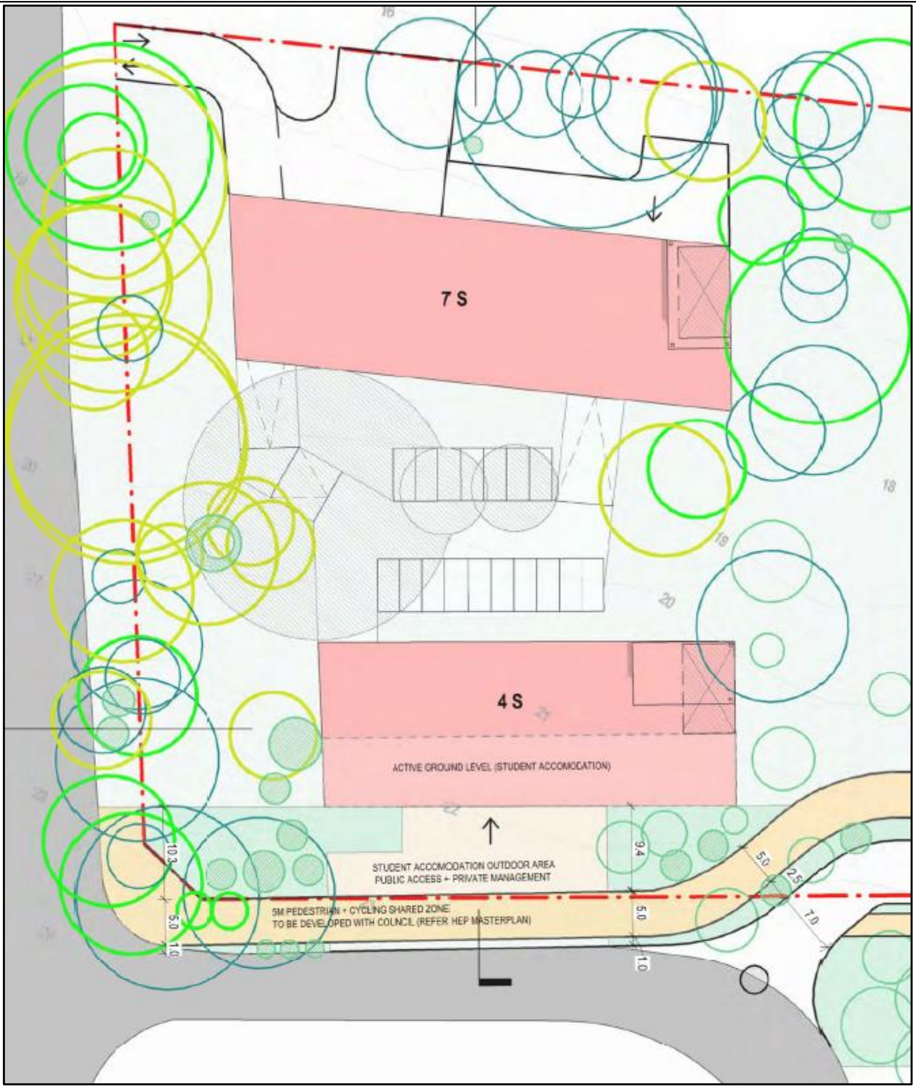


Figure 13: Student Accommodation Buildings

Vehicle access is limited to a single two-way crossover on Kingfisher Road, serving both an at-grade car park and basement parking, with no access from Kulai Place or across the pedestrian spine. A total of 100 spaces are provided through a combination of basement and at-grade facilities.

Supporting Studies

A number of supporting studies were submitted with the Planning Proposal. The primary documents include:

- Urban Design Report,
- Landscape Architectural Masterplan and Public Domain Plan,
- Traffic and Parking Impact Assessment Report,
- Draft Planning Agreement,
- Locality-specific Development Control Plan.

These studies can be viewed in Attachments 2-5 with other supporting studies accompanying the Planning Proposal are summarised in Attachment 8.

<u>Urban Design Report</u>

The Urban Design Report prepared by BVN, provides the strategic and design framework underpinning the proposed rezoning and development of the site. The report outlines the vision, site analysis, and master plan principles, demonstrating how the proposal will deliver a mixed-use precinct comprising health and education facilities, student and key worker accommodation, residential uses, retail, and community spaces. It addresses site constraints and opportunities, establishes the pedestrian spine and public domain as the organising elements of the development, and provides detailed staging, built form, landscape, traffic, and shadow analysis to illustrate how the proposal aligns with the HEP Master Plan and broader strategic planning objectives

<u>Landscape and Public Domain Plans</u>

The Planning Proposal did not originally include a Landscape Plan or Public Domain Plan at lodgement, both of which are critical given the HEP Master Plan identifies green infrastructure, public open space, and high-quality public domain as central to the precinct's vision. In response to Council's Request for Further Information, a Public Domain plan was included in the updated Urban Design Report and a Landscape Plan, prepared by Sturt Noble Associates (refer to Figure 14).

The Landscape Plan focuses on retention of mature trees (particularly eucalyptus and koala food trees along Kingfisher Road and Highfields Circuit), targets 40% canopy cover, and integrates habitat corridors, mass native planting, and water-sensitive design measures to enhance ecology, biodiversity, and resilience.

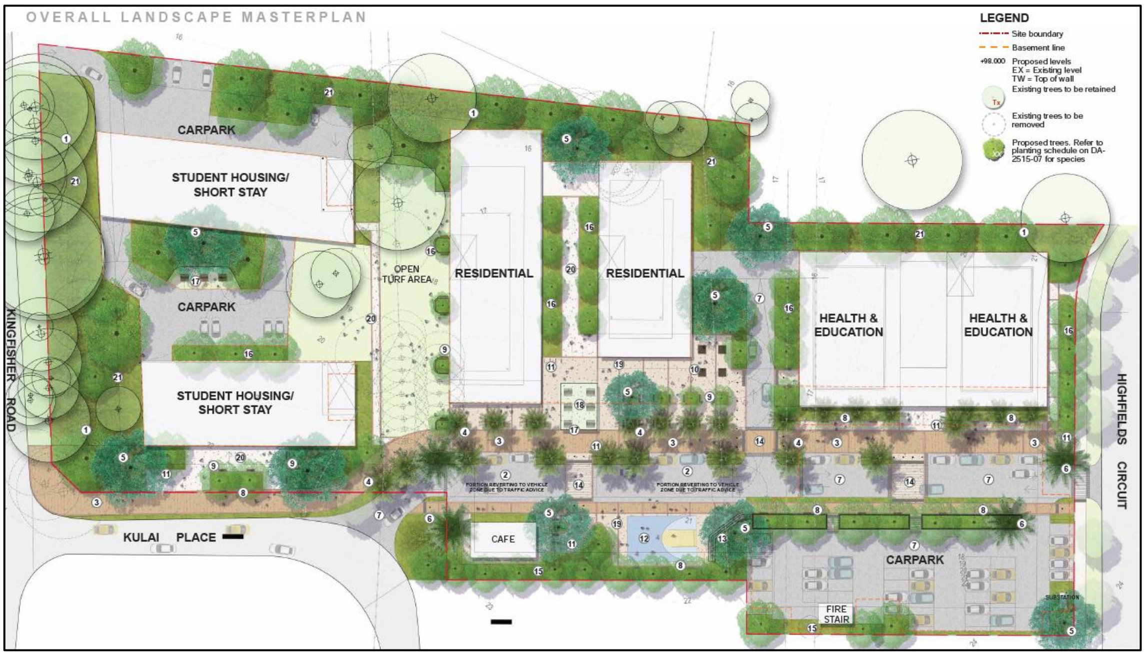


Figure 14: Proposed Landscape treatments

Complementing this, the Public Domain Plan organises civic spaces and plazas around a continuous 5m-wide pedestrian spine, widened at key nodes to support markets, events, recreation facilities, and shaded gathering areas (refer to Figure 15). Together, these plans deliver a cohesive landscape and public domain framework that aligns with the HEP Master Plan's Design Drivers, ensuring activated frontages, legible civic spaces, and a health-focused, pedestrian-friendly environment.

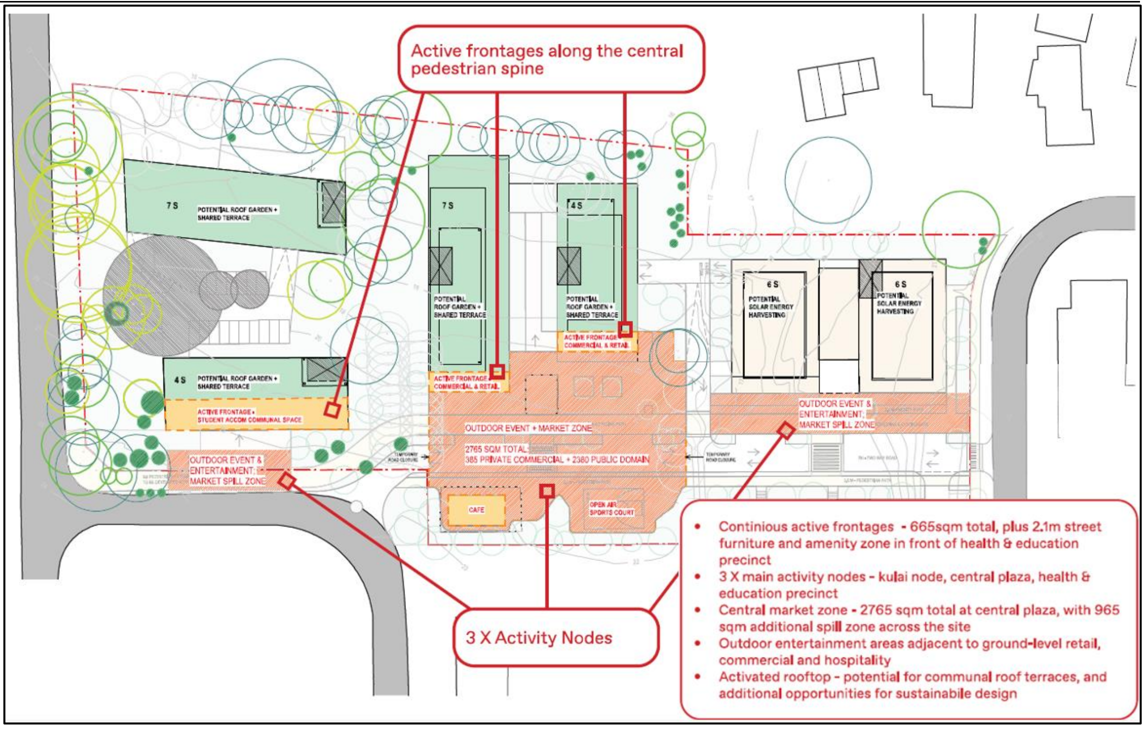


Figure 15: Proposed Public Domain treatments

<u>Traffic and Parking Impact Assessment Report</u>

TEF Consulting prepared a Traffic and Parking Impact Assessment (22 May 2025) and a Transport Working Paper (22 August 2025) to analyse existing conditions, assess redevelopment impacts, and evaluate the proposed north-south connector road. The internal road is designed as a multimodal spine with a 7m two-way carriageway, 5m shared pedestrian/cycle path, 2.5m footpath, landscaping, and traffic-calming features. It is expected to carry 2,500-3,500 vehicles per day, redistribute local traffic, and provide an alternative to the congested Oxley Highway/John Oxley Drive/Wrights Road intersection, while also accommodating emergency and service access and enabling future bus route changes.

While the internal road improves site permeability, SIDRA modelling confirms that nearby intersections already operate near capacity and will require upgrades by Council and TfNSW. Parking demand was assessed at 391 spaces, with 393 provided across basement, surface, and on-street supply. Provision includes 100 spaces for student housing, supported by car share and active transport measures, and all layouts meet AS/NZS 2890 standards.

The design prioritises safety and active transport through low-speed environments, raised crossings, continuous footpaths, passive surveillance, and potential 40km/h limits and bus stop upgrades, consistent with Austroads and TfNSW guidelines. Overall, the connector road is considered essential to site and precinct function, parking provision is sufficient, and network performance will ultimately depend on external upgrades and further modelling in consultation with TfNSW.

<u>Draft Planning Agreement</u>

The Proponent has also submitted an updated draft Planning Agreement (PA) in response to Council's Request for Information. The updated PA offer seeks to secure key public benefits consistent with the HEP Master Plan. It provides for 2 items being:

1. *construction and dedication of a public road linking Highfields Circuit and Kulai Place which provides for the public purposes of pedestrian and cyclist movements, improved vehicle circulation, access to off-street and on-street parking and a public service corridor,*

2. *construction and dedication of public open space facilities in the heart of the Health and Education Precinct as part of a centrally located activation node which will also comprise a privately owned and operated café.*

These works are tied to development triggers, with delivery required prior to, or within three months of, the issuing of occupation certificates for key development stages. The draft PA also proposes registration on title and seeks to exempt concept DA components such as student housing, worker housing, and health/education buildings from Section 7.11 and 7.12 contributions, this is not supported by staff and would need to be subject to further negotiations and justification. The value of the works undertaken may meet the criteria to be offset but s7.11 contributions over the offset amount and all s7.12 contributions towards infrastructure should still apply to the proposed development.

<u>Draft Locality-specific Development Control Plan</u>

The Proponent submitted a draft locality-specific Development Control Plan (Locality-specific DCP) in response to Council's Request for Information (refer to Attachment 11). The draft Locality-specific DCP was prepared to translate the HEP Master Plan into statutory planning controls specific to the proposal to provide certainty to Council that the pedestrian spine would be delivered to the standard negotiated with the Proponent.

During the assessment of the proposal, the Department of Planning, Housing and Infrastructure (the Department) offered funding through the Regional Housing Strategic Planning Fund to Council, which supports projects that plan for future housing supply and address local housing issues, such as local housing strategies, infrastructure contributions plans, and development control plans. This funding was specifically targeted to advance planning for the HEP and accelerate its delivery. In response, it is planned by staff to take a holistic approach by preparing a new Locality-specific DCP for the entire HEP precinct, into which the Proponent's draft DCP will be incorporated. This program has commenced, with preparation of the HEP Planning Proposal tentatively expected in 2026.

Delivery Dependencies and Staging

The proposal is intended to be delivered in three stages to allow a coordinated and progressive rollout of uses, infrastructure, and public domain (refer to Figure 16).

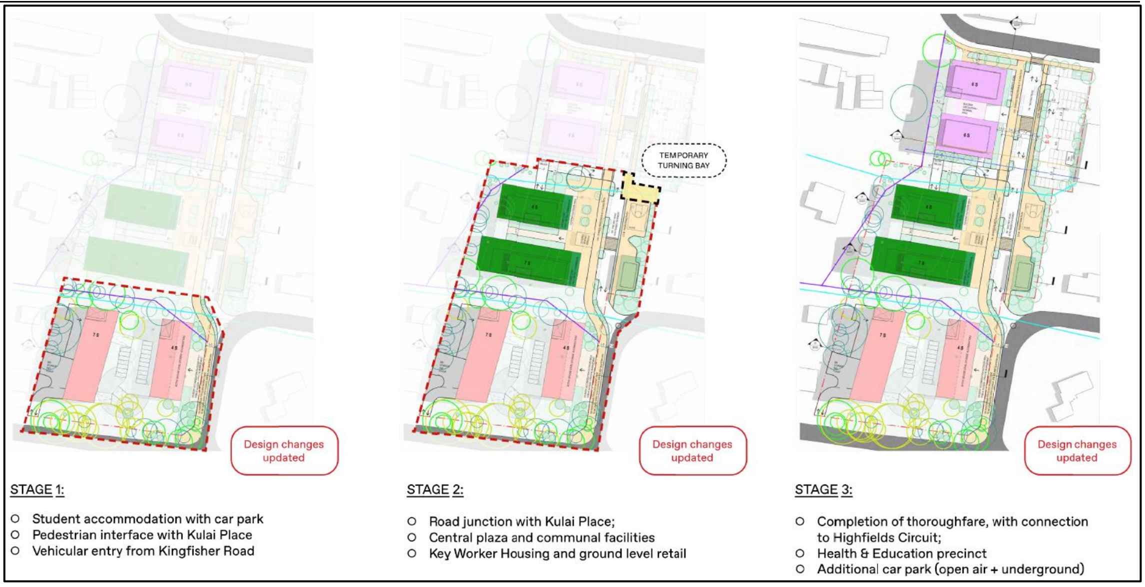


Figure16: Proposed Staging

The development is proposed in three stages. Stage 1 establishes student accommodation, associated parking, and initial access via Kulai Place and Kingfisher Road. Stage 2 delivers the central civic elements, including the plaza, communal facilities, key worker housing with retail, and the Kulai Place road junction, supported by a temporary turning bay. Stage 3 completes the north–south road to Highfields Circuit and introduces the Health and Education buildings with additional parking, finalising the precinct as a connected mixed-use hub integrating institutional, residential, and public domain outcomes.

Site Specific Assessment

Environmental

The following table provides an assessment of the potential environmental impacts associated with the proposal.

Table 3: Environmental Impact Assessment

Environmental Impact	Council Assessment
Flora and Fauna	**Justified inconsistency** - Council acknowledges the findings of the HEV Land Assessment (Biodiversity Australia, 2025) but notes deficiencies in vegetation mapping, koala habitat assessment, and threatened species analysis. Site inspections confirmed the ecological significance of old-growth trees along Kingfisher Road, which must be retained, and the presence of mapped Secondary (A) Koala Habitat not recognised in the consultant's report. Planted Koala Food Trees were found to be stressed and overcrowded, limiting their long-term viability, while omissions in threatened species assessment (e.g. Swift Parrot) further reduce confidence in the baseline data. Council requires these gaps to be addressed through a full Arboricultural Impact Assessment, a detailed Koala Management Strategy supported by additional surveys, an updated Vegetation Management and Offset Plan, and targeted species surveys at the Development Assessment stage. This approach is considered a justified inconsistency, as detailed ecological investigations take time and are best resolved once the development

Environmental Impact	Council Assessment
	footprint and servicing arrangements are confirmed, allowing enforceable conservation buffers and mitigation measures to be secured through future approvals and controls in the Locality-specific DCP being drafted by Council.
Bushfire	**Consistent** - The site is bushfire prone, and a Strategic Bushfire Study prepared in line with *Planning for Bushfire Protection 2019* confirms it can accommodate mixed-use development with appropriate safeguards.

Social and Economic

The following table provides an assessment of the potential social and economic impacts associated with the proposal.

Table 4: Social and Economic Impact Assessment

Social and Economic Impact	Council Assessment
Social	**Consistent** - this Planning Proposal will deliver positive social outcomes by strengthening the HEP as a regional hub for services, employment, and learning. It provides key worker and student housing to address affordability and workforce needs, while public domain upgrades, including the pedestrian spine and plaza, create safe, inclusive spaces that support community interaction, active transport, and cultural activity.
Economic	**Consistent** - the Planning Proposal is consistent with Council's economic objectives by consolidating the HEP as the region's key service and employment hub, delivering new health and education facilities, student and worker housing, and supporting retail uses. Together, these uses, totalling over 22,000m² of floorspace, strengthen local employment, institutional linkages, workforce retention, and community accessibility, while funding significant public domain outcomes such as the pedestrian spine and civic plazas. Council also supports the Proponent's request for modest additional GFA.

Infrastructure

The following table provides an assessment of the adequacy of infrastructure to service the site and the development resulting from the Planning Proposal and what infrastructure is proposed in support of the proposal.

Table 5: Infrastructure Impact Assessment

Infrastructure Impact	Council Assessment
Sewer	**Justified inconsistency** - Council's Request for Further Information (July 2025) identified sewer servicing as a critical issue for the Planning Proposal. Council's Utilities team advised that the proposal would significantly increase demand on the network, from 34 to approximately 526 Equivalent Tenements (ETs), without adequate evidence of how this demand could be met. The RFI highlighted that while the Thrumster Wastewater Treatment

Infrastructure Impact	Council Assessment
	Plant is intended to address capacity constraints, contracts for its delivery are not expected until late 2025 or early 2026, with commissioning anticipated in 2029. Council also reiterated its resolution of 18 August 2022 (Item 14.04), which prevents Planning Proposals in the HEP from progressing to finalisation until design work and approvals for sewer upgrades are secured. The updated Planning Proposal confirms that the site is traversed by two 150mm gravity mains with downstream connection points available, suggesting that the land can be serviced without immediate augmentation. However, Council's Utilities team advised that this local capacity does not resolve the broader constraint, as the Port Macquarie Wastewater Treatment Plant is already operating beyond its design capacity. While the Proponent provided an indicative program showing Planning Proposal finalisation by April 2027, which would create a two-year buffer before the Thrumster Wastewater Treatment Plant is commissioned in 2029, the site remains unserviceable at present. Clause 7.13 of Council's LEP provides statutory safeguards, as it prohibits development consent unless essential services, including sewer, are available or appropriate arrangements have been made. This ensures that construction cannot proceed ahead of the Thrumster upgrade, with Council empowered to delay or condition development until infrastructure is delivered. In summary, while the Planning Proposal cannot presently be serviced by existing wastewater treatment infrastructure, a clear pathway exists for sewer connection. Local connection points are available, regional servicing will be secured through the Thrumster upgrade, and statutory safeguards ensure that no development can proceed until adequate infrastructure is in place.
Water	**Consistent** - local reticulated supply available with sufficient capacity. Augmentation requirements can be conditioned as part of the Development Application stage.
Stormwater	**Consistent** - a Stormwater Management Plan (SMP) was prepared by King & Campbell. The SMP confirms that the lawful point of discharge from the site is via an existing pit and pipe system within Council-owned easements, which ultimately conveys flows to John Oxley Drive. To manage stormwater quantity, a new pit and pipe system within the proposed public road will direct runoff from the health and education centre buildings, worker housing, café, and open space into a 300m³ on-site detention basin. This basin will also collect runoff from Kulai Place and the student accommodation buildings before discharging into the existing network. Modelling demonstrates that this arrangement ensures post-development flows will be less than pre-development flows for a range of storm events.

Other Matters

- **Draft Locality-specific DCP**

Through funding sourced from the Department, Council has resolved to develop a new Locality-specific DCP for the HEP. The Proponent's draft DCP will be incorporated into this new Council work program with preparation of a Planning Proposal for the overall HEP precinct is tentatively expected in 2026.

- **Draft Planning Agreement**

A draft Planning Agreement (PA) was lodged with the Planning Proposal in May 2025, initially offering a new public road, public open space, and water management works. Council's Staff advised that the water works were servicing obligations, not public benefits, and should be removed. In its Request for Further Information, Council specifically required the Proponent to provide an alternative offer to replace the deleted water works, such as public domain infrastructure, land dedication, or contributions towards sewer delivery.

Item (d) of the draft PA letter of offer seeks to exclude the application of s7.11 and s7.12 contributions from a future DA. This is not supported and will require further discussion with the Proponent.

The Proponent's revised draft PA now secures only the staged delivery of the road and pedestrian/cycle spine and the dedication of public open space, but no alternative contributions have been included. As a result, the PA remains in draft form and further negotiations are required to address this shortfall before the Planning Proposal can be finalised. This will happen at a future stage of the process and the draft will be tabled for further consideration by Council at that time.

Strategic Merit Assessment

The proposal has been assessed against Council's Strategic Planning Framework to confirm its strategic merit and consistency with relevant State and Council policies and plans. A detailed assessment of the proposal is in Attachment 9.

Additionally, the Planning Proposal was also referred to Council's specialist teams for review and comment. Advice was provided throughout the assessment process, with comments relayed to the Proponent primarily via Council's Request for Further Information and through collaborative meetings. Some matters raised by specialist teams extended beyond the scope of a planning proposal and are more appropriately addressed at the Development Application stage once detailed design are further developed.

- **North Coast Regional Plan 2041**

The Planning Proposal is assessed as generally consistent with the Regional Plan. It represents a justified inconsistency with Objective 1 (well-located homes), as the site is strategically suitable for infill housing within the HEP and is well connected to jobs and services, but enabling sewer infrastructure will not be available until the Thrumster Wastewater Treatment Plant upgrade is completed in 2029. The proposal is consistent with Objective 2 (affordable and low-cost housing) by directly responding to identified needs for key worker and student accommodation, providing dedicated housing close to major employment and education institutions.

A key consideration is Objective 3 (biodiversity protection). Council's site inspection confirmed the presence of High Ecological Value (HEV) vegetation, including native forest and scattered mature trees on and adjoining the site despite not being mapped. Ecological surveys and inspections identified gaps in the Proponent's offset strategy, but these do not undermine the overall strategic merit of the Planning Proposal. The

Proponent has committed to further detailed work at the Development Assessment stage, including comprehensive arboricultural investigations, tree impact assessments, and biodiversity management planning. These studies will determine which trees can be feasibly retained, identify any unavoidable removals, and secure appropriate offsets, conservation buffers, and long-term management measures. While full resolution of these issues is not possible at the Planning Proposal stage, the HEP Master Plan controls realised in the Concept Design and the commitments already provided demonstrate a credible framework to balance development with biodiversity outcomes. On this basis, the inconsistency is considered justified, and sufficient information has been provided at the Planning Proposal stage to confirm that HEV vegetation on the site will be protected through site design and subsequent approval processes.

The proposal is also consistent with Objective 5 (resilience and hazard management), with bushfire and hazard assessments demonstrating that risks can be mitigated through appropriate conditions at the Development Assessment stage. Finally, it is consistent with Objective 11 (cities and employment land), as the mixed-use outcome consolidates health, education, and residential uses within the HEP, reinforcing Port Macquarie's role as a regional city and supporting economic growth.

On balance, the proposal demonstrates strategic merit, with clear pathways to address justified inconsistencies and deliver outcomes consistent with the North Coast Regional Plan's objectives.

- **Port Macquarie Regional City Action Plan 2036**

The Planning Proposal is consistent with the Regional City Action Plan. It advances Objective 1 (compact city and housing diversity) by providing key worker and student housing in a mixed-use format within walking distance of major employment and services. It supports Objective 5 (health and education specialisation) by enabling the growth of health, education, and research functions within the precinct. It also delivers on Objective 7 (local jobs and industry sectors) by facilitating health- and education-related employment opportunities that strengthen the regional economy. Collectively, these outcomes align with the Action Plan's vision for Port Macquarie as a compact, specialised, and employment-rich regional city.

- **Port Macquarie Hastings Community Strategic Plan - Imagine 2050**

The Planning Proposal is generally consistent with the CSP. It demonstrates a justified inconsistency under Environmentally Sustainable (biodiversity protection), as the site contains HEV vegetation, but detailed arboricultural and biodiversity assessments at the Development Assessment stage, together with realisation of the HEP Master Plan controls in the Concept Design, provide sufficient certainty that vegetation will be protected.

The proposal advances the Liveable (housing and community facilities) objectives by introducing key worker and student housing integrated with a pedestrian spine, civic plaza, and recreation areas that enhance both housing choice and community amenity. It strengthens the Connected (transport and movement) objectives through a legible north–south spine and supporting paths that improve links between the hospital, university, and surrounding neighbourhoods, underpinned by updated traffic and parking analysis. It also supports the Thriving (economic growth and centres) objectives by consolidating the HEP as a regional hub for health, education, and research, generating employment and attracting investment. Taken together, these outcomes confirm the proposal's strategic merit and its alignment with the CSP's long-term vision.

- **Local Strategic Planning Statement - Shaping Our Future 2040 (LSPS)**

Council's Request for Information (30 July 2025) identified that the proposal did not comply with *Planning Priority 6 - Use a place based approach to shape the development of our sites, streetscapes, precincts, towns and centres* and *Planning Priority 8 - Create vibrant public places and spaces that inspire social interaction and support community wellbeing*. Specifically, neither the Planning Proposal nor the Urban Design Report provided an explanation on why the pedestrian spine had been deprioritised in favour of introducing a new road resulting in a vehicle-dominated design for a pedestrian-first environment. The updated Concept Plan has been updated to better reflect the HEP Master Plan, particularly through the redesign of the central pedestrian spine as the main organising feature of the site.

The Planning Proposal is generally consistent with the LSPS. It supports Planning Priority 6 (place-based planning) by embedding a place-based framework through the pedestrian spine and associated civic spaces, demonstrating how the realisation of the HEP Master Plan can shape high-quality neighbourhoods. It advances Planning Priority 8 (social infrastructure and property strategy) by delivering new public domain and recreational spaces that will transfer to Council ownership, strengthening the LGA's social infrastructure and property portfolio. It aligns with Planning Priority 13 (HEP Master Plan implementation) by delivering a 'key move' of the HEP Master Plan and establishing a mixed-use health and education hub as a catalyst for regional city growth. A justified inconsistency arises under Planning Priority 17 (infrastructure resilience), as the existing wastewater treatment capacity is insufficient to service the site until the Thrumster Wastewater Treatment Plant is commissioned in 2029. However, a clear servicing pathway has been identified, and staging can align development with infrastructure delivery. On balance, the proposal demonstrates strategic merit and provides sufficient certainty that LSPS priorities will be achieved.

- **Urban Growth Management Strategy 2017-2036 (UGMS)**

The Planning Proposal is consistent with the UGMS. It advances Action 1 (reviewing LEP and DCP provisions to promote housing choice) by enabling a greater mix of housing types within the HEP, including key worker accommodation, student housing, and apartments that address identified demand. It also delivers on Action 13 (Council-led precinct planning for the HEP) by implementing the HEP Master Plan as the guiding framework, securing the central pedestrian spine, integrating health and education facilities, and providing dedicated housing linked to these uses.

Collectively, these outcomes align with the UGMS objectives to manage growth in a coordinated way, support employment-generating precincts, and deliver housing close to jobs and services.

- **Port Macquarie-Hastings Living and Place Strategy, August 2024**

The Planning Proposal is generally consistent with the *Port Macquarie-Hastings Living and Place Strategy (August 2024)*. While there are justified inconsistencies relating to enabling infrastructure, hazard management, and broader affordable housing mechanisms, these matters can be addressed through staging, detailed design, and future Development Assessment processes. On balance, the proposal demonstrates strategic merit and provides sufficient certainty that the priorities of the Strategy will be achieved.

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

To achieve the intended outcomes of the Planning Proposal, the following amendments to Council's LEP are sought:

<u>Zoning</u>

The Proponent seeks to convert the existing R1 General Residential and R2 Low Density Residential to MU1 Mixed Use (refer to Figure 17).

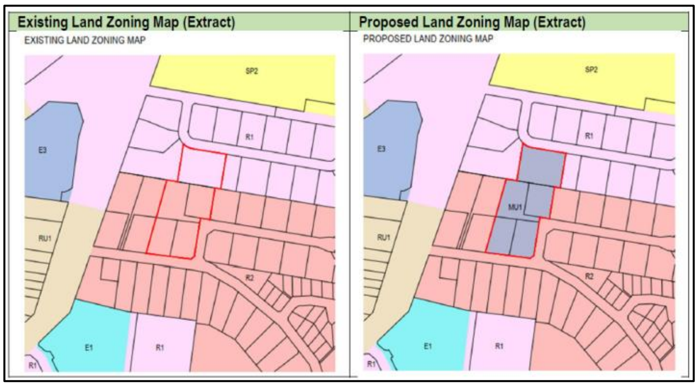


Figure 17: Proposed Zone Map

Council Assessment - Consistent

The application of the MU1 Mixed Use zone is considered appropriate for the site, as it provides a flexible planning framework capable of delivering the intended outcomes of the HEP Master Plan.

<u>Lot Size</u>

The Planning Proposal seeks an 'Unspecified' minimum lot size to ensure flexibility in delivering the Concept Masterplan (refer to Figure 18).

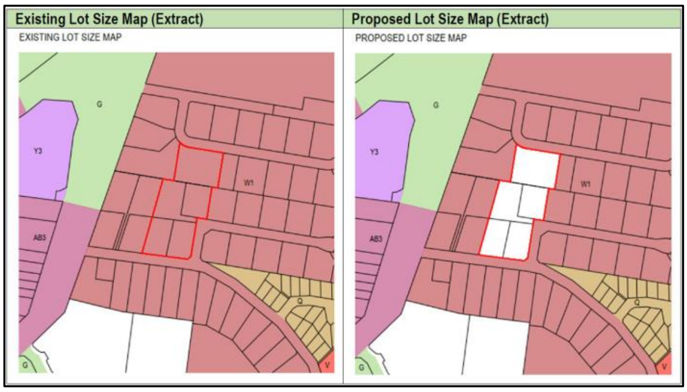


Figure 18: Proposed Lot Size Map

Council Assessment - Consistent

Council considers the request for an 'Unspecified' minimum lot size to be consistent with the objectives of the HEP Master Plan, as it provides the flexibility needed to deliver a mix of larger lots for major buildings and smaller parcels for open space, cafés, and fine-grain retail along the pedestrian spine. Retaining a fixed 3,000m² standard would constrain these outcomes and be inconsistent with other MU1 Mixed

Use zones in the LGA, therefore, an unspecified minimum lot size is supported to enable the site's intended mixed-use role and activation of the public domain.

<u>Height of Buildings (HOB)</u>

The Planning Proposal seeks to amend the current 8.5m height of buildings (HOB) development standard, which is based on R1 and R2 residential zones, as it does not reflect the intended character of the HEP, to 35m HOB across the site (refer to Figure 19).

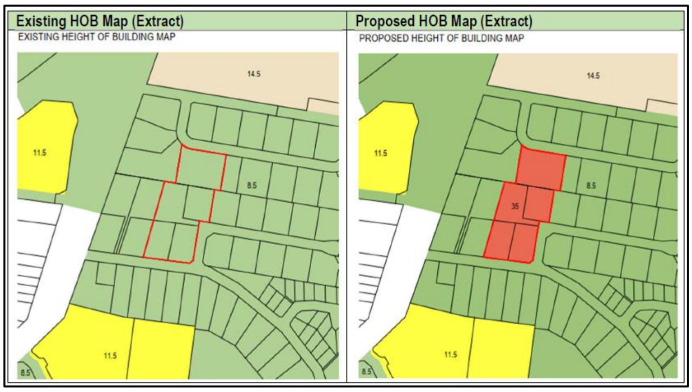


Figure 19: Proposed Height of Building Map

Council's LEP currently limits building height on the site to 8.5m, which is typical for standard residential areas. However, this height limit does not reflect the intent of the HEP. The HEP Master Plan allows for buildings up to 22m (around six storeys), provided other design controls are met, such as limiting site coverage to 40%, ensuring at least 20% of the site is deep soil, protecting mature trees, achieving 30% tree canopy, and maintaining solar access to neighbouring properties.

The HEP Master Plan also provides for small bonuses in building height (up to 3 metres extra) as an incentive where developers provide important public benefits like public open spaces, and the pedestrian spine. Building heights also need to consider practical requirements such as higher floor-to-ceiling spaces in non-residential buildings (e.g. 4m for health and education uses), as well as allowances for lift shafts and plant rooms on rooftops. The concept plan shows that the development will remain within key planning HOB limits.

Council Assessment - Consistent

The proposed amendment increasing the current 8.5m control to 35m across the site is supported, as it is consistent with the intent of the HEP Master Plan. The current 8.5m limit reflects standard residential zones and does not allow the built form outcomes required to deliver the mixed-use character of the HEP.

The proposed building heights are supported by detailed analysis demonstrating compliance with key design parameters, including site coverage (27%, below the 40% maximum), deep soil provision (32%, above the 20% minimum), tree retention, and maintenance of solar access to adjoining lots. Importantly, the Concept Design illustrates that while some buildings reach 7 storeys, natural ground levels result in the 7-storey student accommodation building (RL 45.1m) remaining lower in roof height than the 6-storey health and education buildings (RL 45.45m). The proposal also accommodates practical requirements such as higher floor-to-ceiling spaces in non-residential uses, and allowances for plant and lift overruns. On this basis, it is considered that the proposed HOB control is appropriate, consistent with the HEP Master Plan, and capable of delivering the desired urban design and public domain outcomes without unacceptable amenity impacts.

Floor to Space Ratio (FSR)

The Planning Proposal seeks to convert the existing 0.65:1 and unspecified FSR limits to 'Unspecified' (refer to Figure 20).

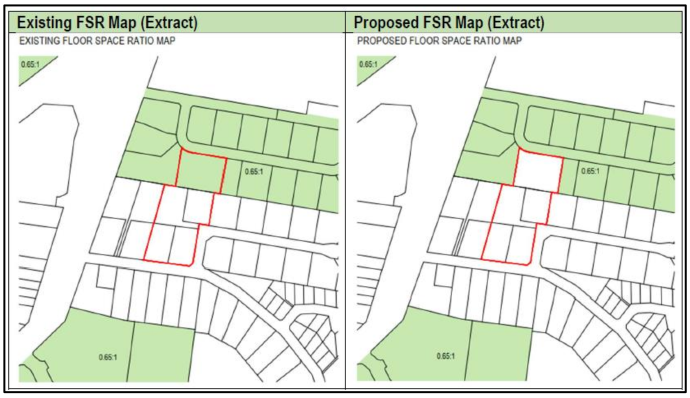


Figure 20: Proposed Floor Space Ratio Map

Council Assessment - Consistent

An 'Unspecified' FSR is considered to be appropriate for the site, as it provides the flexibility needed for mixed-use development and avoids creating fragmented sub-zones. This approach aligns with the HEP Master Plan, ensures consistency with other MU1 Mixed Use zone, and supports delivery of the Concept Design while maintaining key design outcomes such as site coverage, deep soil, and solar access.

- **Health and Education Precinct Master Plan 2019**

The HEP Master Plan is the key strategic document guiding this Planning Proposal. It identifies the site as a catalyst site tasked with delivering the precinct's central organising elements, particularly the pedestrian spine described as the "centrepiece" of the HEP Master Plan. The spine is envisaged as a continuous, pedestrian-first civic boulevard linking the Base Hospital, Charles Sturt University, St Columba Anglican School, and key activity nodes such as Kulai Place. To achieve the HEP Master Plan's vision, the Planning Proposal must commit to delivering the pedestrian spine, securing the Kulai Place Activity Node, embedding design strategies, and aligning staging with critical infrastructure.

Pedestrian Spine and Internal Road

The HEP Master Plan establishes the spine as a continuous 11.5-19m wide linear plaza, excluding vehicles and prioritising walking and cycling. The Planning Proposal instead introduces a multi-modal corridor with a 7m two-way carriageway and parking. While total width is achieved, the inclusion of the road changes the spine's role from a civic boulevard to a road-dominated corridor.

The Proponent argues the road is essential for financial viability and connectivity. Their economic modelling indicates that without the road, key elements such as the Health and Education buildings and Key Worker housing become non-viable, with overall project margins falling below cost. Traffic advice also identifies benefits including improved local circulation, reduced congestion at existing intersections, and support for future bus routes. Pedestrian safety, they argue, is safeguarded through wide paths, raised thresholds, visual cues, and separation of modes.

The financial and connectivity arguments are considered reasonable, however it is maintained that the road fundamentally departs from the important pedestrian-first vision of the HEP Master Plan. As a compromise, staff have negotiated strict traffic calming and pedestrian priority measures to be codified in a future Locality-specific DCP to be undertaken by Council, including narrowed carriageways, raised thresholds, and reinforced pedestrian dominance. Properly designed, the road can support early activation while retaining the spine's long-term role as the precinct's civic backbone.

<u>Kulai Place Activity Node</u>

Kulai Place is identified in the HEP Master Plan as a key southern anchor of the spine, intended as a mixed-use gateway with destination uses envisaged such as hotels, cafés, restaurants, and entertainment venues to ensure daytime and evening activity. The Planning Proposal instead delivers a narrower mix - a café, private recreation, and student housing interfaces. The Proponent has argued that this activity node is not required as activation of the precinct primarily occurs further north centring around the civic plaza. While activation on this corner of the site will occur through landscaped plazas and the student housing frontages, staff remain concerned that the node does not fully achieve the HEP Master Plan's intent as a broad, public-facing destination.

To address this, the Locality-specific DCP will be used to secure activation, permeability, and civic-scale public spaces, ensuring that Kulai Place evolves into a true community hub consistent with the HEP Master Plan's objectives.

Council Assessment - Justified Inconsistency

Staff have met with the Proponent through two dedicated meetings to address key design matters, including the proposed north-south internal road. From the outset, staff have been clear that the HEP Master Plan envisages the pedestrian spine as a pedestrian-only civic boulevard, placing walking and cycling at the top of the transport hierarchy. This remains the preferred outcome for this catalyst site, which carries the responsibility of setting the benchmark for the broader precinct.

The Proponent, however, has consistently demonstrated that the project is not financially viable without the inclusion of an internal road, as supported by their economic and traffic advisors. While Council staff maintain that this design change represents a fundamental departure from the HEP Master Plan's original vision, it recognises the importance of progressing this catalyst site and unlocking delivery for the precinct. Staff have therefore negotiated a compromise outcome whereby the road's inclusion is subject to rigorous traffic calming and pedestrian safety treatments, including raised thresholds, narrowed carriageways, and reinforced pedestrian priority. These measures will be codified within the Locality-specific Development Control Plan to ensure pedestrian dominance is protected as the precinct develops.

In this context, the road is not seen as a retreat from the HEP Master Plan's vision but as a pragmatic adaptation that balances financial feasibility with staged delivery of the precinct. Properly designed, the road can offer an additional layer of connectivity and permeability in the precinct's early stages, while supporting passive surveillance and activation of the spine. Over time, the design will continue to safeguard the role of the spine as the precinct's central organising element, with a majority of the HEP Master Plan's design strategies such as continuous connectivity, active frontages, civic spaces, and a high-quality public domain, still delivered. As a catalyst site, it is considered critical to commence delivery, and the revised approach is considered satisfactory as an acceptable outcome that enables the site to be unlocked for the benefit of the wider LGA.

Kulai Place is identified in the HEP Master Plan as a key southern anchor of the pedestrian spine, intended to serve as a gateway and civic hub that delivers a vibrant, mixed-use and pedestrian-friendly environment. The Master Plan anticipates high-amenity development with destination uses such as hotels, cafés, restaurants, bars, and entertainment venues to ensure both daytime and evening activity and contribute to a socially and economically active precinct.

The Planning Proposal departs from this intent by providing a narrower mix of uses, including a café, private recreation, and student housing interfaces. While the Proponent argues activation will be achieved through landscaped plazas, retail frontages, and flexible public domain treatments, Council staff remain concerned that the outcome does not fully deliver the HEP Master Plan's vision for a broad, public-facing destination however acknowledge that critical activation, permeability, and civic-scale public open space outcomes will be secured through negotiation with the Proponent to realise the Kulai Place Activity Node.

Accordingly, the Planning Proposal is considered a justified inconsistency with the HEP Master Plan.

- **State Environmental Planning Policies Assessment (SEPPs)**

The Planning Proposal has been assessed against the relevant State Environmental Planning Policies (SEPPs). It is considered generally consistent, noting that further justification and agency input will be required during Stage 5 - Public Exhibition and Assessment of the *LEP Plan-making Process*.

<u>Housing SEPP</u>

The proposal is consistent with this SEPP as it provides well-located student and key worker housing within the HEP, supporting housing diversity, accessibility, and sustainable growth.

<u>Transport and Infrastructure SEPP</u>

This SEPP outcome is assessed as a justified inconsistency, with sufficient grounds to support the Planning Proposal proceeding. Further consultation with Transport for NSW is required given the Planning Proposal's potential traffic impacts on the Oxley Highway and adjoining intersections. Preliminary SIDRA modelling has been completed, and TfNSW has requested refinements. Future Development Assessment processes will also need to demonstrate compliance with corridor protection, road access, and traffic impact provisions under the SEPP.

<u>Biodiversity and Conservation SEPP</u>

This SEPP outcome is assessed as a justified inconsistency, with sufficient grounds to support the Planning Proposal proceeding. While planted koala food trees occur on site, the Proponent's HEV Assessment report concludes they do not meet the threshold for core habitat under the SEPP. Council's Ecology team advises that additional ecological information is required before full support can be provided. This includes further arboricultural, koala and threatened species surveys, corrected vegetation mapping, and resolution of servicing conflicts. Provisions for tree retention, canopy cover, and offsetting (if required) will be secured through future Development Assessment. Advice from the NSW National Parks and Wildlife Service during Stage 5 exhibition will also be important to confirm ecological outcomes.

- **Local Planning Directions**

The Planning Proposal demonstrates consistency with Local Planning Directions in relation to planning systems, bushfire protection, and transport integration. Two justified inconsistencies are identified under Directions 3.6 (biodiversity) and 6.1 (residential zones) due to unresolved ecological and sewer servicing issues. These matters are to be appropriately deferred to the Development Assessment stage, where detailed studies, staging, and confirmed infrastructure delivery will provide certainty. On balance, the proposal has sufficient merit to proceed as consistent overall with the intent of the Directions.

Focus Area 3: Biodiversity and Conservation: 3.6 Strategic Conservation Planning - Justified inconsistency

The site contains High Environmental Value (HEV) vegetation, including old-growth trees along Kingfisher Road, forming part of a koala corridor. Council's ecological review confirmed mapping as Secondary (A) Koala Habitat, with potential use by threatened species. While some vegetation will be retained and offset planting is proposed, much of the younger koala food tree planting is in poor condition. As such, the proposal cannot be considered fully consistent. A justified inconsistency is supported on the basis that detailed ecological and arboricultural assessments, koala surveys, and a Tree Protection Plan will be undertaken at the Development Assessment stage, when building footprints and servicing alignments are confirmed.

Focus Area 6: Housing: 6.1 Residential Zones - Justified inconsistency

The proposal broadens housing choice, delivering key worker and student accommodation. However, sewer servicing remains a critical constraint: the Port Macquarie Wastewater Treatment Plant is already over capacity, and the Thrumster upgrade will not be operational until 2029. Although the proponent has provided a servicing program aligned with the upgrade, current infrastructure cannot support the development. On this basis, the proposal cannot be considered consistent. A justified inconsistency is accepted, as staging and the development application processes will allow alignment with confirmed delivery of the Thrumster facility.

3. Conclusion

The Planning Proposal has been assessed against the Health and Education Precinct Master Plan, relevant strategic planning documents, and supporting technical studies. While the Planning Proposal does not fully deliver the Health and Education Precinct Master Plan's vision, particularly with respect to establishing the pedestrian spine as a wholly pedestrian-first civic space, it does achieve key elements of the Master Plan in part. The proposal provides a continuous north-south connection, central civic plaza, key worker and student housing, and public domain upgrades that collectively advance the transformation of the precinct.

Although the introduction of a two-way internal road alongside the spine departs from the Master Plan's intent, the overall layout still secures a functional and activated movement corridor, framed by health, education, residential, and retail uses. Critical issues relating to biodiversity, sewer servicing, and traffic modelling have been identified, but can be addressed through future stages of the *LEP Plan-making Process*, statutory safeguards and detailed assessment at the Development Application stage. The updated Planning Agreement also locks in delivery of the pedestrian spine and civic spaces, although further negotiation is required to strengthen public benefit contributions.

On balance, it is considered that the Planning Proposal represents an acceptable design outcome. It demonstrates sufficient strategic and statutory merit to proceed, subject to conditions, while ensuring that unresolved matters can be managed at the development assessment stage. In doing so, the proposal provides a pragmatic pathway to deliver the precinct's growth objectives, public domain outcomes, and mixed-use role, even if not in full alignment with the Health and Education Precinct Master Plan's original vision.

Key Considerations

4. Financial and Economic Implications

The Stage 2 Pre-Gateway fee of $30,800 was paid 23 May 2025, consistent with Council's Fees and Charges at the time. These fees are designed to cover the cost to Council in assessing and progressing the Planning Proposal.

The development has potential to deliver significant economic benefits by consolidating the HEP as the region's primary employment and service hub, supporting workforce retention, and creating construction and long-term jobs. However, these benefits are dependent on the delivery of high-quality public domain works, particularly the pedestrian spine and civic spaces, which Council views as essential to the precinct's function and identity.

Council notes that the Proponent has argued additional GFA is necessary to achieve financial viability and fund public domain outcomes. While Council accepts that viability is a relevant consideration, it is not prepared to compromise the quality or extent of public benefits secured through the draft PA. Further negotiation is expected to ensure that the removal of water infrastructure works is offset by equivalent contributions, so that the final agreement reflects a fair balance between private development viability and public benefit.

5. Legislative and Policy Implications

The proposed amendments are consistent with the legislative requirements under the *Environmental Planning and Assessment Act 1979* (EP&A Act), which governs the preparation and amendment of LEPs. The Planning Proposal represents the formal mechanism for progressing the housekeeping amendments in accordance with the Department's LEP Making Guidelines (August 2023), including the requirement to obtain a Gateway determination and undertake public exhibition.

The proposed changes do not constitute new policy. Rather, they are a series of minor, corrective revisions designed to ensure Council's LEP remains compliant with the *Standard Instrument (Local Environmental Plans) Order 2006*, reflects current land ownership and land use, and aligns with Council's adopted strategic planning framework, including the LSPS, *Living and Place Strategy* and *Local Housing Delivery Plan*.

All proposed amendments have been developed to ensure consistency with relevant SEPPs and to address land use anomalies in a manner consistent with broader State and regional policy directions, including the *North Coast Regional Plan 2041*. The refinements, such as updated subdivision provisions, clarified housing controls, and the introduction of assessment criteria for visually sensitive land, strengthen the operational effectiveness of Council's LEP and support Council's capacity to deliver sustainable growth, housing diversity, and environmental protection.

6. Strategic Context and Implications

As detailed in this report, Planning Proposals are assessed in accordance with the strategic planning framework of NSW which includes both State and local legislative requirements, strategies and planning controls.

This strategic planning framework establishes the vision for NSW into the future with alignment between planning priorities identified at a state, regional or district level with finer-grained placed-based planning at the local level.

The framework sets out the principles and outcomes for meeting the needs of communities and the environment now and plans for the needs of the future. It enables communities to assess the broader implications and consequences of identifying locations for growth and change.

Alignment across state and local strategic planning sets up a streamlined process for amending LEPs by having planning matters resolved early and setting a clear sequence. This provides greater confidence for all parties as to how communities will grow and change over time.

7. Risk and Insurance Implications

The Planning Proposal carries a number of risks that require careful management. The most significant is the lack of current sewer capacity, which prevents the site from being serviced until the Thrumster Wastewater Treatment Plant is operational in 2029. This poses a high consequence but low likelihood risk if appropriate staging, statutory safeguards, and servicing agreements are enforced.

Ecological risks are also present, with High Environmental Value vegetation and Secondary (A) Koala Habitat requiring further surveys and management at the Development Assessment stage; failure to address these matters could expose Council to legal and reputational risks.

Traffic and transport risks centre on the proposed connector road, which departs from the pedestrian-first vision of the HEP Master Plan; unless design controls are embedded in the DCP and reinforced through development consent conditions, there is a risk of undermining safety, activation, and place-making objectives.

From an insurance perspective, Council must ensure that all public domain works delivered through the PA, including the pedestrian spine, civic spaces, and open space dedications, are constructed to an adoptable standard and transferred with appropriate warranties and maintenance bonds. This will minimise Council's exposure to defects, remediation costs, or liability associated with public safety.

8. Engagement and Consultation

The Planning Proposal has been subject to internal referral to Council's specialist teams, including Utilities, Ecology, Strategic Projects, Traffic Engineering and the Community and Recreation Team whose preliminary reviews have informed this assessment (Attachment 6). Key issues raised include sewer capacity constraints, ecological deficiencies in the HEV assessment, and the design of the pedestrian spine as a two-way connector road. In addition, preliminary comments were sought from Transport for NSW, particularly in relation to traffic modelling and the proposal's potential impacts on the Oxley Highway and adjoining intersections. TfNSW confirmed that further modelling refinements will be required before the Planning Proposal proceeds to exhibition (Attachment 7).

Moving forward, formal consultation will occur in accordance with the Gateway determination, including public exhibition of the Planning Proposal and draft Planning Agreement. This process will enable community submissions as well as formal advice from State agencies. Their feedback will be essential to confirm agency support and address the outstanding issues identified through preliminary consultation.

9. Civic Leadership

The Planning Proposal addresses key Environmental, Social and Governance considerations by embedding biodiversity safeguards, stormwater and bushfire resilience measures, and delivering key worker and student housing to support social equity. It also secures major public domain works through a draft Planning Agreement, reflecting Council's commitment to balancing growth with sustainability, liveability, and transparent governance.

Options

In accordance with legislative requirements, Council may take the following actions:

1. Proceed with the Planning Proposal as submitted and request a Gateway Determination (RECOMMENDED).
2. Make modifications to the Planning Proposal as deemed necessary by the Council and then request a Gateway Determination.
3. Decide not to proceed with the Planning Proposal.
4. Request additional information.

If the Council resolves to progress the Planning Proposal as per option 1. The proposal will be prepared accordingly by Council staff, and submitted to the NSW Government Department of Planning, Housing, and Industry for a Gateway determination.

Option 1 is the recommendation of this report.

Attachments

1. Planning Proposal
2. Urban Design Report
3. Traffic Report
4. Landscape Plan
5. Draft Voluntary Planning Agreement
6. Internal Referral Comments
7. Transport for NSW Comments

8. Supporting Studies Summary
9. Strategic Merit Assessment
10. Prelodgment Meeting Minutes
11. Council Request for Further Information

Item: 13.05

Subject: **Stage 2 Council-initiated Planning Proposal - Land Reclassification for 52 John Oxley Drive, Port Macquarie**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Endorse the draft Council-initiated Planning Proposal (Attachment 1), to facilitate the reclassification of land owned by Port Macquarie-Hastings Council at 52 John Oxley Drive (Lot 1 DP1012883) from 'community' to 'operational' land prepared under section 3.33 of the *Environmental Planning and Assessment Act 1979*.**
2. **Forward the draft Council-initiated Planning Proposal to the NSW Department of Planning, Housing and Infrastructure for a Gateway determination under section 3.34 of the *Environmental Planning & Assessment Act 1979*, and request that the Gateway determination authorise Council to be the local plan-making authority.**
3. **Delegate authority to the Director Community, Planning and Environment to make any minor updates to the draft Planning Proposal prior to seeking a Gateway determination, and action / address conditions of Gateway determination accordingly.**
4. **Note that the draft Council-initiated Planning Proposal will be required to be publicly exhibited, and a public hearing held in accordance with sections 29 and 47G of the *Local Government Act 1993*.**
5. **Receive a report following the public exhibition period on any submissions received.**

Executive Summary

This report seeks Council's endorsement to progress a Stage 2 Council-initiated Planning Proposal (Attachment 1) to reclassify a Council-owned site at 52 John Oxley Drive, Port Macquarie (Lot 1 DP1012883).

It is intended to reclassify the site from 'community' to 'operational' land under Schedule 4 of the *Port Macquarie-Hastings Local Environmental Plan 2011* (Council LEP), in accordance with section 3.33 of the *Environmental Planning and Assessment Act 1979* (the Act).

Although acquired by Council in 2018 for infrastructure purposes, the site has remained classified as community land, limiting its use for road network improvements. Reclassification is required to enable future duplication, and upgrade works along John Oxley Drive in the Health and Education Precinct.

This proposal is consistent with the *North Coast Regional Plan 2041*, *Port Macquarie Regional City Action Plan 2036*, and Council's *Local Strategic Planning Statement*. It does not propose any changes to zoning, land use, or removing any interests from the sites.

In accordance with s30 of the *Local Government Act 1993* (LG Act), reclassification through a Local Environmental Plan (LEP) is the mechanism by which Council can remove any public reserve status applying to land, as well as any interests affecting all or part of public land. For the purpose of reclassification through an LEP, 'interests' means trusts, estates, dedications, conditions, restrictions and covenants affecting the land. It is not intended to extinguish any interests on the site as part of this Planning Proposal.

While administrative in nature, this proposal represents a strategically significant step in facilitating long-term infrastructure delivery.

Report

1. Background

This Council-initiated Planning Proposal seeks to reclassify Council-owned land from community to operational under the Council LEP. The reclassification is required to enable more flexible management and use of the land, consistent with Council's long-term infrastructure and strategic planning objectives.

The site was purchased by Council in 2018 (Attachment 3) as a strategic acquisition to support future duplication and upgrade works along the John Oxley Drive corridor. Despite being purchased for operational purposes, the site was not reclassified within the statutory 90 day timeframe and has therefore remained classified as community land. This classification currently prevents the site from being dedicated as public road, limiting Council's ability to deliver critical infrastructure.

The site is zoned RU1 Primary Production, contains three warehouse units, two of which were leased for automotive repair, while the third is used for Council storage. The site adjoins residential dwellings and is opposite the Lake Innes Village Shopping Centre. The land is strategically located within the Health and Education Precinct (HEP) and lies in close proximity to the Port Macquarie Base Hospital, Thrumster Business Park, and key transport corridors. Its reclassification to operational land will enable Council to progress essential road infrastructure upgrades that are consistent with the *Health and Education Precinct Master Plan 2019* (HEP Master Plan) and the *Port Macquarie-Hastings Integrated Transport Plan 2024* (the Transport Plan).

2. Discussion

The reclassification from 'community' to 'operational' land, is a targeted and necessary administrative action that enables Council to meet long-term strategic land outcomes.

The site is strategically located within the HEP, acquired specifically to facilitate the future duplication and upgrade of John Oxley Drive. The road corridor is a critical transport link supporting access to the Port Macquarie Base Hospital, Charles Sturt University, and broader employment lands. Retaining a community land classification prevents dedication of the site as public road, constraining Council's ability to deliver infrastructure identified in the HEP Master Plan and the Transport Plan. Reclassification will provide Council with the flexibility to proceed with design and delivery of transport improvements in partnership with Transport for NSW (TfNSW), thereby addressing congestion, improving connectivity, and supporting precinct-based growth.

The reclassification provides Council with greater flexibility to manage its assets in a way that supports infrastructure delivery, economic development, and efficient land use. The proposal is consistent with the *North Coast Regional Plan 2041*, the *Port Macquarie Regional City Action Plan 2036*, and Council's *Local Strategic Planning Statement*. Importantly, the Planning Proposal is administrative in nature and does not authorise new development, vegetation removal, or changes to zoning. Environmental, social, and economic effects will continue to be managed under existing statutory frameworks.

Reclassification of public land under the LG Act also triggers additional procedural requirements and process as detailed in the checklist provided (Attachment 2). These include a minimum 28-day public exhibition period and an independent public hearing, as required under s29 and s47G of the LG Act. A public hearing report must be prepared and made publicly available before the LEP is finalised. In this instance, Governor's approval will not be required as the proposal does not seek to extinguish any public reserve status or land interests.

This Planning Proposal (Attachment 1) has been prepared in accordance with s3.33 of the Act, and the Department of Planning, Housing and Infrastructure's (the Departments) *LEP Practice Note 16-001 - Classification and reclassification of public land through a local environmental plan* (LEP Practice Note).

3. Conclusion

The reclassification of 52 John Oxley Drive from 'community' to 'operational' land is an appropriate and necessary action that aligns with Council's strategic planning priorities. Reclassification will enable delivery of essential road upgrades within the HEP , supporting regional connectivity, economic growth, and long-term transport planning.

The site will continue to be subject to existing zoning, and environmental controls. The proposal is administrative in nature, carries no adverse environmental or social effects, and is consistent with State, regional, and local planning frameworks.

It is recommended that Council proceed with this Planning Proposal to reclassify the land through an amendment to the Council LEP and endorse its submission to the Department for assessment and Gateway determination.

Key Considerations

4. Financial and Economic Implications

There are no immediate financial costs associated with the preparation of the Planning Proposal as this work is being prepared in-house by Council staff.

Any future infrastructure works associated with the duplication and upgrade of John Oxley Drive will be subject to separate design, funding, and delivery processes undertaken in partnership with TfNSW. Improvements to transport connectivity and access within and around the HEP will strengthen regional economic activity and support the growth of associated employment and service sectors. Reclassification ensures that these future works can proceed without the procedural constraints that apply to community land, thereby reducing the risk of delays and enabling more efficient project implementation.

5. Legislative and Policy Implications

This Planning Proposal is being progressed in accordance with s3.33 of the Act and complies with the Department's LEP Practice Note. The reclassification also meets the requirements of the LG Act, which govern the classification and use of public land by Councils.

This is not a new or revised policy but an administrative amendment to Council's LEP to update the land classification of specific sites.

From an Environmental, Social and Governance (ESG) perspective, the proposal supports good governance by ensuring legal compliance and transparency in Council's land management practices.

6. Strategic Context and Implications

Planning Proposals are assessed in accordance with the strategic planning framework of NSW which includes both State and local legislative requirements, strategies and planning controls.

This strategic planning framework establishes the vision for NSW into the future with alignment between planning priorities identified at a state, regional or district level with finer-grained placed-based planning at the local level.

The framework sets out the principles and outcomes for meeting the needs of communities and the environment now and plans for the needs of the future. It enables communities to assess the broader implications and consequences of identifying locations for growth and change.

Alignment across state and local strategic planning sets up a streamlined process for amending LEPs by having planning matters resolved early and setting a clear sequence, and greater confidence for all parties, for how communities will grow and change over time.

7. Risk and Insurance Implications

The assessment of LEP amendments, including the reclassification of land, is part of the regular business of Council and does not introduce any new organisational risk.

The risks to the natural and built environment associated with this Planning Proposal have been assessed and are considered low.

8. Engagement and Consultation

Preliminary engagement has been undertaken with Council's Community Infrastructure Division and the Department Planning, Housing and Infrastructure . In February 2025, Council officers consulted with the Department's Director of the Hunter and Northern Region, who advised that given the minor and administrative nature of the reclassification, the proposal could proceed directly to Stage 2 of the *LEP plan-making process* without the need for a Stage 1 - Scoping Proposal.

As required under the Act and LG Act, the Planning Proposal will be publicly exhibited for a minimum of 28 days following a Gateway determination. During this time, affected stakeholders and the broader community will be invited to make submissions.

In addition, an independent public hearing will be held in accordance with s29 of the LG Act, as the proposal involves the reclassification of public land. The hearing will be conducted after the exhibition period and will provide an opportunity for submitters to present their views in a public forum. A report from the hearing will be prepared and made publicly available, consistent with s47G of the LG Act.

Relevant State agencies will also be consulted during the exhibition period, where required, to ensure alignment with government policy and infrastructure planning objectives.

9. Civic Leadership

This Planning Proposal reflects Council's commitment to strong civic leadership through the transparent, lawful, and strategically aligned management of public land assets. By initiating the reclassification, Council is demonstrating a proactive approach to resolving long-standing administrative constraints that currently prevent the sites from supporting critical infrastructure delivery.

Governance outcomes are also reinforced through full compliance with the legislative requirements of the Act and LG Act. The process ensures that Council's land management practices are legally robust, strategically informed, and aligned with community expectations.

Attachments

1. Planning Proposal
2. Checklist for Reclassification of Land through an LEP
3. Certificate of Title

Item: 13.06

Subject: **Ocean Club Resort Planning Agreement - Post Exhibition Report**
Applicant - King & Campbell Pty Ltd
Landowner - Gwynvill Trading Pty Ltd

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Delegate to the Chief Executive Officer to enter into and execute the Ocean Club Resort Planning Agreement as amended (Attachment 1).**
2. **Take all reasonable steps to repeal the following Planning Agreements which have been replaced by the Ocean Club Resort Planning Agreement:**
    a. **The Ocean Club Residential Community Planning Agreement (Attachment 2)**
    b. **The Tolone Area 14 Stage 1A Planning Agreement (Attachment 3)**
3. **Note the Exhibition Engagement Report.**
4. **Thank all persons who lodged a submission and notify them of Council's decision.**

Executive Summary

The purpose of this report is to inform Council about the results and feedback received from the public exhibition of the draft Ocean Club Resort Planning Agreement, and to provide recommendations on how to proceed. The Engagement Report is provided attached as Attachment 5.

The draft Planning Agreement was placed on public exhibition from 27 August 2025 to 25 September 2025. During this period, Council received six (6) submissions as detailed in the Engagement Report (Attachment 5). These submissions have been reviewed by staff, and it is recommended the Planning Agreement be executed as exhibited.

It is recommended that Council proceed to execute the amended Planning Agreement (Attachment 1) and repeal any superseded Planning Agreements accordingly.

Report

1. Background

Council has received an offer for a Planning Agreement to replace and consolidate the two (2) current Planning Agreements (Attachments 2 and 3) which apply to the subject land. The key provisions of the draft Planning Agreement include the following:

- requires monetary Development Contributions of a specified minimum for water supply, roads, sewerage, open space, environmental land, community facilities and administration purposes

- requires the carrying out of specified Works by the Landowner for the purposes of environmental land and an Ocean Drive intersection
- requires the dedication of specified land to Council by the Landowner of environmental land and for the Ocean Drive Road Widening
- requires the ongoing management of private sewerage infrastructure by the Landowner
- requires Council to apply monetary Development Contributions made under the Agreement towards the specified purpose for which they were made and at the location, in the manner and to the standard (if any) specified in the Agreement
- imposes obligations on the Landowner in relation to the carrying out of specified Works, the handing over of those Works to Council and the rectification of defects in those Works
- requires the Landowner to provide Council with Security relating to the satisfactory completion of specified Works required to be carried out by the Landowner under the Agreement.

The draft Planning Agreement (Attachment 1) seeks to replace and consolidate the following executed Planning Agreements:

- The Ocean Club Residential Community Planning Agreement (Attachment 2)
- The Tolone Area 14 Stage 1A Planning Agreement (Attachment 3)

The following resolution was made at the 21 August 2025 Ordinary Council meeting in respect of Item 13.04 Ocean Club Resort Planning Agreement Assessment Report:

"That Council:

1. *Endorse the draft Ocean Club Resort Planning Agreement for public exhibition for a period of not less than 28 days.*
2. *Receive a further report following the public exhibition period on any submissions received."*

2. Discussion

The draft Planning Agreement was placed on public exhibition from 27 August 2025 to 25 September 2025. The consultation results showed moderate community interest as follows:

- 127 visitors being aware of the exhibition.
- 41 visitors informed about the exhibition.
- 5 engaged visitors providing direct feedback through the "Have Your Say" platform.
- Additionally, one (1) email submission was directly received.
- The document was downloaded 58 times, indicating a level of further review and consideration by the community.

During the public exhibition period, six (6) submissions as detailed in Attachment 5 were received regarding the draft Planning Agreement. The submissions addressed various issues, including support the construction of an Ocean Pool in Port Macquarie, environmental impacts of development, signage confusion between Ocean Club and Elanora Estate, dog management, infrastructure and accessibility and maintenance responsibilities. It should be noted an Ocean Pool is not proposed as part of this agreement and has no relationship to this agreement.

This report recommends at Recommendation 3:

> "*to take all reasonable steps to repeal the following Planning Agreements which have been replaced by the Ocean Club Resort Planning Agreement:*
>
> *c. The Ocean Club Residential Community Planning Agreement*
>
> *d. The Tolone Area 14 Stage 1A Planning Agreement"*

The Planning Agreements referred to above need to be repealed as the content relevant in each of them has been included in the draft Ocean Club Resort Planning Agreement. The Ocean Club Residential Community Planning Agreement (Attachment 2) and The Tolone Area 14 Stage 1A Planning Agreement (Attachment 3) are attached as the Planning Agreements to be repealed.

The Ocean Club Resort Planning Agreement refers to the environmental management of land being in accordance with the Vegetation Management Plan (Attachment 4).

The repeal process of a Planning Agreement is by mutual agreement of all parties, formalised in writing, and publicly notified. The ultimate approver is the elected Council and the decision to repeal must be resolved by the Council and cannot be acted upon by staff alone, as a result of Planning Agreements being a statutory instrument tied to land use planning powers.

Given that the repeal requires the mutual agreement of all parties, the recommendation uses a reference that staff will take "*all reasonable steps to repeal the Planning Agreements*". It is unlikely that the counter party would withhold their agreement from that repeal as it would prevent Council from entering into the proposed draft Ocean Club Resort Planning Agreement and the counter party has indicated their support for the repeal. However, this is an identified risk and as a result the recommendation uses language to identify this risk and acknowledge the legal limitation of staff to act unilaterally.

3. Conclusion

The draft Planning Agreement was made available for public exhibition from 27 August 2025 to 25 September 2025. During this exhibition period, six (6) submissions were received. Council staff reviewed these submissions. It is recommended that Council approve and execute the amended draft Planning Agreement in accordance with the recommendation of this report.

Key Considerations

4. Financial and Economic Implications

The Planning Agreement has significant financial and economic implications for both Council and the region. This Planning Agreement aims to create a legally binding agreement between Council and the developer to ensure the effective and efficient delivery of infrastructure that will support the community and accommodate new growth in the region.

The developer's responsibility includes works in kind, the payment of contributions to Council for relevant infrastructure and the dedication of land. Upon the execution of the Planning Agreement, the developer will pay Council $20,000 to cover costs incurred during the negotiation process, including administrative and legal expenses.

5. Legislative and Policy Implications

The Planning Agreement has been prepared in accordance with Section 7.4 of the Environmental Planning and Assessment Act 1979. Additionally, the draft Planning Agreement has been developed in line with the relevant practice notes issued by the Minister and Council's Planning Agreements Policy.

6. Strategic Context and Implications

The Planning Agreement is consistent with Council's Local Strategic Planning Statement and Community Strategic Plan and specifically seeks to give effect to Planning Priority 19 to Plan, Prioritise and Deliver Integrated Infrastructure.

7. Risk and Insurance Implications

The Planning Agreement and the recommended actions seek to mitigate and limit risk to Council and contains mechanisms to manage risk and to resolve disputes.

8. Engagement and Consultation

The Planning Agreement was on public exhibition from 27 August 2025 to 25 September 2025. The consultation results show moderate community interest:

- 127 visitors being aware of the exhibition.
- 41 visitors informed about the exhibition.
- 5 engaged visitors providing direct feedback through the "Have Your Say" platform.
- Additionally, one (1) email submission was directly received.
- The document was downloaded 58 times, indicating a level of further review and consideration by the community.

During the public exhibition period, six (6) submissions were received. These submissions are summarised in the Community Engagement Report (Attachment 5).

9. Civic Leadership

The Planning Agreement aims to establish a clear governance framework to achieve better environmental, social, and infrastructure outcomes by setting explicit expectations between the parties regarding the delivery of infrastructure and the management of environmental land.

Options

Council has the option to:

1. Endorse the Planning Agreement as amended for execution by the Chief Executive Officer. (This is the recommendation of this report)
2. Request further amendments to this Planning Agreement, noting this would delay execution and effectiveness of the Planning Agreement.
3. Not support the recommendation and resolve in some other manner.

This report recommends Option 1, endorsement of the Planning Agreement to enable execution between the two parties.

Attachments

1. Draft Ocean Club Resort Planning Agreement 2025
2. Ocean Club Residential Community Planning Agreement 2011
3. Tolone Area 14 Stage 1A Planning Agreement 2011
4. Vegetation Managment Plan
5. Engagement Outcomes Summary Report

Item: 13.07

Subject: **Batar Creek Road Planning Agreement - Post Exhibition Report**
Applicant - Land Dynamics Australia
Landowner - Allam MHE #2 Pty Ltd

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Authorise the Chief Executive Officer to enter into and execute the Batar Creek Road Planning Agreement as amended (Attachment 1).**
2. **Note the Post Exhibition Engagement Summary.**
3. **Thank all persons who lodged a submission and notify them of Council's decision.**

Executive Summary

The purpose of this report is to inform Council about the results and feedback received from the public exhibition of the draft Batar Creek Road Planning Agreement. This report recommendation that Council proceed to enter into the Planning Agreement.

The draft Batar Creek Road Planning Agreement was publicly exhibited from 18 August 2025 to 15 September 2025. During this time, Council received four (4) submissions. Staff have conducted a full review of these submissions. The submissions were generally not supportive of an increase in development in the area or the proposed contributions offset. It appears from the submissions received that the rationale, and the material public benefit of the works contained in the Batar Creek Road Planning Agreement may not have been well understood, noting that a portion of these works are beyond that which is required to support the development. This portion is recognised in offsets to contributions.

Planning Agreements are voluntary, and the costs and offsets negotiated are reflective of, and consistent with, the traffic generated by the development. As such it is recommended that Council proceed to execute the Planning Agreement as exhibited (Attachment 1).

Report

1. Background

In April 2024, the Proponent submitted a development application for Stage 7 of the Monterey Manufactured Home Estate (MHE) development in Kendall. The proposed development aims to extend the existing approved Manufactured Home Estate, adding 50 additional MHE sites. If approved, this would bring the total number of units in the Monterey MHE development to 261 MHE units.

On 3 October 2024, the Proponent met with staff to discuss potential upgrades to Batar Creek Road and the process for a Works in Kind Agreement (WIKA) or a possible Planning Agreement.

On 19 December 2024, the Proponent submitted correspondence (Attachment 1) indicating their intent to seek a Planning Agreement with Council, related to the proposed road upgrades for Batar Creek Road.

On 11 February 2025, Council received a formal letter of offer to enter into a Planning Agreement (Attachment 1), which aims to deliver a material public benefit through the proposed upgrade of Batar Creek Road, linking the new development to the town of Kendall.

At Council's Ordinary Meeting on 20 March 2025 at Item 13.05 Council resolved:

That Council:

1. *Note the letter of offer provided by Land Dynamics Australia on behalf of Allam MHE #2 Pty Ltd.*
2. *Authorise the Director Community, Planning and Environment to prepare and negotiate and draft a Planning Agreement based on the terms outlined in the report in accordance with s7.4 of the Environmental Planning and Assessment Act 1979 and Council's Planning Agreements Policy.*
3. *Undertake public exhibition of the draft Planning Agreement for a period of not less than 28 days in accordance with clause 204 of the Environmental Planning and Assessment Regulation 2021.*
4. *Receive a further report following the public exhibition period on any submissions received.*

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

The developer has lodged Development Application DA 2024/249 with Council for Stage 7 of the Manufactured Housing Estate (MHE) at Kendall. This is in addition to the already approved development under DA 2017/736 (approved 5 December 2018), which covers Stages 1–6 of the MHE.

The site has an earlier approval history. DA 2006/57 originally approved a boundary adjustment, 140-lot subdivision, and a Long Day Care Centre. This consent was later modified under DA 2017/736, which now provides for 201 manufactured home sites within the MHE. A further modification to DA 2017/736 is currently under assessment, seeking approval for an additional 10 sites within the existing MHE property boundary.

The current application, DA 2024/249 (lodged 24 April 2024), seeks approval for a further 50 manufactured home sites, forming Stage 7 of the MHE. The proposed expansion would extend the estate onto the adjoining Lot 201 DP 1302665, located to the west of the existing MHE. This lot is also subject to DA 2006/57, which previously approved 13 Torrens Title lots on this portion of the site. All existing and future facilities within the approved MHE will also service the proposed additional 50 sites.

The assessment of DA 2024/249, determined that the development would generate additional traffic demand that requires an upgrade Batar Creek Road to a rural collector standard.

To address the demand for the upgrade of Batar Creek Road, the developer has offered to enter into a Voluntary Planning Agreement (VPA) with Council, under which they will carry out an upgrade of Batar Creek Road on the terms identified in the Batar Creek Road Planning Agreement that is the subject of this report (Attachment 1).

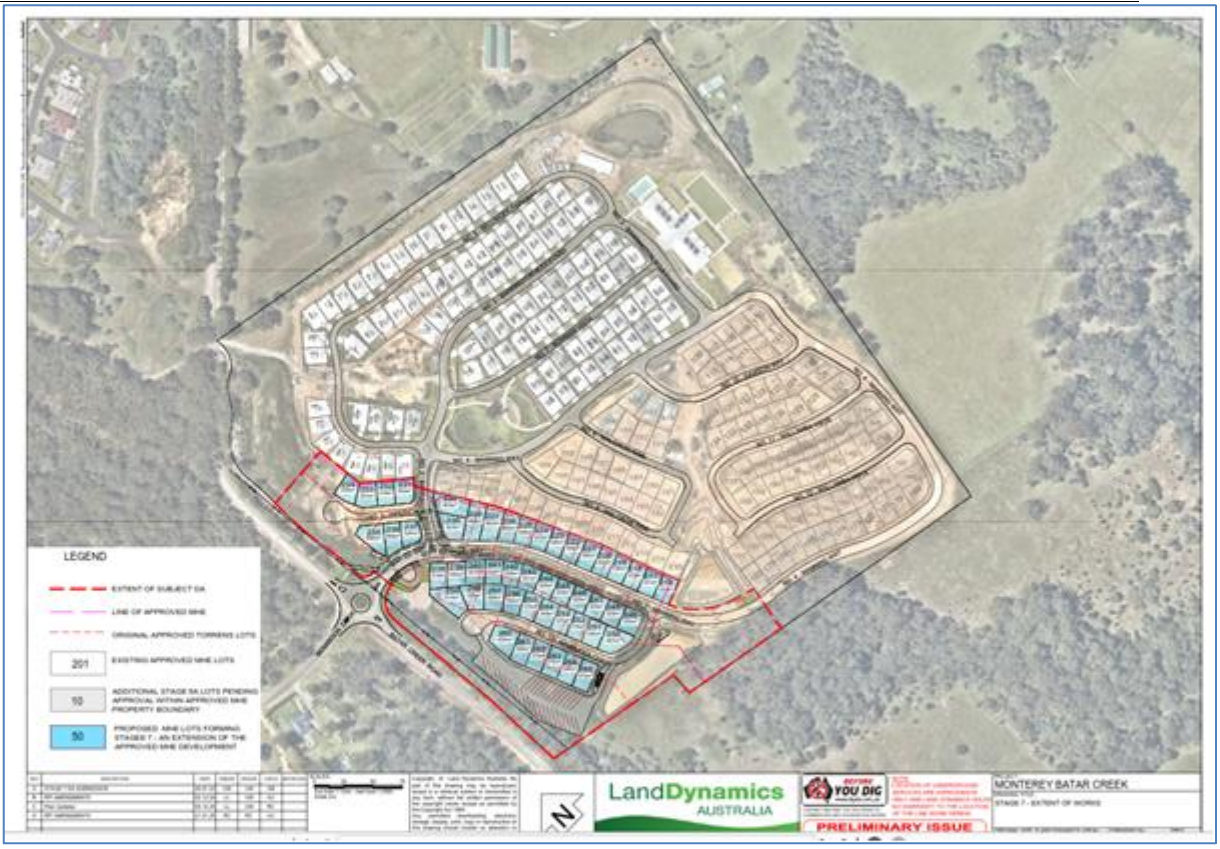


Figure 1: DA 2024/249 - Proposed Plans for an additional 50 sites.

2. Discussion

The draft Batar Creek Road Planning Agreement was placed on public exhibition from 18 August 2025 to 15 September 2025. The consultation results (Attachment 2) showed moderate community interest as follows:

- 88 visitors being aware of the exhibition.
- 36 visitors informed about the exhibition.
- 4 engaged visitors providing direct feedback through the "Have Your Say" platform.
- The document was downloaded 41 times, indicating a level of further review and consideration by the community.

During the public exhibition period, four (4) submissions were received regarding the draft Batar Creek Road Planning Agreement. The submissions regarding the Planning Agreement for the Batar Creek Road development identifies some concerns from residents. Firstly, the submissions assert that the development of the over-55s estate has doubled the population of Kendall, yet the town has not received the necessary infrastructure upgrades to accommodate this growth. Residents along Batar Creek Road report having experienced disruptions due to heavy vehicle traffic, which has caused damage and consistent vibrations in their homes.

There is also opposition to any financial offsets being provided to the developer by Council, as the submissions assert that local residents are the ones bearing the burden of the infrastructure strain caused by the development, without benefiting from the profits generated. The submissions have requested the inclusion of a section of Batar

Creek Road into the Planning Agreement for upgrades as current road conditions have deteriorated due to heavy vehicle movement associated with the development.

Concerns were also expressed in the submissions to the road being upgraded only to a rural collector standard. The submissions considered it necessary for the upgrade to be to an urban road standard. Overall, the submissions emphasise an assertion that this matter requires better infrastructure planning, accountability from developers, and greater transparency in the development process.

In response to these concerns, it is important to note that the engineering advice in respect of the subject development application assessment indicates that the amount of traffic generated by the development, along with other traffic increases, is likely to necessitate an upgrade of the road to a rural collector standard. This upgrade is suitable and will provide sufficient capacity for both the development and future growth.

The development addressed in this Planning Agreement offer is Stage 7 Monterey. Stage 7 Monterey is expected to contribute between 10% and 11% of the traffic on the relevant section of Batar Creek Road. The developer has proposed to deliver the road upgrade in-kind and will be directly responsible for 43% of the costs. This percentage reflects the full impact of the approved Monterey development and Stage 7 together. The remaining 57% of the costs will be offset by a reduction in future contributions. In summary, the negotiated recognition of costs of material public benefit and the proportion required to service the development, as outlined in the draft Planning Agreement is deemed proportionate.

3. Conclusion

The draft Batar Creek Road Planning Agreement was made available for public exhibition from 18 August 2025 to 15 September 2025. During this exhibition period, four (4) submissions were received. Council staff reviewed these submissions. It is recommended that Council proceed with the draft Batar Creek Road Planning Agreement as exhibited (Attachment 1).

Key Considerations

4. Financial and Economic Implications

The proposed Batar Creek Road Planning Agreement has significant financial and economic implications for both Council and the region. The Planning Agreement aims to create a legally binding agreement between Council and the developer to ensure the effective and efficient delivery of infrastructure that will support the community and accommodate new growth in the region.

The developer's responsibility includes works in kind totalling an estimated $2,567,041. Upon the execution of the Planning Agreement, the developer will be required to pay Council 1% of the cost of works as a supervision cost to cover the costs relating to the ongoing administration of the Planning Agreement. This is estimated to be between $25,000 and $30,000.

5. Legislative and Policy Implications

The Planning Agreement has been prepared in accordance with Section 7.4 of the Environmental Planning and Assessment Act 1979. Additionally, the Planning Agreement has been developed in line with the relevant practice notes issued by the Minister and Council's Planning Agreements Policy.

6. Strategic Context and Implications

The Batar Creek Road Planning Agreement is consistent with Council's Local Strategic Planning Statement and Community Strategic Plan and specifically seeks to give effect to Planning Priority 19 to Plan, Prioritise and Deliver integrated infrastructure.

7. Risk and Insurance Implications

The Batar Creek Road Planning Agreement seeks to mitigate and limit risk to Council and contains mechanisms to manage risk and to resolve disputes.

8. Engagement and Consultation

The Batar Creek Road Planning Agreement was placed on public exhibition from 18 August 2025 to 15 September 2025. As detailed in the Engagement Report (Attachment 2), the consultation results show moderate community interest:

- 88 visitors being aware of the exhibition.
- 36 visitors informed about the exhibition.
- 4 engaged visitors providing direct feedback through the "Have Your Say" platform.
- The document was downloaded 41 times, indicating a level of further review and consideration by the community.

During the public exhibition period, four (4) submissions were received. These submissions are summarised in the Community Engagement Report (Attachment 2).

9. Civic Leadership

The Batar Creek Road Planning Agreement aims to establish a clear governance framework to achieve better environmental, social, and infrastructure outcomes by setting explicit expectations between the parties regarding the delivery of infrastructure.

Options

Council has the option to:

1. Resolve to execute the Planning Agreement as exhibited.
2. Request further amendments to the Planning Agreement, noting this would delay execution and effectiveness of the Planning Agreement.
3. Not support the recommendation and resolve in some other manner.

This report recommends Option 1, endorsement of the Planning Agreement to enable execution between the two parties.

Attachments

1. Batar Creek Road Planning Agreement

2. Community Engagement Report

Item: 13.08

Subject: **Draft Establishment and Management of Committees Policy - Post Exhibition**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Note the outcomes of public exhibition of the draft Establishment and Management of Committees Policy as detailed in the Engagement Report.**
2. **Adopt the new Establishment and Management of Committees Policy.**
3. **Thank those people who made a submission and advise them of Council's determination and publish the new Policy on Council's website.**

Executive Summary

Council has developed a new Establishment and Management of Committees Policy that includes principles and guidelines for establishing and operating Council committees.

These principles and guidelines address:

- Roles and types of Committees in Local Government and PMHC
- Key objectives in establishing Committees
- Procedures and charters
- Performance
- Recission of Council Committees
- Membership
- Endorsement by Council
- Induction

Council resolved at its August 2025 Ordinary Council meeting to place the draft Policy (Attachment 1) on public exhibition for a period not less than 28 days with a further report to come back to Council detailing the outcomes of submissions.

Our Have Your Say webpage was the key platform used in this engagement with feedback submitted via an online survey and through direct email. The consultation was open between 19 August and 25 September 2025.

The consultation results indicated moderate community interest, with 65 aware visitors, 30 informed visitors, and 5 engaged visitor who provided direct feedback via Have Your Say. Additionally, the document was downloaded 24 times, suggesting some level of further review and consideration by the community. The Engagement Report is provided attached (Attachment 2).

There was only a very minor administrative change made to the Policy following exhibition as a result of the feedback received, this being the change of name of the existing Local Traffic Committee to the Local Transport Forum.

This report recommends that the amended Policy (Attachment 3) now be adopted.

Report

1. Background

At the June 2025 Ordinary Council meeting, Council resolved:

"That Council:

1. *Note the information provided in the report.*
2. *Endorse the principles and guidelines referenced in the report for the establishment of future committees by Council.*
3. *Request the Chief Executive Officer to develop a draft Port Macquarie Hastings Council Establishment and Management of Committees Policy on the basis of the principles and guidelines referenced in the report for the establishment of Council committees for consideration by Council at the August 2025 meeting of Council."*

As a result of this resolution, a draft Establishment and Management of Committees Policy (Attachment 1) was developed that included the principles and guidelines referenced in the June 2025 Ordinary Council meeting report.

At the August 2025 Ordinary Council Meeting Council further resolved:

"That Council:

1. *Place on public exhibition the draft Establishment and Management of Committees Policy for a period of not less than 28 days.*
2. *Note that a further report will be tabled at the October 2025 meeting of Council, detailing the submissions received from the public during the exhibition period."*

The draft Policy (Attachment 1) was subsequently placed on public exhibition between 19 August and 25 September 2025.

2. Discussion

A new Establishment and Management of Committees Policy has been developed that includes the principles and guidelines endorsed in the June 2025 Council report.

The principles require that a committee must:

a) be of a type defined by the Policy
b) have clear and measurable objectives
c) be established as outlined in the Committee Procedure,
d) have a Charter that complies with this Policy and the Charter Template
e) operate within its Charter, Council's Values, Code of Conduct, frameworks, policies, and procedures.

The Policy applies to all Council committees approved for establishment by the governing body of Port Mcquarie - Hastings Council (the Council) and refers to the following:

- Standing Committees
- Advisory Committees
- Statutory Committees
- Special/Project Committees
- Community Committees

The role of these types of committees are outlined in the Policy.

The Policy also specifies that a committee must enhance governance, promote efficiency, and ensure meaningful community engagement. The key objective of any Council committee must be to accomplish one or more of the following:

a) **Leverage Expertise for Informed Decision-Making** - to draw upon the knowledge, skills, and experience of Councillors, staff, professionals, and community members in areas requiring technical, strategic, or local insight.

b) **Improve Efficiency and Operational Effectiveness** - to streamline Council operations by managing detailed or specialist matters outside of formal Council meetings, thereby allowing the Council to focus on strategic priorities.

c) **Promote Transparency and Accountability** - to support open and accountable governance by providing structured, well-documented forums for discussion, deliberation, and recommendation making.

d) **Facilitate Community Engagement and Representation** - to provide opportunities for public input and representation, ensuring that decisions reflect the diverse interests and needs of the local community.

e) **Strengthen Governance and Legislative Compliance** - to assist Council in fulfilling its statutory responsibilities, including those under the Local Government Act 1993 (NSW), planning laws, and financial regulations.

f) **Monitor Performance and Risk** - to oversee specific programs, projects, or operational areas, ensuring that objectives are met and that risks are identified and managed appropriately.

g) **Encourage Innovation and Policy Development** - to create a platform for exploring new ideas, developing policy options, and trialling initiatives that contribute to the Council's strategic objectives or priorities.

The Policy also includes provisions to monitor performance and rescind a committee for one or more of the following reasons:

- Completion of purpose
- Strategic realignment
- Performance issues
- Lack of engagement
- Budgetary constraints

- Duplication of function
- Legislative or policy changes
- Council decision

3. Conclusion

A structured approach to Council committees supports better governance, more meaningful community engagement, and efficient Council operations. This Policy would provide Council with a framework of principles and guidelines for the establishment and management of future committees, informed by past experiences, legislative requirements, and contemporary engagement practices. Endorsing these principles and adopting a Policy will ensure Council is well-positioned to implement a transparent, consistent, and strategic Council committee structure going forward.

Key Considerations

4. Financial and Economic Implications

The development of this Policy has no direct financial or economic implications however implementation of the Policy will have the financial implications. For instance, establishing or reinstating committees has financial implications including staff resourcing, meeting facilitation (especially after-hours), reporting, and administration.

Future committees should be considered within the framework of existing budgets or they may require allocation of new funding. Any committee formed must clearly identify the funding source for operations. Where external expertise or extensive engagement is required, additional funding may also be necessary.

5. Legislative and Policy Implications

This report aligns with requirements under the Local Government Act 1993 (NSW), particularly regarding transparency, community participation, and sound governance.

The proposed Policy for the establishment of committees, if adopted would be a new Council policy and ensure consistency with statutory committees such as the Audit, Risk and Improvement Committee.

Consideration has been given to the *Integrated Planning and Reporting Framework* and the Office of Local Government's *Community Engagement Strategy Guidelines*.

Environmental, Social, and Governance (ESG) principles are supported through inclusive committee representation, transparent decision-making, and community participation.

6. Strategic Context and Implications

This report aligns with Council's Community Strategic Plan and supports the following key community outcomes:

- **Leadership and Governance:** Enhancing Council's responsiveness, transparency, and accountability through clear committee structures and engagement mechanisms.
- **Community:** Promoting meaningful and inclusive community participation by ensuring committees provide diverse and representative voices.

- **Infrastructure and Planning:** Enabling evidence-based decision-making and community-focused development through structured advisory input.

Endorsing the principles and guidelines for committee management and establishment outlined in this report will ensure Council's committee framework is consistent, transparent, and strategically aligned. This structured approach facilitates improved governance, strengthens community representation, and promotes efficient use of resources, positioning Council to respond effectively to evolving community needs and priorities.

7. Risk and Insurance Implications

There are minimal insurance or risk implications related to this Policy or committee operation beyond standard public liability where members attend Council-facilitated meetings. This is not strictly the case however for the existing Development Assessment Panel (DAP), professional liability risks arise from this committee having delegated authority pursuant to Section 377 of the Local Government Act, 1993 from Council to determine Development Applications.

The DAP assists in managing Council's development assessment function. They provide independent, transparent and expert determinations of development applications that fall outside of staff delegations. The DAP operates under its own Charter.

The Panel aims to enhance decision making by improving the balance between technical advice and local knowledge. The independent external members of the DAP are required to have expertise in one or more of the following areas: planning, architecture, heritage, the environment, urban design, economics, traffic and transport, law, engineering, government or public administration.

In the main however key risks include:

a) Governance Risk: Poorly defined committee roles or unclear delegations could lead to inefficiencies or legal exposure.
b) Reputational Risk: Inadequate community representation or transparency could affect Council's public trust.
c) Resource Risk: Insufficient staff capacity to support numerous committees may impact service delivery.

These risks can be mitigated through the adoption of a structured policy and clearly defined committee charters.

8. Engagement and Consultation

Port Macquarie-Hastings Council undertakes engagement using the industry standard IAP2 Spectrum of Participation which is designed to assist with the selection of the level of participation that defines Council's promise and the community's role in the decision-making process.

Following the International Association for Public Participation (IAP2) matrix, the level of engagement for the Draft Establishment and Management of Committees Policy was to Consult.

This means we sought to:

- Provide the public with balanced and objective information to assist them in understanding the project/policy.

- Obtain feedback on analysis, alternative and/or decisions.

Our commitment from this process is to:

- Keep the community informed.
- Listen and acknowledge concerns and aspirations.
- Let the community know how their input has influenced decisions made in finalising the Policy.

Our Have Your Say webpage was the key platform used in this engagement with feedback submitted via an online survey and through direct email. The consultation was open between 19 August and 25 September 2025.

As detailed in the Engagement Report (Attachment 2), the consultation results indicate moderate community interest, with 65 aware visitors, 30 informed visitors, and 5 engaged visitor who provided direct feedback via Have Your Say. Additionally, the document was downloaded 24 times, suggesting some level of further review and consideration by the community.

The sentiment of the feedback was positive and supportive, highlighting appreciation for Council's consideration of re-establishing committees, valuing their role in transparency, engagement, and democratic decision-making, while also expressing strong endorsement for specific initiatives like the ocean pool and a desire for the establishment of a climate change and resilience committee and biodiversity committee.

Other key issues raised were as follows:

- Noted the change of name of the existing Local Traffic Committee to the Local Traffic Forum
- Councillor membership on all Committees
- Committee definitions
- Charter for future Biodiversity Committee
- Possibility of combining the proposed Biodiversity and Climate Change and Resilience committees
- Meeting frequency

Specific comment in response to the matters raised is provided as follows:

<u>Local Traffic Committee</u>

The Policy has been amended to include the change of name of the existing Local Traffic Committee to the Local Transport Forum.

<u>Councillor membership on the DAP and Koala Advisory</u>

The Development Assessment Panel (DAP) assists in managing Council's development assessment function. The DAP provides independent, transparent and expert determinations of development applications that fall outside of staff delegations.

The Panel aims to enhance decision making by improving the balance between technical advice and local knowledge.

The DAP operates under it's own Charter and is modelled on the format of the NSW Local Planning Panels and Joint Regional Planning Panels. The current Charter does not include Councillors as members but rather 3 independent external members who are required to have expertise in one or more of the following areas: planning, architecture, heritage, the environment, urban design, economics, traffic and transport, law, engineering, government and public administration.

The DAP is a Council committee that has delegated authority from Council pursuant to Section 377 of the Local Government Act to determine Development Applications. Decisions are made by consensus and where consensus is not possible on any item, that item is to be referred to Council for a decision. All development applications involving a proposed variation to a development standard greater than 10% under Clause 4.6 of the Local Environmental Plan are considered by the Panel and recommendation made to the Council for a decision.

The Koala Advisory committee, although not referenced in the Policy, was established as a requirement of the NSW Government grant under the NSW Koala Strategy. It was not established as a Council endorsed committee. It is advisory only and operates under Terms of Reference approved by the funding body. Membership was determined through an Expression of Interest process and includes representatives from traditional owner groups, local landcare, Koala Conservation Australia, Council staff, and NSW Government agencies.

This committee is not a Committee "approved for establishment by the governing body of Port Macquarie-Hastings Council (the Council)" and is already established and functioning, and its purpose is to support the delivery of the grant project.

<u>Committee definitions - Advisory Committee</u>

The key distinction in the definition of an Advisory Committee under the proposed Policy is that its role is "to provide expert advice and/or make decisions on matters requiring professional specialist consideration". Both the Traffic Committee and the DAP have legislated authority to make decisions.

Noting that the Policy relates to the management and establishment of <u>Council committees</u>, which are those committees "approved for establishment by the governing body of Port Macquarie-Hastings Council (the Council)", Council is able to consider membership on any committee that is presented to Council for establishment or endorsement in accordance with the policy as presented.

<u>Charter for future Biodiversity Committee</u>

A draft Chater for consideration of the establishment of a future Biodiversity Committee will be the subject of separate consideration by Council should the subject Policy be endorsed.

<u>Possibility of combining the proposed Biodiversity and Climate Change and Resilience committees</u>

A draft Chater for consideration of the establishment of a future Biodiversity Committee and a Climate Change and Resilience Committee will be the subject of separate consideration by Council should the subject Policy be endorsed.

<u>Meeting frequency</u>

Meeting frequency is to be determined in the relevant committee charters based on the needs and objectives of the committee.

There was only a very minor administrative change made to the Policy following exhibition as a result of the feedback received, this being the change of name of the existing Local Traffic Committee to the Local Transport Forum.

9. Civic Leadership

Establishing well-structured and purpose-driven committees reflects strong civic leadership by ensuring community voices are heard and by promoting governance that is transparent, accountable, and aligned with strategic priorities. It supports ESG principles by fostering inclusive participation, social equity, and trust in Council's decision-making processes.

Options

Council has the following options:

Option 1 (Recommended): Adopt the Policy.

Option 2: Amend or defer the Policy, pending further information.

Option 3: Not adopt the Policy and take no further action.

Attachments

1. Committee Establishment Policy_Draft_2025
2. Engagement Summary Report - Draft Establishment and Management of Committees Policy
3. Committee Establishment Policy_Draft_2025 - Amended

Item: 13.09

Subject: **Policy Review - Works-in-Kind Agreement and Developer Works Deed Policy - Post Exhibition**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Adopt the draft Works-in-Kind Agreement and Developer Works Deed Policy with the recommended changes.**
2. **Note the Engagement Summary Report.**
3. **Delegate authority to the Director Community, Planning and Environment to make any minor amendments to any numerical, typographical, interpretation and formatting errors, if required, in preparation for the commencement of the draft Works-in-Kind Agreement and Developer Works Deed Policy.**
4. **Advise the local planning and development industry of the commencement of the draft Works-in-Kind Agreement and Developer Works Deed Policy and publish the new Policy on Council's website.**
5. **Thank and notify all persons who lodged a submission of Council's decision.**

Executive Summary

At the Ordinary Council Meeting held on 17 July 2025 (Item 13.01), Council resolved to place the draft Works-in-Kind Agreement and Developer Works Deed Policy (draft Policy) on public exhibition as follows:

"That Council:

1. *Endorse for public exhibition, the draft Works-in-Kind Agreement and Developer Works Deed Policy, for a period of not less than 28 days.*
2. *Note that a further report will be tabled at a meeting of Council, detailing any submissions received from the public during the exhibition period."*

The draft Policy was subsequently placed on public exhibition from 21 July to 20 August 2025 (31 days). During the exhibition period one submission was received, from an internal stakeholder. The Engagement Summary Report is provided attached (Attachment 5).

The purpose of this report is to consider any submissions received during the public exhibition of the draft Policy and determine whether any amendments are required. One submission was received recommending minor changes to the draft Policy. These minor changes are addressed further in the report. It is recommended that Council adopt the draft Policy (Attachment 1) and the associated Works-in-Kind Template (Attachment 2) and Developer Works Deed Template (Attachment 3).

Report

1. Background

At the Ordinary Council meeting held on 17 July 2025 (Item 13.01) Council resolved as follows:

"That Council:

1. *Endorse for public exhibition, the draft Works-in-Kind Agreement and Developer Works Deed Policy, for a period of not less than 28 days.*
2. *Note that a further report will be tabled at a meeting of Council, detailing any submissions received from the public during the exhibition period."*

2. Discussion

Following Council's resolution of 17 July 2025, the draft Policy was placed on public exhibition on Council's Have Your Say page for a period of 31 days, from 21 July to 20 August 2025. One submission was received during this period, from an internal stakeholder. An Engagement Summary Report for the exhibition of the draft Policy is provided (Attachment 5). In summary of the outcomes of the public exhibition process were as follows:

- There was a total of 36 visits to Council's Have your Say engagement website page
- There were no survey responses
- The draft Policy document was downloaded 3 times, with 2 downloading the Council report
- There were no submissions received from the public
- One internal referral comment was received, directly to the assessing officer, supporting the draft Policy with a few minor changes recommended

The changes proposed to the Policy that was placed on public exhibition are minor amendments for clarity and consistency within the document.

The submission and internal referral comments both suggest minor changes, as follows:

Clause Titles	Submission
4. Legislative Requirements a. Material Public Benefit	New Paragraph 8 If the infrastructure is not identified in the DSP, and the developer has demonstrated that the delivery of the infrastructure has material public benefit, at Council's discretion, a DWD may be entered into.
15 Provision of Security	New Paragraph 3 If the developer has provided an unconditional bank guarantee in favour of Council or a bond that is 130% of the agreed value of each of the works proposed to be undertaken

	in the WIKA or DWD, as part of another Council approval, such as a Subdivision Works Certificate, security is not required to be paid as part of the WIKA or DWD. Even though the security is associated with another approval, the security obligations are still met.

If adopted, the existing Policy will be replaced by the draft Policy.

The current adopted Policy is included (Attachment 4) and the draft Policy is included (Attachment 1).

3. Conclusion

The draft Policy would replace the existing adopted policy to provide a transparent policy with improved clarity. It provides an improved process on Council's requirements to enter into a Works-in-Kind Agreement (WIKA) or Developer Works Deed (DWD) to enable a developer to deliver public infrastructure identified in the Local Infrastructure Contributions Plan (LICP) or Development Servicing Plan (DSP) as a form of development contributions or developer charges required as part of their development.

Key Considerations

4. Financial and Economic Implications

The draft Policy will enable the offset of the value of works for identified infrastructure within the LICP or DSP, against s7.11 development contributions and s64 developer charges. In exceptional circumstances, where the material public benefit can be demonstrated, infrastructure proposed by the developer but not identified within the DSP or WIKA, but related to the development may be offset against contributions and funded by Council provided such proposal is in Council's best interest.

Entering a WIKA or DWD may enable the delivery of identified infrastructure within the schedule of works within the LICP and DSP more efficiently or prior to Council's program of delivery. This would need to demonstrate it is in Council's and the Community's best interest.

The offset of s7.11 contributions or s64 charges, does not impact on Council's financial position. The contributions or charges from the approved development, would have been collected as part of the LICP or DSP, had the infrastructure not been constructed. These contributions would then be used to fund Council's delivery of the infrastructure without the WIKA or DWD and offsets.

5. Legislative and Policy Implications

If ultimately adopted, this draft Policy will be an adopted Policy of Council.

6. Strategic Context and Implications

The draft Policy will update the principles and requirements to enter into a WIKA or DWD, for not only Council but developers and the community more broadly.

7. Risk and Insurance Implications

As an offset does not impact Council's financial position, the risk is low.

The draft Policy requires the developer to take out and keep current insurance to reduce any risk of providing the infrastructure, as well as injury to workers or the public.

The developer will also be required to provide security to cover the developer's obligations under the WIKA or DWD. This security for the works is in the provision of a bond that is 130% of the agreed value of each of the works in the WIKA or DWD. If the security for the proposed infrastructure has been provided in another approval, no security will be required as part of the WIKA or DWD.

8. Engagement and Consultation

Community Engagement

Following public exhibition of the draft Policy on Council's Have Your Say webpage for a period of 31 days, no submissions were received from the public.

Internal Consultation

Internal consultation was undertaken with the Community Utilities Division, who provided a submission in relation to the draft Policy. Their comments and officer's comments in response are provided below:

Submission	Officer's Comments
Several projects undertaken by developers required the upgrade or delivery of works that had a material public benefit but were not identified in the DSP or LICP and Council has paid for the works. For example, the Kew / Kendall Sewer Pump Station #1 upgrade undertaken by Allum Homes in lieu of them building a separate pump station; and the water main works in Cameron Street. The draft Policy should allow for works not identified in the DSP or LICP, but related to the development application, to be undertaken by the developer if the material public benefit can be demonstrated, and then funded by Council.	The draft Policy has been amended to enable a DWD to be entered into, at Council's discretion, if the infrastructure is not identified within the DSP, where it has been demonstrated that the proposed infrastructure has material public benefit. Refer to Attachment 1 with the new wording identified in red. For infrastructure that is not identified in the LICP, a planning agreement will need to be entered into to formalise these arrangements.
The draft Policy should recognise that if the developer has already provided securities as part of their approvals, for the required works that are proposed to be included in a WIKA or DWD, then separate security is not required under this draft Policy.	The draft Policy has been amended to ensure the developer does not pay the security for the required works twice, ie subdivision works certificate or WIKA or DWD. Refer to Attachment 1 with the new wording identified in red.

9. Civic Leadership

A critical aspect of public sector governance is the establishment of key policies that are clear, accessible, regularly updated, and monitored for compliance. This approach helps manage risks and provides guidance to Council staff in fulfilling the needs of both the Council and the community.

The draft Policy aims to manage risks for Council while offering clarity to developers and the community regarding the effective delivery of infrastructure in the DSPs and LICPs, especially in relation to future development.

Options

Council has the option to:

1. Endorse the draft Policy as amended (Recommendation of this report) or
2. Request or make further amendments to this draft Policy, noting this may delay endorsement or
3. Not adopt the recommendation or resolve in some other fashion.

This report recommends Option 1.

Attachments

1. Draft Works-in-Kind Agreement and Developer Works Deed Policy 161025
2. Works-in-Kind Agreement Template
3. Developer Works Deed Template
4. Works in Kind Policy 2004
5. Engagement Summary Report

Item: 13.10

Subject: **Policy Review - Planning Agreement Policy - Post Exhibition**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council:

1. **Adopt the Planning Agreement Policy with the recommended changes.**
2. **Note the Engagement Summary Report.**
3. **Delegate authority to the Director Community, Planning and Environment to make any minor amendments to any numerical, typographical, interpretation and formatting errors, if required, in preparation for the commencement of the Planning Agreement Policy.**
4. **Advise the local planning and development industry of the commencement of the Planning Agreement Policy and publish the new Policy on Council's website.**
5. **Notify all persons who lodged a submission of Council's decision.**

Executive Summary

At the Ordinary Council Meeting held on 17 July 2025 (Item 13.02), Council resolved to place the draft Planning Agreement Policy (Draft Policy) on public exhibition as follows.

> *"That Council:*
>
> 1. *Endorse the revised draft Planning Agreement Policy for public exhibition for a period of not less than 28 days.*
> 2. *Note that a further report will be tabled at a further meeting of Council following the public exhibition period, detailing any submissions received from the public during the exhibition period."*

The draft Planning Agreement Policy was subsequently placed on public exhibition from 21 July to 20 August 2025 (31 days). During the exhibition period two (2) submissions were received, one from the public and one from an internal stakeholder. The Engagement Summary Report is included here (Attachment 4).

The purpose of this report is to consider the submissions received during the public exhibition of the Draft Planning Agreement Policy and consider any required amendments. Two (2) submissions were received recommending minor changes to the Planning Agreement Policy. These minor changes are addressed further in the report. It is recommended that Council adopt the draft Planning Agreement Policy (Attachment 1), with the associated Planning Agreement Template (Attachment 2).

Report

1. Background

At the Ordinary Council meeting held on 17 July 2025 (Item 13.02) Council resolved as follows:

"That Council:

1. *Endorse the revised draft Planning Agreement Policy for public exhibition for a period of not less than 28 days.*
2. *Note that a further report will be tabled at a further meeting of Council following the public exhibition period, detailing any submissions received from the public during the exhibition period."*

2. Discussion

Following Council's resolution at the Ordinary Council Meeting of 17 July 2025, the draft Planning Agreement Policy was placed on public exhibition on Council's Have Your Say page for a period of 31 days, from 21 July to 20 August 2025. Two (2) submissions were received during this period. An Engagement Summary Report for the exhibition of the draft Policy is provided (Attachment 4). A summary of the outcomes of the public exhibition process are discussed below:

- There was a total of 35 visits to Council's Have your Say engagement website page;
- There were no survey responses; and
- The draft Planning Agreement Policy document was downloaded eleven (11) times, with four (4) downloading the Council report and 2 downloading the Planning Agreement template.
- One (1) public submission and one internal referral comment were received, both directly to the assessing officer, both supporting the draft Planning Agreement Policy.

The changes proposed to the draft Planning Agreement Policy that was placed on public exhibition are for clarity and to provide consistency within the document.

The submission and internal referral comments both suggest minor changes, as follows:

Clause Titles	Current Policy	Draft Policy	Submission
2 Purpose	• Paragraph 4 If the offer is accepted by Council, the VPA, can then the developer may be required to:	• Paragraph 4 If the offer is accepted by Council, then the developer may be required to:	• Paragraph 4 If the offer is accepted by Council, the developer may be required to:
4 Objectives of VPAs	• Paragraph 3 - a. Meeting the current and future demands created by the development for new or improved public infrastructure, amenities or services. b. Meeting specific planning objectives of	• Paragraph 3 - add two points: f. Conservation and enhancement of the natural environment. g. Minimise any environmental impacts. • Wording changed -	• Paragraph 3 - wording amended: f. Protection, restoration and sustainable management of the natural environment to support biodiversity, ecological resilience and

Clause Titles	Current Policy	Draft Policy	Submission
	Council by providing public benefits identified in an adopted contributions plan or that achieve a Net Public Benefit. c. Compensating for the loss of or damage to a public amenity, service, resource or asset resulting from a development through replacement, substitution, repair or regeneration of amenities, services or assets. d. Rectifying a deficiency in existing Public Facilities in the LGA. Providing for future and recurrent funding for public infrastructure, amenities and services with sustainable funding.	VPA or VPAs has changed to planning agreement or planning agreements.	community well-being. g. Ensure development is undertaken in a manner that minimises environmental harm and promotes sustainable outcomes by applying the mitigation hierarchy - avoid, minimise and offset - to address potential environmental impacts. •
27 Definitions	Definition: **Practice Note** means the document titled 'Planning agreements – Practice note – February 2021 and the draft Practice Note on Planning Agreements published by the NSW Department of Planning, Housing and Industry and Environment. **VPA** means a voluntary planning agreement between a Developer and a planning authority for the provision of public	• Wording changed - VPA or VPAs has changed to planning agreement or planning agreements. New definition added: **Planning Agreement** means a voluntary planning agreement between a Developer and a planning authority for the provision of public benefits referred to in section 7.4 of the Act. Planning agreements maybe referred to as planning agreements in other documentation. Definitions amend:	• Wording changed - Definition amended to: **Planning Agreement** means a voluntary planning agreement between a Developer and a planning authority for the provision of public benefits referred to in section 7.4 of the Act. Planning agreements maybe referred to as voluntary planning agreements or VPAs in other documentation.

Clause Titles	Current Policy	Draft Policy	Submission
	benefits referred to in section 7.4 of the Act.	February 2021 May 2025' and the draft Practice Note on Planning Agreements published by the NSW Department of Planning, Housing and Industry and Environment. **VPAs** is the abbreviation other documents may utilise to refer to a voluntary planning agreement between a Developer and a planning authority for the provision of public benefits referred to in section 7.4 of the Act.	

If adopted, the existing Planning Agreement Policy will be replaced by the new Planning Agreement Policy (Attachment 1).

The current adopted Policy is included here (Attachment 3) and the amended draft Policy is included here (Attachment 1).

3. Conclusion

The Planning Agreement Policy has been reviewed in accordance with clause 29(a) being *within 12 months of any general election of Council* and to make minor amendments for clarity and consistency. The Planning Agreement Policy has been updated in Council's standard policy template format.

Key Considerations

4. Financial and Economic Implications

The provisions within Planning Agreements are to be wholly related to the proposed development and are to meet the demands created by that development for new or augmented public infrastructure, amenities and services. The Planning Agreement shall clearly detail and justify these costs.

Planning Agreements should not be used as a means of general revenue raising or to overcome revenue shortfalls or deliver infrastructure that is not related to the development.

The new Policy will continue to provide clear and concise details on negotiating and entering Planning Agreements, with positive financial and economic implications, through the orderly coordination of infrastructure to serve the development, in accordance with the current legislative framework.

5. Legislative and Policy Implications

The Policy includes minor changes that will become new Policy subject to Council's decision on the matters raised in this report. The proposed changes will comply with clause 29(a) of the Planning Agreement Policy, which requires review within 12 months of an election of Council. The Planning Agreement Policy also includes minor amendments for clarity and consistency.

6. Strategic Context and Implications

The Planning Agreement Policy review is consistent with clause 29(a) of the Policy, which requires review within 12 months of an election of Council.

7. Risk and Insurance Implications

The Planning Agreement Policy will continue to require the developer to take out and keep current insurance to reduce any risk of providing the infrastructure, as well as injury to workers or the public.

The developer will also be required to provide security to cover the developer's obligations under the draft Policy. This security for the works is in the provision of a bond that is 130% of the agreed value of each of the works in the draft Policy.

8. Engagement and Consultation

Community Engagement

Following public exhibition of the draft Planning Agreement Policy on Council's Have Your Say webpage for a period of 31 days, one public submission was received.

Internal Consultation

The following internal stakeholders were engaged during the public exhibition period:

- Business Performance.
- Community, Infrastructure, Planning and Design.
- Development Assessment Team.
- Development Engineering Team.
- Utilities, Planning and Design.

During the exhibition period two submissions were received, one from the public and one from an internal stakeholder. Their comments and officer's comments are summarised below:

Submission	Officer's Comments
Overall, the draft Policy is an improvement on early version. Council is commended for its work.	Noted.
The consistent terminology will make the document easier to understand.	Noted.
The addition of the two objectives, f and g, within Clause 4 is encouraging to ensure ecological sustainable development in the Port Macquarie-Hastings Local Government Area.	Noted.

It is proposed that a minor change be made to the new planning agreements definition as follows: • **Planning Agreement** means a voluntary planning agreement between a Developer and a planning authority for the provision of public benefits referred to in section 7.4 of the Act. Planning agreements maybe referred to as voluntary planning agreements or VPAs in other documentation.	This change has been incorporated into the Policy.
It is recommended that the 4th paragraph of clause 2 on page 3 be amended as follows as it currently does not make sense: • If the offer is accepted by Council, as part of the negotiations with the planning agreement ~~VPA~~, ~~can then~~ the developer may be required to:	This change has been incorporated into the Policy
It is recommended that the following change be made to objective f in clause 4: • Protection, restoration and sustainable management of the natural environment to support biodiversity, ecological resilience and community well-being. This change will align with Council's Draft Environmental Sustainability Policy.	This change has been incorporated into the Policy.
It is recommended that the following change be made to objective g in clause 4: • Ensure development is undertaken in a manner that minimises environmental harm and promotes sustainable outcomes by applying the mitigation hierarchy - avoid, minimise and offset - to address potential environmental impacts. This change will align with Council's Draft Environmental Sustainability Policy.	This change has been incorporated into the Policy.

9. Civic Leadership

A critical aspect of public sector governance is the establishment of key policies that are clear, accessible, regularly updated, and monitored for compliance. This approach helps manage risks and provides guidance to Council staff in fulfilling the needs of both the Council and the community.

The Policy will continue to manage risks for the Council while offering clarity to developers and the community regarding the effective delivery of infrastructure in the Planning Agreements, especially in relation to future development.

Options

Council has the options to:

1. Endorse the Planning Agreement Policy as amended; or
2. Request or make further amendments to the Planning Agreement Policy, noting this may delay the commencement date of the Policy; or
3. Not endorse the recommendation and resolve in some other manner.

This report recommends Option 1 - endorsement of the Planning Agreement Policy as amended.

Attachments

1. Draft Planning Agreement Policy
2. Planning Agreement Template
3. Planning Agreement Policy 2024
4. Engagement Summary Report

Item: 13.11

Subject: **Grant Funding Opportunities Quarterly Report**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council note the Grant Funding Opportunities Quarterly Report on relevant grant opportunities for the three months from 1 July 2025 to 30 September 2025.

Executive Summary

Grants from State and Federal Government support the delivery of a range of Council services and infrastructure for our community. This report provides an update on relevant grant funding opportunities for the period 1 July 2025 to 30 September 2025.

This is the second quarterly report on Council's grant funding opportunities. In the three-month period from 1 July to 30 September 2025 there were 32 relevant grant funding opportunities, including:

- 6 grant opportunities have been reviewed and will not proceed.
- 15 grant opportunities still being reviewed; and
- 11 grant applications submitted for funding totalling $6,363,051.

This information is provided for Council's information.

Report

1. Background

This is the second quarterly report on Council's grant funding opportunities. This report is quarterly in accordance with the resolution at Item 10.19 in the 20 February 2025 Ordinary Council meeting as follows:

> *"That Council request the Chief Executive Officer to consider for inclusion in the 2025-2026 Operational Plan the development of a cyclic quarterly report on relevant Grant Funding opportunities, for which the NSW Local Government sector is eligible to apply for, that have become available within the quarter and detail which were, and which were not applied for including the reason/s for either."*

2. Discussion

The Grants Team receive notification of grant opportunities from a number of sources including but not limited to:

- Weekly direct email lists from NSW and Australian Governments.
- Weekly direct email notifications from GrantGuru grant search engine;
- Direct email notifications to Council from funding bodies;
- Advised at meetings with Government Grant Management Offices (GMO's); and
- From various staff who forward email notifications.

Grant opportunities are reviewed and follow a process to assess funding opportunities and determine if they are strategically aligned priorities for Council, the impact they may have on other priorities execution and the impact of the Council contribution and implications on budget and resourcing. The grant opportunity is ultimately approved by Council’s Executive via an out-of-session briefing paper, prior to committing resources to an application.

Activity over the last three (3) months

During the reporting period staff have evaluated 32 relevant funding opportunities, with the outcome as follows:

- 6 grant opportunities not proceeding.
- 15 grant opportunities still under review; and
- 11 grant opportunities with applications written and submitted.

The Council Grant Opportunities Quarterly Register (Attachment 1) details all the relevant grant opportunities under review for Council for the first quarter of the 2025 - 2026 financial year. The register provides details of projects, programs and infrastructure considered, and a brief description of the criteria applications must meet for eligibility.

The register includes the status of Grant opportunities in the July 2025 to September 2025 period, in the following categories:

1. Grant Opportunities Not Proceeding
2. Grant Opportunities Under Review
3. Grant Applications Submitted

The Australian Government Regional Precincts and Partnership Program

The Australian Government's $400 million regional Precincts and Partnerships Program (rPPP) seeks to support transformative investment in regional, rural and remote Australia based on the principles of unifying regional places, growing economies and serving communities.

The rPPP supports both precinct development proposals and the delivery of construction-ready precinct projects.

Stream One: Precinct development and planning

- Project funding of between $500,000 to $5 million is available to activate partnerships and deliver an investment-ready precinct plan.

Stream Two: Precinct delivery

- Project funding of $5 million to $50 million is available to help deliver one or more elements of a precinct. This could include enabling infrastructure (roads, pathways, underground infrastructure), open spaces between elements, or a particular building/s that is the catalyst for, or complements, other investments within a precinct.

The rPPP is available to projects located in a regional, rural or remote location outside the Australian Bureau of Statistics' Greater Capital City Statistical Areas.

In February 2024, Council submitted a rPPP grant application for a larger program of airport works which included the mid-scale solar project.

The Australian Government advised Council that its Stream 1 applications had been unsuccessful but also invited Council to resubmit an amended application for a reduced scope of works for Stream 2.

The rPPP Australian Government grant was advertised to be open until February 2026 but the Australian Government subsequently closed it early due to oversubscription. The rPPP is currently paused to new applications. Existing draft applications must be submitted by 17 October 2025.

Council staff have an active application and are therefore not considered a new application for the early close or pause. Staff are re-submitting the Airport application, as a discrete project for funding, for detailed planning of the proposed Solar Farm component.

Staff will re-submit this amended application by the 17 October 2025.

3. Conclusion

There are a range of grant opportunities available from Australian and NSW Government funding bodies.

Council's operational plan delivery, funding and capacity is assessed at the time a funding opportunity is presented. This assessment and alignment with the grant guidelines then inform the decision to proceed to prepare and apply for the grant.

Council's Project Funding Priorities document remains the strategic focus for all grant advocacy and partnerships with all levels of government and is the guidance for all staff, Councillors, stakeholders and our community for projects to influence state and federal decisions on funding.

Key Considerations

4. Financial and Economic Implications

The direct economic implications are the staff resources utilised to actively seek and review funding opportunities, prepare and manage grant applications and report on them.

It should be noted that if Council is successful in receiving grants, there is often a requirement for Council to provide matched funding. The financial impact of this is assessed prior to application.

Grants from various sources are an important source of funding for a wide variety of Council activities and supporting the delivery of services and infrastructure for our community. Many grant funded projects result in the use of local suppliers and contractors, which contributes significantly to local economic activity.

There are no financial and economic implications specifically in relation to this report other than the time and operational staff resources to produce this new report.

5. Legislative and Policy Implications

There are no legislative requirements associated with this report.

6. Strategic Context and Implications

It is noted that the grant opportunities are assessed according to timing of grants announced and received by the grant's subscription, and that project implementation and delivery can have implications on Council staff resources, budgets and priorities and is assessed prior to submission of an application.

The Operational Plan alignment must be demonstrated before an application is submitted.

7. Risk and Insurance Implications

There are no identified risks specifically associated with this report.

Indirectly, grant funding is a critical part of Council's revenue and requires strategic advocacy and influence at all levels of government to manage the risk of insufficient funding of key projects, services, housing and jobs. Council's Project Funding Priorities document remains the strategic focus for all grant advocacy and partnerships with all levels of government and is the guidance for all staff, Councillors, stakeholders and our community for projects to influence state and federal decisions on funding.

8. Engagement and Consultation

Internal engagement is conducted with relevant teams across Council to compile the grants register which is the basis of this report.

9. Civic Leadership

Grants from the Australian and NSW Governments are an important source of funding for a wide variety of Council activities and supporting the delivery of services and infrastructure for our community.

Options

This report is for information only.

Attachments

1. Council Grant Opportunities Quarterly Register - July August September 2025

Item: 13.12

Subject: **Major Events Grant Program 2025-2026 - Round 1**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council grant financial assistance from the Major Events Grant Program Round 1, 2025-2026, to the total amount of $16,000 for the following major events:

• **Wauchope Show**	**$5,000**
• **LatinFest**	**$5,000**
• **Birdrock Memorial Surf Classic**	**$3,000**
• **The Hastings Valley Open Art Prize**	**$3,000**

Executive Summary

Council's Major Events Grant Program allocates $40,000 per year, in two (2) contestable funding rounds, under the approved 2025-2026 budget and Operational Plan.

The first grant round for the 2025-2026 financial year, Round 1, opened for applications on 25 August 2025, and closed on 14 September 2025. This round allocates $16,000 to four (4) recipients.

The Major Events Grant Round was promoted through various channels including:

1. A Radio Campaign
2. Economic Development Newsletters and Direct Electronic Messaging to Business, Tourism and Major Events databases with a total of 1,796 subscribers.
3. PMHC Facebook promotions
4. A video featuring mayor Adam Roberts was shared on the website and social media.

Five (5) applications were initially received. Three (3) were deemed ineligible as follows:

- One event fell outside the eligible date range and will be encouraged to apply in the next round.
- One event has already received a Major Event Grant three times - this event will instead be supported through our Strategic Sponsorship stream.
- One event is already receiving sponsorship from Council and is being co-hosted by the Liveable Community team.

The Major Events program additionally offered grants to two (2) recipients who applied and were ineligible for a Community grant, but met the Major Events grant criteria.

The summary of the assessments is included attached (Attachment 1). The panel agreed that four (4) events met the criteria for support under the Major Events Grant stream as follows:

a)	Wauchope Show	$5,000
b)	LatinFest	$5,000
c)	Birdrock Memorial Surf Classic	$3,000
d)	The Hastings Valley Open Art Prize	$3,000

This report recommends the funding for all four eligible (4) events.

Report

1. Background

The program aims to support event organisers to develop, promote, execute, and sustain locally grown, long-term major events which attract out of region visitation. Major events are an important and growing part of our local economy and add to the vibrancy of our region. Major Events Grants are awarded with an aim to make hosting an event in Port Macquarie-Hastings more accessible to local event organisers, clubs, and associations. A table of the history of allocations under Major Event Grants is included as Attachment 2.

2. Discussion

In applying for funding under Council's Major Events Grant program, applicants are required to demonstrate that the proposed event is either:

1. A driver of significant overnight visitation by a measurable economic impact, evidenced by previous data collected; or
2. Has the potential to grow to Major Event status with a significant economic impact.

Events that are held in the Camden Haven, Hinterland, and Wauchope areas are particularly encouraged in order to provide benefits from events throughout the region and support businesses and communities across port Macquarie-Hastings.

Applicants are required to detail how the grant will be spent. The proposed spending is required to contribute to marketing activities that attract out of region visitors in addition to local spend and the social value of events.

As standard practice, an internal review panel assessed applications against the established program criteria, and weightings (refer Table 1 below), with 1 being the lowest and 5 being the highest.

Table 1- Program Criteria and Weightings

Criteria	Weighting
Potential to become a major event and attract significant visitor nights	5
Unique to the region/Mid North Coast	3
Financial sustainability	4
Substantial economic impact (or potential for)	3
Event organiser experience & resourcing	3
Off-peak or shoulder season placement	5
Robust marketing plan	4
Community Benefit	3

Based on criteria weightings, applicants were ranked, and funds allocated (Attachment 1). 65% of funds are payable prior to the event, with the remaining 35% paid upon satisfactory acquittal evidenced by visitor data and proven marketing.

3. Conclusion

The Major Events Grant Program continues to play a vital role in supporting the growth and sustainability of locally delivered events that contribute to the vibrancy and economic prosperity of the Port Macquarie-Hastings region. Following a thorough assessment process, four events have been identified as meeting the program's criteria and are recommended for funding in Round 1 of the 2025/2026 financial year.

The proposed allocation of $16,000 reflects Council's commitment to fostering regional visitation, community engagement, and economic development through strategic event support. Endorsing this recommendation will enable organisers to deliver high-quality events that showcase the unique character of our region and generate measurable benefits for local businesses and communities.

Key Considerations

4. Financial and Economic Implications

The approved 2025-2026 budget and Operational Plan allocates $40,000 for the Major Events Program. This is delivered through two (2) contestable funding rounds.

Since 2015, Council has allocated a total of $344,250 to the Major Events Grant program.

The economic impact of the $344,250 is modelled at approximately $32 million for the business community of Port Macquarie-Hastings.

This modelling is calculated by the Tourism Research Australia Regional Expenditure Methodology. Whilst the methodology does contain some assumptions, it is in standard use in Council's and the Visitor Economy Industry to standardise benchmarking. More information is available at:

https://www.tra.gov.au/en/about-tra/methodology/regional-expenditure-methodology

A history of allocations under Major Event Grants September 2025 is attached for Council's information (Attachment 2).

Subject to Council endorsement, this first contestable round will allocate $16,000 from this budget to the four (4) events recommended.

5. Legislative and Policy Implications

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

6. Strategic Context and Implications

The Major Events Grant Program aligns with Council's strategic priorities as outlined in the Port Macquarie-Hastings Community Strategic Plan and Operational Plan

2025/2026. The program supports the delivery of initiatives that foster a vibrant, inclusive, and economically resilient community.

7. Risk and Insurance Implications

Council's risk exposure is mitigated through the grant agreement process, which outlines the responsibilities of the event organisers, including compliance with relevant legislation, safety standards, and risk management practices. Events are independently managed and delivered by external organisations, and Council does not assume operational control or liability for event execution.

Additionally, the acquittal process ensures accountability for the use of public funds and includes a review of visitor data, marketing outcomes, and financial reporting. This process supports Council's commitment to transparency and responsible governance.

8. Engagement and Consultation

Round 1 of the Major Events Grant program was promoted to the community through various Council communication channels.

The internal assessment panel comprised:

- Acting Group Manager, Liveable Communities
- Community Activation Manager, Liveable Communities
- Economic Development Manager, Strategy
- Economic Development Officer, Strategy
- Senior Community Development Officer, Liveable Communities
- Senior Cultural Officer, Liveable Communities
- Community Development Officer, Liveable Communities

The Major Events Grant Round was promoted through various external channels including:

1. A Radio Campaign
2. Economic Development Newsletters and Direct Electronic Messaging to Business, Tourism and Major Events databases with a total of 1,796 subscribers.
3. PMHC Facebook promotions
4. A video featuring Mayor Adam Roberts was shared on the website and social media.

9. Civic Leadership

Through the Major Events Grant Program, Council demonstrates proactive civic leadership by fostering a culture of collaboration, innovation, and regional pride. By supporting events that celebrate local identity and attract external visitation, Council is leading by example in its commitment to community development and economic resilience.

Options

Council has the following options:

1. Endorse the final assessment of the internal review panel and funding allocations (Recommendation of this report) or

2. Not endorse the final assessment of the internal review panel and either:
   a. Seek further information from staff; or
   b. Not expend any of the allocated budget for this round of funding; or
   c. Re-open this round of funding and call for new applications.

This report recommends Option 1.

Attachments

1. Attachment 1 - Round 1 2026 Major Events Grants Evaluation Summary

2. Attachment 2 - History of Allocations under Major Event Grants Sept 2025

Item: 13.13

Subject: Community Grants Program 2025-2026 - Funding Round 1 Recommendation

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council allocate $95,980 in funding under Round 1 of the 2025-2026 Community Grants program to the following organisations:

Autism Swim LTD - Dippers Port Macquarie	**$5,000**
Douglas Vale Conservation Group - Seniors Festival	**$5,280**
Arts Mid North Coast - Writing for Wellbeing workshops	**$6,000**
The Camden Haven Words & Music Festival	**$7,000**
Wauchope Chamber of Commerce - Community Christmas	**$7,000**
Port Macquarie Historical Society Inc - Hastings Arts Trail 2026	**$7,000**
Port Macquarie Surf Life Saving Club - Garuda Water Immersion	**$7,500**
YMCA NSW - Australia Day Splashfest	**$9,200**
Gathangga Wakulda - Birpai Nation Building	**$10,000**
Port Macquarie Historical Society - Birpai Stories Exhibition	**$10,000**
Mothership Music - Seven all-ages live music events	**$10,000**
Birpai Land Council - Endless Summer Kids Club	**$12,000**
TOTAL	**$95,980**

Executive Summary

Under the adopted 2025-2026 Operational Plan, Council's Community Grants 2025 - 2026 Program has an allocated total budget of $181,000 which is distributed annually via two contestable funding rounds and a micro grants program (open all year until funds are exhausted).

Round 1 opened on 25 August 2025 and closed on 14 September 2025. This report presents grant applications across the following categories for Council's consideration:

- Community Projects
- Creative Community
- Community Celebrations

A total of 29 applications were received, of which 12 are recommended to Council by the assessment panel for funding, having met the grant criteria including provision of required supporting documents.

A summary of the applications received, and the panel's recommendations, is provided in Attachment 1, and proposes a total funding allocation of $95,980.

In addition to this Round, micro grant applications were received, with one being approved for $400. Details of the remainder of funding for Round 2 of the 2025-2026 Community Grants program ($73,475) are provided in the Key Considerations - Financial and Economic Implications section of this report.

The recommended allocations align with Council's Community Inclusion Plan 2022-2025 (Outcome 1) and Cultural Plan 2021-2025 (Goal 4), which both aim to foster a connected, inclusive, and resilient community while supporting creativity and cultural heritage, ensuring funding is distributed to address priority community needs.

Report

1. Background

Council's Community Grants Program is delivered in accordance with Council's Policy on Providing Funding and Support to the Community which is available for viewing on Council's website and aims to support local not-for-profit organisations to deliver community development programs and events. The program prioritises community-led initiatives that align with the objectives of Council's Community Inclusion Plan and / or Cultural Plan, as outlined in the Community Grants Guidelines available on Council's website.

The Round offers three categories:

- Community Projects - Up to $15,000
  - To provide opportunities to deliver inclusive projects and programs that enhance community spaces, wellbeing and participation.
- Creative Community - Up to $10,000
  - To provide opportunities to support the delivery of creative activities such as performances, visual arts, dance, drama, and music.
- Community Celebrations / Events - Up to $7,000
  - To provide opportunities to deliver events that enhance social inclusion and celebrate national days of significance.

Round 1 prioritised applications that support:

- Aboriginal and Torres Strait Islander culture
- Youth, including Youth Week 2026 initiatives
- Seniors, including NSW Seniors Week 2026
- People living with disabilities
- Australia Day celebrations
- Artwalk 2026 initiatives

The Program usually has an allocated budget of $200,000 per year. At the 19 June 2025 Ordinary Meeting (Item 11.04, Item 5), Council resolved to:

5. Adopt the following Integrated Planning and Reporting "Our Community, Our Plan" documents:

a) Community Strategic Plan Imagine2050 subject to an amendment to the Liveable and Economic themes to include Arts Mid North Coast as a. key collaborator'

b) *Delivery Program 2025-2029 including the draft Operational Plan 2025-2026* ***subject to an amendment to the 2025-2026 Operational plan/budget to allocate funding for continued membership with Arts Mid North Coast, to be offset by an equivalent reduction in funding for the community grants program.***

c) *Resourcing Strategy 2025-2035), comprising:*
   i) *Long Term Financial Plan 2025-2035*
   ii) *Workforce Management Strategy 2025-2029*
   iii) *Asset Management Strategy 2025-2035*

As per Item 5b of the above resolution item as highlighted, membership of Arts Mid North Coast - previously an unfunded activity within the 2025-26 Operational Plan budget - was funded to a total of $19,000. Accordingly, Council's Community Grants 2025 - 2026 Program has a reduced budget for 2025-2026 of $181,000.

This report considers the 29 applications received in Round 1 for the 2025-26 Community Grants program.

2. Discussion

Information about the Community Grants Program is available on Council's website, including the Grant Guidelines, grant writing tips, and examples of previously funded projects. To promote Round 1, Council implemented a communications campaign, in collaboration with the Major Grants program, that included:

- A radio campaign
- Council E-Newsletters, including Have Your Say, ArtWalk, I-Create, and Environment Matters
- Social media posts, including a video featuring mayor Adam Roberts (also shared on Council's website
- Presentations and email distribution to various inter-agency and community-led networks and working groups
- Media release and news article on Council's website

In Round 1, Council received 29 applications across three funding categories. The breakdown of applications by grant category is:

- Community Projects: 15
- Creative Communities: 3
- Community Celebrations / Events: 11

A summary of the applications received, amounts requested and the recommended grant offer in each category is provided in the table below with more detail on the projects and the Grant Assessment Panel's rationale (Attachment 1).

Community Projects

Priority Area	Application	Funding Requested	Recommended Offer
Youth, people with disability	**Autism Swim Ltd** **Dippers Port Macquarie** Provides surf safety and confidence-building sessions for children with autism and other needs. Delivered by	$10000	$5000

Priority Area	Application	Funding Requested	Recommended Offer
	accredited staff with local volunteer support. **Assessment**: High community benefit and strong evidence base. Builds water safety skills and inclusion outcomes. Recommending partial funding to support pilot delivery.		
Aboriginal and Torres Strait Islander culture, youth, community recovery	**Birpai Land Council (Auspicing Endless Summer Kids Club)** **Endless Summer Kids Club** Outdoor experiences connecting youth to Country through activities such as fishing, kayaking, and rockpool exploration. Builds confidence, cultural pride, and environmental awareness, welcoming all children across the community. **Assessment:** Strong cultural and educational outcomes with evidence of past success. Demonstrates community benefit and alignment to inclusion priorities. Recommending partial funding.	$15000	$12000
Youth, people with disability, ArtWalk 2026, youth mental health	**Mothership Music** **Launch the Mothership: Where Youth and Music Thrive** Delivers seven inclusive, all-ages live music events, mentoring opportunities, and creative workshops for young people, culminating during ArtWalk 2026. **Assessment:** Supports youth engagement and creative development while promoting accessibility and inclusion. Strong delivery plan and broad reach. Recommending partial funding.	$15000	$10000
Aboriginal and Torres Strait Islander culture, community recovery	**Gathangga Wakulda Aboriginal Corporation** **Birpai Nation Building** Builds Birpai community capacity through cultural programs and workshops that strengthen identity, language, and connection to Country. **Assessment:** Aligns strongly with Aboriginal and Torres Strait Islander	$15000	$10000

Priority Area	Application	Funding Requested	Recommended Offer
	cultural priorities. Demonstrates broad benefit and sustainable outcomes. Recommending partial funding.		
Community recovery	**Port Macquarie Surf Life Saving Club – Garuda Program** **Garuda Water Immersion Program** Supports migrant and refugee women to build water safety, swimming skills, and confidence through culturally safe programs. **Assessment:** Strong evidence of need and inclusion. Builds social connection and confidence for underrepresented groups. Recommending partial funding to support one round of the program.	$14528	$7500
Aboriginal and Torres Strait Islander culture, youth, people with disability	**Hastings Secondary College – Port Macquarie Campus** **The Turtle Project** Engages Aboriginal students in a creative project exploring cultural identity and local stories through art and technology. **Assessment:** Positive initiative with cultural relevance, but budget request was solely for equipment. Not recommended for funding.	$9264.44	$0
People with disability, seniors, youth, community recovery	**Arts Mid North Coast** **Writing for Wellbeing** Nature-based creative writing workshops promoting mental wellbeing and community connection across diverse participant groups. **Assessment:** Organisation submitted multiple applications for the same program. Not recommended under this category and is recommended under Creative Communities category.	$6000	$0
Aboriginal and Torres Strait Islander culture, youth	**Dymocks Children's Charities Limited** **Inspired Readers Festival** Literacy event providing author visits, storytelling, and creative workshops to inspire young readers and celebrate diverse voices.	$15000	$0

Priority Area	Application	Funding Requested	Recommended Offer
	Assessment: Positive educational focus but limited alignment to program objectives. Not recommended.		
Youth	**Hastings Secondary College – Westport Campus** **Sports Uniforms** Seeks support to purchase sports uniforms for students representing the school in interschool competitions. **Assessment:** Ineligible under program guidelines as School P&C Associations are not eligible to apply.	$6190	$0
Youth, seniors, people with disability	**Port Macquarie Hastings Municipal Band Inc.** **Purchase of Tubular Bells (Concert Chimes)** Seeks funding to purchase chimes to enhance the band's community performances and accessibility of music opportunities. **Assessment:** Valuable cultural initiative but not recommended within this competitive funding round.	$10000	$0
Youth	**OzHarvest Ltd** **FEAST (Food Education and Sustainability Training)** School-based education program teaching food waste reduction, nutrition, and sustainability through cooking lessons. **Assessment:** Recognised national program with strong outcomes but assessed as requiring stronger alignment against objectives of grant round. Not recommended.	$9350	$0
Youth, people with disability	**Autism Spectrum Australia (Aspect)** **STEM and Sport Project** Hands-on learning experiences combining science, technology, and sport for students on the autism spectrum. **Assessment:** Valuable learning opportunity but limited community benefit beyond participating school. Not recommended.	$9451.65	$0

Priority Area	Application	Funding Requested	Recommended Offer
Youth	**Rotary Club of Port Macquarie Sunrise** **RYDA Youth Road Safety Education** Delivers road safety education workshops for Year 10 students to build safer driving habits. **Assessment:** Good educational value but limited broader community benefit beyond participating schools and assessed as requiring stronger alignment with grant round objectives. Not recommended.	$4104	$0
Youth	**Camden Haven High School P&C Association** **Surf Safety Program** Practical beach safety program designed to educate students about coastal hazards and safe recreation. **Assessment:** Ineligible under current funding guidelines. School P&Cs are ineligible to apply.	$5000	$0
Seniors, people with disability, community recovery	**Port Macquarie Animal Welfare Service Inc (PMAWS)** **Rehoming of Unwanted and Stray Animals** Program supporting rescue, care, and rehoming of stray and surrendered pets across the region. **Assessment:** Ineligible under grant guidelines as it is similar to an existing service of Council.	$10000	$0

Creative Communities:

Priority Area	Application	Funding Requested	Offer
ArtWalk 2026, Seniors, youth	**Hastings Valley Fine Arts Association** **The Hastings Valley Open Art Prize 2026** Annual events to promote visual arts in the community while enhancing social cohesion through connecting with like-minded people. Includes 10 day program including workshops and exhibition. **Assessment**: Application referred for funding through Major Events Grant Program.	$2000	$0
Aboriginal and Torres Strait Islander culture, ArtWalk 2026	**Port Macquarie Historical Society Inc.** **Birrbay Barray Djuyal (Birpai Country Stories) Exhibition** Creation of an immersive installation at port Macquarie Museum using Birpai voices and Gathang language to connect audiences to Country and Birpai stories. **Assessment**: Recommended for full funding. Strongly aligns with cultural heritage objectives, demonstrating clear public benefit, strong partnerships and capacity to deliver.	$10000	$10000
People with disability, seniors, youth, community recovery	**Arts Mid North Coast** **Writing for Wellbeing** Series of nature-based workshops that use creative writing to help people reflect, adapt, and grow in a supportive and creative space. **Assessment:** Recommended for full funding, whilst noting that Council's membership ($19,000) to Arts Mid North Coast has already been funded from the Community Grants budget. This initiative aligns well with key priorities and has proven success and strong demand.	$6000	$6000

Community Celebrations / Events

Priority Area	Application	Funding Requested	Offer
Seniors, youth, people with disability, community recovery	**Vivianne Hazenveld and Port Macquarie Historical Society Inc** **Hastings Arts Trail 2026** A two-day open studio and gallery event showcasing local artists and connecting the community through workshops and	$9976	$7000

Priority Area	Application	Funding Requested	Offer
	exhibitions. Focuses on accessibility and inclusion by featuring diverse artists and venues. **Assessment:** Demonstrated strong alignment with cultural and inclusion priorities. Builds social connection and celebrates creativity across generations. High-quality application with sound partnerships and realistic budget. Recommending partial funding, as requested funding was beyond maximum for category.		
Youth, people with disability, community recovery	**Wauchope Chamber of Commerce & Industry** **Wauchope Community Christmas** Free family-friendly Christmas event providing entertainment, markets, and activities that promote inclusion and community spirit. Encourages connection across generations and supports local recovery and wellbeing. **Assessment:** Strongly aligned with inclusion and recovery priorities. Demonstrates wide community support, strong partnerships, and previous delivery success. Recommended for full funding.	$7000	$7000
Australia Day 2026	**YMCA NSW** **Australia Day Splashfest** Inclusive family event featuring pool games, cultural activities, and performances, celebrating community pride and participation on Australia Day at Council's aquatic facilities. **Assessment:** Meets event objectives by promoting belonging and connection. Accessible venue and inclusive approach. Proven track record in event delivery. Recommended for full funding.	$9200	$9200
Seniors, NSW Seniors Festival	**Douglas Vale Conservation Group Inc** **Seniors Festival @the Vines** Celebrates local heritage through music, tours, and storytelling, connecting older residents and volunteers in a social, engaging setting. **Assessment:** Aligns with Seniors Festival objectives. Supports inclusion and participation for older residents. Demonstrates capacity to deliver. Recommended for full funding.	$5280	$5280

Priority Area	Application	Funding Requested	Offer
Aboriginal and Torres Strait Islander culture, Seniors, Youth	**The Camden Haven Words & Music Festival Inc.** **The Camden Haven Words & Music Festival** This festival will present 7 concerts, 3 literary meet the author sessions and host a visual art exhibition as well as offering a poetry prize for local entries. **Assessment:** Maximum under category is $7,000. Recommended for partial funding, contingent on securing additional grant funding outside of Council (currently under assessment) or submission and approval of a grant variation to accommodate reduced budget.	$15000	$7000
Youth, seniors	**Pappinbarra Progress Association (PPA)** **Pappinbarra Valley Community Christmas Party** Annual rural Christmas event fostering social connection for families, youth, and older residents in an isolated community. **Assessment:** Application ineligible as missing required supporting documentation and public liability has expired. Will recommend re-applying under micro grant with required documentation and adjusted budget.	$4500	$0
Not indicated	**Port Macquarie Latin Dance Association Incorporated** **LatinFest** Community celebration showcasing Latin dance, culture, and cuisine. Aims to increase cultural awareness and social participation. **Assessment:** Application referred for funding through Major Events Grant Program.	$15000	$0
People with disability, youth	**Wauchope Little Athletics Centre** **Mid North Coast Zone Carnival** Regional athletics carnival promoting inclusion and participation among youth and children with disability. **Assessment:** Valuable sporting initiative but assessed as part of an existing member-based program and not suitable for grant funding under this program. Not recommended.	$3500	$0

Priority Area	Application	Funding Requested	Offer
Australia Day 2026, youth, seniors, people living with disability	**Douglas Vale Conservation Group Inc** **Australia Day @theVines** Australia Day celebration at a heritage site, combining music, storytelling, and community gathering. **Assessment:** Applicant has submitted two applications and is only eligible to receive one. This application is not recommended on the basis of recommending the other.	$6500	$0
Community recovery	**Camden Haven Junior Boardriders** **Birdrock Memorial Surf Classic** Annual surf competition honouring local community spirit and remembrance. Promotes youth engagement and coastal connection. **Assessment:** Application referred for funding through Major Events Grant Program.	$2000	$0
Youth, seniors, people with disability, Aboriginal and Torres Strait Islander culture, community recovery	**Linked Community Services** **The Great Hastings Chair Swap** A quirky community picnic where participants bring and swap chairs, decorated in workshops by schools, seniors and people with disability. Incorporates music, storytelling and shared food. **Assessment:** Not recommended for funding. Presents an innovative concept but unclear evidence of delivery capacity in comparison with other applicants.	$7000	$0

3. Conclusion

The Community Grants Program is a key driver of social cohesion, local empowerment, and meaningful outcomes across the Port Macquarie-Hastings region. It supports a diverse range of initiatives—from grassroots arts and cultural projects to programs advancing wellbeing, inclusion, and environmental sustainability.

Recipient feedback and measurable outcomes consistently show the program fosters innovation, strengthens community capacity, and delivers lasting local impact. Continued investment in this program is both cost-effective and essential to enabling community-led solutions that reflect our region’s values of connection, diversity, and resilience.

Key Considerations

4. Financial and Economic Implications

In accordance with Council resolution of June 2025, Membership of Arts Mid North Coast reduced the available Community Grants budget for 2025-26 from $200,000 to $181,000 in 2025-26.

The approved 2025-2026 budget and Operational Plan is delivered through two (2) contestable funding rounds and a micro grant program (open all year, until funding is exhausted).

Subject to Council endorsement, the first contestable round will allocate $95,980.

$400 has already been awarded under a micro grant, $5,145 is being reserved for the pending outcomes of current micro grants under assessment with $6,000 reserved for annual community hall grants.

If the recommendation of this report are endorsed, there would be a remaining budget of $73,475 for Round 2 grants scheduled to open in February 2026 and any remaining micro grant applications received throughout the year.

5. Legislative and Policy Implications

There are no legislative implications associated with this report.

6. Strategic Context and Implications

Community grants are a key mechanism through which Council advances its strategic objectives for wellbeing, inclusion, and resilience. The program aligns with the Port Macquarie-Hastings Community Strategic Plan, the Cultural Plan 2021–2025, and the Community Inclusion Plan 2022–2025, enabling direct investment in local groups and empowering the community to lead initiatives that reflect local needs and aspirations.

Council has committed to these priorities through its adopted plans:

- Community Inclusion Plan 2022–2025 (p.10), Outcome 1: A Connected Community:
    - “Promote and support accessible and inclusive community events and programs which enable the whole community to be well connected and lead a full valued life through our Community Grants Program.”
- Cultural Plan 2021–2025 (p. 20), Goal 4: Ensure access to finance for cultural businesses
    - “Enhance funding opportunities through further development of the Council Community Grant Program and provide access to seed funding, as well as co-funding for creative industries projects.”

By funding projects that align with these strategic commitments, the program delivers measurable outcomes that build a more connected, creative, and resilient region. This investment leverages local knowledge and capacity to deliver sustainable, long-term benefits.

7. Risk and Insurance Implications

Not distributing funds through this process would risk Council’s commitment for community grants in the 2025-2026 budget and Operational Plan.

8. Engagement and Consultation

Round 1 of the Community Grants program was promoted through:

- A radio campaign
- Council E-Newsletters, including Have Your Say, ArtWalk, I-Create, and Environment Matters
- Social media posts, including a video featuring mayor Adam Roberts (also shared on Council's website
- Presentations and email distribution to inter-agency and community-led networks and working groups
- Media release and news article on Council's website

The internal assessment panel comprised:

- Acting Group Manager, Liveable Communities
- Community Activation Manager, Liveable Communities
- Economic Development Manager, Strategy
- Economic Development Officer, Strategy
- Senior Community Development Officer, Liveable Communities
- Senior Cultural Officer, Liveable Communities
- Community Development Officer, Liveable Communities

9. Civic Leadership

Community grants are a powerful tool for fostering civic leadership—empowering individuals and organisations to take initiative, drive positive change, and contribute to community wellbeing. By supporting projects that reflect shared values and address local needs, the program promotes active citizenship and collaboration.

The Community Grants Program nurtures emerging leaders, builds the capacity of grassroots organisations, and strengthens Council's connection with the community. Through transparent and inclusive grant-making, Council demonstrates responsive governance and a commitment to enabling community-led solutions—hallmarks of effective civic leadership.

Options

Council may choose to:

1. Approve funding for Round 1 community grant applications as recommended in this report or
2. Not support the recommendation or
3. Seek further information, noting that this may impact award of the grants to the successful recipients or
4. Take some other course of action.

Attachments

1. Community Grants - Round 1 2025-2026 - Applications and Panel Recommendations

Item: 13.14

Subject: **Lake Cathie Natural Resource Management Monthly Update Report**

Presented by: Community, Planning and Environment, Melissa Watkins

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 several projects relating to the management of the Lake Cathie/Lake Innes/Cathie Creek waterway (referred herein as Lake Cathie) and 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 September 2025 Ordinary Council Meeting. Works currently being undertaken and outlined in this report include:

a. Coastal Hazard Assessment and Coastal Vulnerability Area Mapping Update,

b. CMP Stage 2 - Water Quality Improvement Strategy,

c. CMP Stage 2 - Review of the Lake Cathie Entrance Management Strategy,

d. CMP Stages 3 & 4,

e. CMP status summary, and

f. Other Coast and Estuary projects.

Report

1. Discussion

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 September 2025 Ordinary Council Meeting.

a. Coastal Hazard Assessment and Coastal Vulnerability Area Mapping Update

Bluecoast Consulting Engineers have finalised the Coastal Hazard Assessment (CHA) for Stage 2 of the CMP.

Key findings from the CHA are outlined below:

- Future coastal hazards pose long-term environmental, social and financial risks from erosion, inundation, and estuary instability, which is in keeping with recent experiences across the Port Macquarie-Hastings Region but also many other coastal areas (e.g., the Central Coast),

- High-risk areas already require maintenance and emergency interventions,
- Future costs may include asset relocation, insurance liabilities, and resilience programs, as well as economic impact to our tourism/agriculture industries, and
- Strategic investment in planning controls, hazard monitoring, and mitigation actions is essential.

Staff are currently preparing for the public release of the CHA and supporting tools such as Coastal Vulnerability Area (CVA) mapping to inform both Council and our community of the findings and risks. A Councillor Briefing is being scheduled for October 2025.

Staff will then be incorporating the findings of this CHA into the subsequent stages of the CMP (Stages 3 and 4) and submitting a proposal to amend the *State Environmental Planning Policy (Resilience and Hazards) 2021* to account for these risks and incorporate the CVA mapping.

b. CMP Stage 2 - Water Quality Improvement Strategies

Rhelm is developing Water Quality Improvement Strategies for the Hastings River Estuary, Camden Haven River Estuary, and Lake Cathie/Bonny Hills catchments. These strategies aim to identify existing and potential water quality impacts and recommend targeted management actions.

Council staff and key stakeholders are currently reviewing the interim reports associated with the project. The project is scheduled for completion in December 2025.

c. CMP Stage 2 - Review of the Lake Cathie Entrance Management Strategy

Royal Haskoning DHV is progressing with the review of the Lake Cathie Entrance Management Strategy. They have completed a monitoring dashboard that uses weather data and rainfall forecasts to predict lake levels. This dashboard, which utilises ongoing machine learning models, will help guide decisions about when to open the lake entrance and is expected to represent best available science at this time.

Staff and key stakeholders from NSW Department of Climate Change, Energy, Environment & Water (DCCEEW) are currently reviewing the draft Lake Cathie Entrance Management Strategy report. The report aims to guide responsible, sustainable management of the lake entrance, balancing flood mitigation, environmental protection and community expectations to develop short-, medium- and long-term management options. The project is scheduled for completion in December 2025.

d. Coastal Management Program - Stages 3 and 4

Council secured $196,667 through the NSW Coastal and Estuary Grant Program to advance Stages 3 and 4 of the CMP. These stages involve:

- Evaluating management options,
- Developing a business case, and
- Drafting the CMP with extensive community engagement.

In parallel and as outlined above, Council is preparing a Planning Proposal to introduce a CVA mapping into the *State Environmental Planning Policy (Resilience and Hazards) 2021* which will help ensure future development considers coastal hazard risks.

The procurement process has now been completed and the tender evaluation panel identified Rhelm as the preferred respondent to progress stages 3 and 4 of the CMP. Council have since engaged Rhelm to undertake this work, as well as the CVA mapping Planning Proposal. The project is expected to take approximately 12 months to complete.

e. Coastal Management Program - status summary

The development of CMPs follows a mandated structured five-stage process being:

1. **Stage 1** – Define the scope of the CMP,
2. **Stage 2** – Assess risks, vulnerabilities, and opportunities,
   Includes detailed studies such as the Water Quality Improvement Strategy, Entrance Management Strategy, and Coastal Hazards and Vulnerability Assessment
3. **Stage 3** – Identify and evaluate management options,
4. **Stage 4** – Prepare, exhibit, finalise, certify, and adopt the CMP, and
5. **Stage 5** – Implement, monitor, evaluate, and report

Stage 2 is nearing completion across four geographic chapters. It involves comprehensive technical studies to assess risks and inform future planning. This stage is the most time-intensive but is critical to ensuring robust and effective outcomes as Council staff progress Stages 3-5. The final Stage 2 projects being the Water Quality Improvement Strategies and the Lake Cathie Entrance Management Strategy, are due for completion by the end of 2025. To accelerate progress, Stages 3 and 4 are being advanced in parallel. As indicated above, Rhelm have been engaged to complete Stages 3 and 4 of the CMP.

Current Progress	CMP Stage	Expected Completion			
		Lake Cathie / Bonny Hills	Hastings River Estuary	Camden Haven River Estuary	Open Coastline
✓	Stage 1	Complete			
⇨	Stage 2	2021 - 2025	2022 - 2025	2023 - 2025	2023 - 2025
⇨	Stage 3 - 4	2025 - 2026	2025 - 2026	2025 - 2026	2025 - 2026
	Stage 5	2026	2026	2026	2026

Table 1: Indicative CMP Timeframe

f. Other Coast and Estuary projects

Lake Cathie Water Quality Buoy
Council, in partnership with NSW National Parks and Wildlife Service (NPWS), NSW Department of Primary Industries and Regional Development – Fisheries (DPIRD Fisheries), and the DCCEEW, engaged Manly Hydraulics Laboratory (MHL) to install a

long-term water quality monitoring station in Lake Innes. The water quality monitoring station provides autonomous, continuous, and quality-controlled water quality data.

The near real-time data collected from the station is now publicly available via the MHL website here. Council staff are planning to do external communications about the buoy in October.

Invasive Weed Management

Contractors have commenced weed control on the northern headland of Lake Cathie, targeting established infestations of Ground asparagus, Ochna, Cassia, and Lantana across approximately one hectare. Additional work was carried out through bushland along Chepana Street, where Morning glory vine and other common weeds were cleared. A population of Bushman's poison (*Acokanthera oblongifolia*), potentially a new invasive species from Africa, was identified and tagged by the Biosecurity Officer and will be monitored for regrowth.

A new population of the priority weed Giant devil's fig was discovered on private land along Houston Mitchell Drive, with follow-up inspections planned with the landowner. Council staff also conducted inspections along the Lake Cathie shoreline at Evans Drive and Tallong Drive, where further populations of the priority weed Sicklethorn were treated. Groundsel bush regrowth in the area is being monitored and will be treated in the near future.

Emergency Erosion Works

- Lake Cathie Reserve

Bluecoast Consulting Engineers have developed a concept design for a medium-term sandbag structure to stabilise erosion-affected areas of Lake Cathie Reserve, damaged during storms in January and flooding in May.

Temporary rock bags have been installed to limit further erosion. Council staff plan to backfill behind these bags using sand sourced from the adjacent berm at the lake entrance, which will be easier to facilitate now the entrance has closed. If cost assessments are favourable, construction of the sandbag structure will proceed as a priority.

- Illaroo Road

Council currently has 216 4-tonne rock bags stored at the Koala Street depot. These bags provide flexible protection for coastal and estuarine infrastructure. In 2023, rock bags and sand were placed along the southern end of Illaroo Road to protect stormwater assets. While recent swells have eroded much of the sand, the upper dune remains stable.

Environmental approvals are nearing completion to extend rock bag protection in the area. Bluecoast Consulting Engineers have developed a detailed design to safeguard the most vulnerable sections along Illaroo Road using rock bags and marine sand. These measures will offer short- to medium-term protection while the CMP is being developed. Council staff are working with DCCEEW to confirm the appropriate planning pathway, with works to commence once approvals are in place. Funding opportunities are being explored with Transport for NSW disaster funding streams.

- Riverbank Restoration Works

Stage 1 – Hastings River Hybrid Shorelines

Rock-It Science have completed the design for a 200m foreshore restoration at North Shore, incorporating a prototype oyster reef hybrid fillet as part of a University of Melbourne Australian Research Council research project. The design was refined after

Council staff undertook consultation with surrounding residents in September. A Development Application will be prepared in the coming months, with on-ground works expected to begin in 2026.

In addition, Council staff have submitted a funding application with DCCEEW to support the works being undertaken in this project, in particular around the access points between the reserve and the intertidal zone.

Limeburner's Creek

DPIRD is funding repairs to a failing 180m rock revetment wall upstream of Shoreline Drive Bridge, North Shore. This site was identified as a priority site in Councils recent Bank and Riparian Assessment of the Hastings River Estuary. The project aims to reduce erosion and improve water quality for oyster growers. Construction of the project was completed in September after previous delays caused by the weather.

North Haven Foreshore

DPIRD is supporting restoration of the Riverview Reserve foreshore at North Haven. Rhelm has completed the detailed design, which integrates living shoreline elements and public access. The NSW Soil Conservation Services (SCS) is reviewing the design to provide detailed cost estimates and construction is subject to funding confirmation. In addition, Council staff have submitted a funding application with DCCEEW to support the works being undertaken in this project, in particular around the access points between the reserve and the intertidal zone.

Little Rawdon Island – Bank Stabilisation & Mangrove Offsets

Staff have selected Little Rawdon Island as the preferred location for a 500m² mangrove offset site for the Beach-to-Beach project. SCS have finalised the detailed design and cost estimate for the works. Council staff are now exploring opportunities to progress to construction.

Sea Country

Council continues to work closely with Birpai Elders, Local Aboriginal Land Councils, and the DPIRD to develop a Sea Country Action Plan for inclusion in the CMP.

2. Conclusion

This report is provided for information purposes only.

Key Considerations

3. Financial and Economic Implications

There are no direct financial or economic implications arising from this report. All project funding allocations and expenditures remain within adopted budgets. An updated financial status for current natural resource management and CMP-related projects is provided below for reference and transparency.

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
Lake Cathie Entrance Management Strategy	82,800	85,950	168,750
Stage 3 & 4 CMP	196,667	98,333	295,000
TOTAL	**587,468**	**338,283**	**925,751**

4. Legislative and Policy Implications

There are no new or immediate legislative or policy implications resulting from this update. All actions outlined are in accordance with existing state and local planning instruments, including alignment with the NSW Coastal Management Framework and associated guidelines.

5. Strategic Context and Implications

The projects and initiatives outlined in this report align with Council's adopted strategies and objectives for sustainable natural resource management. They support long-term coastal and estuarine resilience, ecosystem health, and informed planning in line with Council's Strategic Planning objectives.

6. Risk and Insurance Implications

There are no new or elevated risk or insurance concerns raised by this report. Risk assessments have been incorporated into individual project designs and planning phases, particularly in relation to coastal hazards and infrastructure vulnerability.

7. Engagement and Consultation

There are no new engagement or consultation activities proposed as part of this report. Existing projects continue to incorporate stakeholder engagement in accordance with funding requirements and best practice community involvement standards.

8. Civic Leadership

This report demonstrates Council's ongoing commitment to responsible environmental stewardship and transparent project delivery. The initiatives presented contribute to evidence-based decision-making and uphold community expectations for sustainable coastal and waterway management.

Options

This report is provided for information purposes only.

Attachments

Nil

Item: 13.15

Subject: **Hastings Youth Voice Review - Six Monthly Progress**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council note the six-monthly update on the Hastings Youth Voice (HYV) activities delivered, including the progress of the establishment of a 'Meet your Councillors' forum.

Executive Summary

Since the Council resolution on the Hastings Youth Voice (HYV) Charter at the Ordinary Council Meeting on 17 April 2025 (Item 11.09), staff have progressed recruitment efforts (including targeting representatives aged 17–25), strengthened youth-led communications, and facilitated an opportunity to connect youth with Councillors and vice versa.

Key achievements include HYV participation at Artwalk and Luminosity Youth Summit 2025, and delivery of the Youth Excellence Program (YEP) where the YEP graduation served as a pilot for the proposed Meet Your Councillors program.

Progress is underway to onboard new members and update the HYV Charter, with the refreshed working group to finalise governance, explore youth engagement mechanisms, and co-design the Meet Your Councillors program in the coming months.

This report is provided for the information of Council.

Report

1. Background

At the Ordinary Council Meeting on 17 April 2025 (item 11.09), Council resolved to:

1. *Note the outcomes of the review of the Hastings Youth Voice (HYV) Charter.*
2. *Continue operation of the Hastings Youth Voice with a focus on increased engagement with youth via social media and connecting youth with Council, with expanded representation to include post-school youth (aged 17–25), and seek expressions of interest to fill vacancies.*
3. *Endorse the establishment of a "Meet your Councillors" forum with Hastings Youth Voice.*
4. *Endorse the development of a co-design "meet your councillor" program for future consideration and potential funding.*
5. *Support the creation of a youth-led social media working group, supported and moderated by Council staff, to improve youth-targeted communication.*
6. *Note that a six-monthly staff-prepared update on Hastings Youth Voice membership and outcomes will be maintained as part of Council's reporting cycle.*

This report provides an update on HYV activities delivered since April 2025 and outlines proposed next steps to further the above Council resolution.

2. Discussion

The following information outlines the key activities and outcomes delivered by Hastings Youth Voice (HYV) since April 2025 and alignment with Council's resolution to strengthen youth engagement and establish a 'Meet Your Councillors' forum.

What Has Been Delivered Since April 2025?

Artwalk 2025:

3 HYV members volunteered as event assistants.

Luminosity Youth Summit 2025:

While no budget was allocated for direct sponsorship of the event this year, involvement was supported through funding from the NSW Government's Youth Opportunities grant, with a Council contribution. This enabled sponsorship of a keynote and masterclass speaker from the Australian School of Entrepreneurship (ASE Group).

Luminosity provided the launch platform for the Youth Excellence Program (YEP), an industry-connect opportunity for HYV, and a key opportunity to engage with local young people as follows:

- 2 HYV members and 3 staff attended the industry-connect launch evening.
- 4 HYV members and 2 staff attended the Summit.
- 25 Summit participants attended the ASE Group masterclass.
- Over 100 participants interacted with Council's information stall.
    - 87 participants voted on how they prefer Council to communicate with them (reported in the *Community Engagement Strategy 2025–2029 Engagement Report*, presented to Council on 18 September, Item 13.06).
    - 13 participants expressed interest in joining HYV and were invited to attend upcoming information sessions.
    - More than 150 participants expressed interest via the Summit feedback survey in hearing more about YEP and were invited to complete an EOI to join HYV.

Youth Excellence Program (YEP) 2025:

Developed in response to youth feedback, YEP was delivered using the funding noted above and addressed requests for leadership training, career support, and industry connection opportunities.

- 6 HYV members co-designed promotional materials, including social media content.
- Program was promoted through Luminosity Youth Summit, social media, schools, industry, community networks, and Council's Entry Pathways recruitment activities.

- 30 participants registered; 25 completed at least 3 sessions (83% retention).
- Participant satisfaction rated the first session at 96.5%, with consistently strong feedback across all weeks.
- Participant comments highlighted real-world outcomes:
    - "I'm new to town... I feel confident to start networking and applying for jobs. I wouldn't have without doing this program."

Responding to the April Council resolution, the YEP Graduation, held on 26 September 2025, was also used as a pilot for the proposed Meet Your Councillors program, with invitations extended to all Councillors. Three Councillors were in attendance, with ASE Group noting:

> *"The Councillor meet and greet created a powerful opportunity for participants to put their networking skills into action. It was an invaluable way for young people to connect with local leaders while building confidence in real-world conversations."*

A YEP Graduate also provided feedback,

> *"It was super great to talk to the Councillors. I would love to hear more about what they are doing and have further discussions with them."*

A full impact report will be provided by ASE Group next month.

<u>HYV Recruitment and Next Steps</u>

Following the April 2025 review of the HYV Charter, further action to grow membership has been aligned with key engagement activities delivered through the Luminosity Youth Summit, YEP, and in collaboration with Council's Entry Pathways recruitment drive. This approach supports Council's resolution to broaden HYV representation to include youth aged 17–25.

Sequencing recruitment alongside these programs has strengthened awareness of HYV and generated new expressions of interest:

- 13 EOIs through the Luminosity Youth Summit
- 8 EOIs through YEP Graduation, including 3 participants aged 18yrs +
- 1 EOI through Council's Entry Pathways recruitment activities

YEP graduates who were unable to attend the graduation event have also been invited to express their interest, with responses expected in the coming weeks.

Two information and engagement sessions will be held in October to:

- Confirm continuing and new HYV membership
- Explore flexible participation options for students balancing study and other commitments

The sessions incorporated engagement on the draft Community Inclusion and Disability Inclusion Action Plan and the Cultural Plan, ensuring we continued to capture youth voices while in the process of re-establishing the HYV working group.

The next HYV working group will be scheduled for November to:

- Review outcomes of ASE Group's impact report to inform future programs
- Review charter, including objectives and obligations of the group
- Formalise a process on briefing HYV on relevant public exhibition opportunities
- Initial co-design session for development of the Meet Your Councillors program
- Discuss the establishment of a youth-focused e-newsletter
- Establishing a 2026 meeting schedule, including quarterly invitations for Councillors

This approach ensures that new members can contribute to shaping HYV's direction.

Update on Youth-Led Social Media Working Group

As part of the April 2025 resolution, Council supported the creation of a youth-led social media working group.

HYV members were directly involved in developing social media content for the promotion of YEP, including visual assets and video editing.

Further action on youth-led social media has been temporarily placed on hold in light of upcoming changes to regulations affecting online engagement for young people under 16 years. This approach minimises legal and ethical risks associated with youth online engagement while legislative clarity is awaited.

To maintain youth-driven communication, HYV members have proposed establishing a youth-focused e-newsletter as an alternative platform. This concept has received support from several YEP graduates and will be discussed at the next HYV meeting for potential co-design and implementation.

3. Conclusion

Since April 2025, HYV has expanded its reach and strengthened youth representation through active participation in key community and leadership programs. The Councillor Meet and Greet pilot provided a positive step toward closer connections between youth and Council, with co-design of future engagement models to follow.

Membership renewal and Charter review are underway to ensure the group remains inclusive and well-structured. With social media activity paused pending new regulations, HYV is exploring a youth e-newsletter to maintain communication and visibility.

Collectively, these actions continue to embed youth perspectives in Council processes and strengthen opportunities for meaningful participation.

Key Considerations

4. Financial and Economic Implications

The total cost of delivering the YEP was $16,364 (ex GST), including:

- $15,000 – facilitation by the Australian School of Entrepreneurship (ASE Group), covering the keynote and masterclass, five-week online program, and graduation delivery
- $1,364 – venue hire and catering for the graduation event

This was funded via a $10,000 NSW Government Youth Opportunities Grant, with the remaining costs met through Council's Economic Development budget.

There is currently no dedicated funding allocated to support the ongoing operation of HYV or future initiatives such as the *Meet Your Councillors* program.

This presents several implications:

- Limits capacity to provide the resources and materials needed to support meaningful and inclusive HYV meetings and activities
- Reduces ability to offer occasional venue or catering support that encourages participation and inclusion
- Reduces ability to provide capacity-building opportunities that strengthen HYV members' knowledge and skills to contribute
- Constrains efforts to attract and maintain active HYV membership across diverse youth groups within the LGA

While HYV and staff will continue to identify external grant opportunities, these are not guaranteed and may include funding restrictions that do not align with HYV's needs.

Future funding considerations may be required to support meaningful and ongoing youth participation in HYV and delivery of the *Meet Your Councillors* program.

5. Legislative and Policy Implications

There are no legislative or policy implications arising from this report.

6. Strategic Context and Implications

HYV aligns with Council's Integrated Planning and Reporting (IP&R) Framework and supports the delivery of key objectives under the Imagine2050 Community Strategic Plan, particularly Outcome 2: Liveable and Outcome 5: Leadership.

It directly contributes to the 2025–29 Delivery Program, supporting actions under 2.2.1 and 2.3.1 – Community Activation, specifically the delivery of youth engagement activities and facilitation of regular HYV meetings.

It also functions as a key mechanism for youth participation in community engagement, providing a structured avenue for young people to contribute feedback, co-design initiatives, and inform Council's planning and decision-making processes.

7. Risk and Insurance Implications

HYV involves engagement with participants under 18 years of age. To ensure compliance with legislative and organisational obligations, staff working directly with HYV hold current Working with Children Checks (WWCC), and the forthcoming review of the HYV Charter will confirm alignment with the NSW Child Safe Standards.

Social media activity by young people also presents emerging legal and reputational considerations in light of proposed national restrictions for users under 16. In response, all youth-led social media initiatives have been placed on hold until legislative clarity is provided.

Financial implications identified earlier in this report highlight the potential for constrained delivery of HYV activities without a dedicated budget, which may affect the program’s reach and long-term sustainability.

8. Engagement and Consultation

The following groups and stakeholders were engaged with in the development of this report:

- HYV existing members
- YEP participants
- ASE Group

9. Civic Leadership

HYV supports Outcome 5: Leadership of the Community Strategic Plan by creating pathways for young people to engage with Council on issues that matter to them (5.1), access information about Council programs in meaningful ways (5.2), and contribute to transparent, accountable decision-making (5.3). This helps strengthen trust and demonstrates Council’s commitment to inclusive, community-led leadership.

Options

This report is for notation only.

Attachments

Nil

Item: 13.16

Subject: **Friends of Camden Head Lookout (Pilot Station) update**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council note the update on current activities of the Friends of Camden Head Lookout volunteer group.

Executive Summary

This report provides an update to Council on activities regarding the formation and development of the Friends of Camden Head Lookout volunteer group during the period August to September 2025. The report includes updates as required by previous Council resolutions.

Report

1. Background

Camden Head Lookout is a prominent coastal viewing area within the Port Macquarie-Hastings local government area. After significant interest from the community to manage the site in a different way, Council called for volunteers to be part of a Friends of Camden Head Lookout volunteer group in late 2024. In January 2025, interested parties gathered to commence the formal establishment of a local volunteer group to deliver maintenance and enhancement of the site in line with the Council's Masterplan.

In March 2025, Council presented to the group in terms of expected behaviours and safety requirements of working onsite through Code of Conduct and Health and Safety training.

Council has encouraged the group to take steps to ensure compliance with Council's Volunteer Policy, 'Friends of' procedure and the National Standards for Volunteer Involvement, prior to entering a formal Memorandum of Understanding (MOU) that would allow volunteer works to commence.

At its meeting in July 2024 (Item 11.01) Council resolved to receive a bi-monthly report on the group's activities. This requirement was reaffirmed by Council at its meeting in April 2025.

At the April 2025 Ordinary Council meeting (Item 11.08), it was further resolved as follows:

"That Council:

1. *Note the update on current activities with the pending establishment of the Friends of Camden Head Lookout.*
2. *Note that the relevant Master Plan is as adopted at Item 13.01 Ordinary Council meeting of 14 November 2024.*
3. *Request that a copy of the draft Memorandum of Understanding with the Friends of Camden Head Lookout be provided to Councillors for feedback prior to endorsement.*
4. *Maintain the bi-monthly update reporting on this matter."*

At the August 2025 Ordinary Council meeting (Item 13.12), it was resolved as follows:

"That Council:

1. Note the update on current activities of the Friends of Camden Head Lookout volunteer group.
2. Request the acting Chief Executive Officer to provide a briefing to Councillors to the matters raised in this report by the end of November 2025."

2. Discussion

Council formally endorsed the establishment of a *Friends of Camden Head Lookout* group as part of the implementation of the Camden Haven Headland Masterplan. A key requirement of this endorsement was that the group and/or its members, independent of Council, become an incorporated entity to support future volunteer activities and insurance obligations.

In April 2025, a group of individuals affiliated with the Council endorsed Friends group proceeded to incorporate as *Friends of Camden Head Incorporated (FOCHI)*. While this was a necessary step, the formation of a legally separate entity with its own constitution and mission statement has introduced complexity and blurred lines regarding the group's role, purpose, and communication channels.

It is important to distinguish that:

- The "Friends of Camden Head Lookout" remains the Council-endorsed volunteer group as recognised in Council's procedures and associated resolution. Membership of this group is by Council resolution.
- FOCHI is a separate incorporated body formed by some members of the original Council Friends group, but it does not automatically replace or redefine the intent of the Council-endorsed group.

It is also necessary to clarify that until a Memorandum of Understanding (MOU) is in place between Council and FOCHI, Council's formal relationship and responsibilities pertain only to the Council endorsed Friends group framework.

Currently the draft MOU is undergoing review by Council's legal counsel prior to its provision to Councillors for feedback. Quotes for public liability insurance were received, and this will be purchased once the MOU is confirmed to ensure payments for the insurance are not triggered waiting for the MOU to be finalised.

At the August Council meeting it was reported that there is an active claim over the reserve and Council is still awaiting further advice from Crown Land NSW as to how this will impact future activities and the MOU.

As per the resolution from the August 2025 meeting, staff have scheduled a Councillor briefing to take place on 13 November.

From August-September 2025, FOCHI reported the following activities to Council:

- The group has 23 financial members.
- There were no new decisions or actions to report.
- The group is awaiting Council advice on public liability and volunteer insurance as well as an update on the MOU to commence grave restoration, and the offer to weed garden beds at Dunbogan Park.

It is relevant to note that the group's intention to undertake activities such as restoring historic graves and weeding at Dunbogan Park are outside the boundaries of the Master Plan area and have not been approved by Council as actions of the "Friends of Camden Head Lookout" Council-endorsed volunteer group.

Additionally, Council has recently received further reports of unauthorised work/environmental damage and vandalism on the site. Council will continue to monitor the site but it should be noted that there is insufficient evidence to date to undertake any enforcement action(s) at this time.

3. Conclusion

This report is provided for Council to note the recent activities of the "Friends of Camden Head Lookout" Council-endorsed volunteer group and the of Camden Head Inc' group.

Key Considerations

4. Financial and Economic Implications

As previously outlined, Council intends to fund Personal Protective Equipment (PPE) requirements (up to $1,000) and the friends group's first year of Public Liability Insurance (up to $1,500) through the Operational Plan budget volunteer allocation to work on the approved stage 1 area of the Friends of Camden Haven Lookout. This can be funded through current budget allocations.

5. Legislative and Policy Implications

The Friends of group has been established in line with Council current Volunteer Policy and Friends Of procedure.

6. Strategic Context and Implications

There are no strategic context implications.

7. Risk and Insurance Implications

No work can begin on site until public liability insurance is finalised and the MOU is signed with risk assessments of works and compliance with the relevant planning legislation key components. Works contrary to these requirements could present a risk to the FOCHI members and Council.

8. Engagement and Consultation

Further engagement with the "Friends of Camden Head Lookout" Council-endorsed volunteer group and the FOCHI will proceed once the MOU is finalised.

9. Civic Leadership

The FOCHI group represent community-led stewardship by partnering with Council that aims to deliver a shared vision that enhances public spaces, fosters local pride, and demonstrates the power of collective action for community benefit.

Options

This report is provided for information only.

Attachments

Nil

Item: 13.17

Subject: **Recommended Items from the September 2025 Meeting of the Port Macquarie-Hastings Sporting Fund**

Presented by: Community, Planning and Environment, Melissa Watkins

Recommendation

That Council endorse the Port Macquarie-Hastings Sporting Fund Sub-Committee recommendation for the payment of $750.00 to Lola Styles to compete at the Australian Youth Volleyball Championships between the 21 and 26 September 2025 in Perth. Noting the application was received prior to the event commencement date.

Discussion

The Port Macquarie-Hastings Sporting Fund committee met on 25 September 2025 and considered grant applications. The submission from Lola Styles was determined to have met the funding criteria. Accordingly, the Sub-Committee recommends to Council the following payment from the fund:

- Lola Styles - $750.00 grant to compete at the Australian Youth Volleyball Championships between the 21 and 26 September 2025 in Perth.

The amount recommended is consistent with the amount payable for participation at the relevant sporting levels nominated under the Port Macquarie-Hastings Sporting Fund Charter and guidelines.

Attachments

Nil

Item: 14.01

Subject: Lakewood (Area 15) Trunk Sewer Main Construction - Developer Works Deed DA2023/73

Presented by: Community Utilities, Narelle D'Amico

Recommendation

That Council:

1. **Note the sewer works to be undertaken by Jojeni Investments Pty Ltd under and associated with Development Consent DA2023/73 includes trunk sewer works to serve future development in the Lakewood Area 15 Urban Release Area and as such constitutes works-in-kind.**
2. **Under the extenuating circumstances provision of 55(3)(i) of the Local Government Act 1993, resolve not to call tenders for the construction of the sewer trunk gravity mains within Lot: 12 Plan No: DP1091444 and Lot: 10 Plan No: DP1250178 as it considers that a satisfactory result would not be achieved by inviting tenders due to extenuating circumstances for the reason of the works being associated with and linked to the development consent as outlined in this report.**
3. **Note that the Chief Executive Officer, under existing delegations to the General Manager, may enter into a Developer Deed Agreement contract with Jojeni Investments Pty Ltd.**
4. **Note that the cost of works provided have been identified in the Development Servicing Plan and therefore are part of the calculation for developer contribution charges, which will facilitate Council recouping the costs from future development when it occurs.**

Executive Summary

In December 2007, Council adopted the framework for a new urban precinct known as Lakewood Area 15, which is currently zoned predominantly as R1 (General Residential). Spanning approximately 84 hectares, the area is planned to accommodate around 1,000 residential lots and support housing for up to 3,500 residents, making it a key growth area for the region.

In July 2021, Council committed to delivering the Trunk Sewer Main infrastructure necessary to unlock development potential and enable the release of multiple lots within Area 15. These lots had previously been unable to proceed due to the absence of agreement among landowners regarding essential sewer infrastructure, which is required to provide access to Sewer Pump Station #11 for all properties within the Lakewood Area 15 Urban Release Area.

To facilitate development under Development Consent DA2023/73, critical sewer infrastructure is required to connect the site to the broader network. The proposed works will establish a trunk gravity sewer line from the existing Collection Manhole located within the existing Kew/Kendall Sewer Pump Station #11 lot boundary to Sewer Maintenance Hole (SMH)85 (as shown on the GHD design plans), to the western boundary of the development, as well as construction of SMH44 required for development to the north.

This infrastructure forms part of the lead-in gravity sewer works for the majority of the Lakewood Area 15 growth precinct. It has been included in the Development Servicing Plan and is eligible for delivery under a Developer Works Deed.

Recognised as a priority project in the Port Macquarie-Hastings Council Operational Plan 2023–2024, these works are essential to servicing new residential lots.

Following negotiations with representatives of Jojeni Investments Pty Ltd, an in-principle agreement has been reached regarding cost apportionment for the works. This agreement aligns with Council's Works-in-Kind Policy and confirms that the costs incurred to deliver the sewer infrastructure are accurate and consistent with what Council will have incurred if the project were delivered directly by Council.

It is therefore recommended that Council enter into a Developer Works Deed with Jojeni Investments Pty Ltd, in accordance with the Works-in-Kind Policy, to facilitate reimbursement of the portion of costs associated with sewer infrastructure that provides capacity beyond the requirements of the Woodlands Estate. This amount totals $1,534,313.33 (excluding GST).

These works forms part of the action required under the 2025/26 Operational Plan item *1.3.2 WW 10 Gravity Sewer Trunk Mains (Area 15 - Camden Haven)*, which has a current adopted budget of $2,469,500.

Responsibility for progressing the remaining works lies with Council's Infrastructure Project Delivery Team or other developer works deed negotiated with other developers.

The total cost estimate (including a 20% contingency allowance) for the delivery of all works is $4,955,000. An additional $2,485,500 may be added to the 2026-27 budget to complete the delivery of this project, pending negotiations with the benefiting Developers.

Report

1. Background

In December 2007, Council adopted the framework for a new urban precinct known as Lakewood Area 15, which is currently zoned predominantly as R1 (General Residential).

In 2017 Council's Infrastructure Delivery team completed the construction of Kew/Kendall Sewer Pump Station #11 (KKSPS11) which was identified as core infrastructure to facilitate growth within Area 15.

Council approved the Development Consent DA2017/1059 in April 2019 which required construction of Sewer Infrastructure from the proposed Development on Lot: 2 Plan No: DP0594388 to KKSPS11. A condition of the development consent was to obtain permission from the owners of the adjoining land for the purpose of constructing sewer infrastructure across the land to serve the development or provide evidence that sewer infrastructure has been extended to the property boundary by a neighbouring developer.

As negotiations between neighbouring landowners did not result in a successful agreement therefore inhibiting any development occurring within the Area 15 Growth Area, Council committed to delivering the Trunk Sewer Main infrastructure In July

2021. A letter was sent to affected landowners within Area 15 to notify them of this commitment.

The infrastructure works were recognised as a project in the 2023–2024 Operational Plan. GHD were engaged to design the Area 15 Trunk Sewer Main, with the latest Issued for Construction Plan Set being issued in April 2025.

Council approved the Development Consent DA2023/73 in February 2024 which required construction of Sewer Infrastructure from the proposed Development on Lot: 12 Plan No: DP1091444 to KKSPS11. The Sewer Main proposed to traverse this development block is where negotiations between landowners had failed and holding up further development within other zoned areas of Area 15.

To ensure that Council's timing of the delivery of the Area 15 Trunk Sewer Mains does not impact the release of lots associated with the development consent DA2023/73, it has been proposed that the works will be carried out under a Developer Works Deed.

The works to be constructed under the Developer Works Deed are a gravity sewer line from the existing Collection Maintenance Hole (CMH) located within the KKSPS11 lot to Sewer Maintenance Hole (SMH) #85 (as per the GHD design plans), to the western boundary of the proposed development. As well as construction of SMH#44 required for development to the North.

Meetings were held between Council and Hopkins acting as a representative for Jojeni Pty Ltd on 18th August and 5th September 2025 to discuss the potential agreement terms. As an outcome Council received the formal Letter of Offer to enter into a Works Deed, enclosed at Attachment 1 along with an email with modified justification and assessment of costs. The email along with additional information contained within the attachments outlined the total cost for the works, with supporting evidence, the basis for the cost apportionment and details regarding the alignment to Council's Works-in-Kind Policy.

An in-principle agreement has been reached as detailed in the Financial Implications Section of this report.

It is therefore recommended that a Developer Works Deed, aligned to Council's Works in Kind Policy, is entered into with Jojeni Pty Ltd to facilitate the repayment of costs associated with the construction of sewer infrastructure for the Woodlands Estate DA2023/23 in total of $1,534,313.33 (ex GST).

2. Discussion

Development Consent DA2023/73, approved by Council in February 2024, required the construction of sewer infrastructure to service the proposed development by Jojeni Investments Pty Ltd. The developer will be undertaking essential sewer infrastructure works to not only service their own development but to support future growth in the Area 15 precinct, therefore exceeding the minimum requirements necessary to only service their own development.

These works are considered works-in-kind, as they contribute to broader infrastructure needs beyond the immediate development and have been identified as key infrastructure required and noted under the Development Servicing Plan. Given the direct association of these works with the approved development and the complexities involved in landowner negotiations, Council is satisfied that calling tenders for the construction of the sewer trunk gravity mains within Lot 12 DP1091444 and Lot 10

DP1250178 would not yield a better outcome. Therefore, under the extenuating circumstances provision of Section 55(3)(i) of the Local Government Act 1993, it is recommended Council resolves not to invite tenders for these works.

To facilitate reimbursement for the sewer infrastructure delivered, it is recommended Council enter into a Developer Works Deed Agreement with Jojeni Investments Pty Ltd. The Chief Executive Officer, under existing delegations to the General Manager, is authorised to execute this agreement.

3. Conclusion

Council has been progressing the delivery of trunk sewer infrastructure to support development within the Lakewood Area 15 precinct, following adoption of the precinct framework in 2007 and construction of KKSPS11 in 2017. Due to failed negotiations between landowners, Council committed to delivering the trunk sewer main in 2021, with design completed by GHD in April 2025.

Development Consent DA2023/73 includes sewer works that traverse key development blocks and are critical to enabling further growth. Jojeni Pty Ltd has offered to undertake these works, including additional infrastructure beyond their own development needs, under a Developer Works Deed aligned with Council’s Works-in-Kind Policy.

It is recommended that Council:

- Enter into a Developer Works Deed with Jojeni Pty Ltd for the construction of sewer infrastructure associated with DA2023/73, totalling $1,534,313.33 (ex GST).
- Endorse the Developer Deed and note cost recovery through developer contributions.

Key Considerations

4. Financial and Economic Implications

Council’s 2023-24 Operational Plan Budget had $2,300,000 allocated for the detailed design and commencing construction of the Area 15 Sewer Trunk Main. A total of $2,469,500 has been included in Council’s 2025-26 Operational Plan Budget for the remaining works.

The Developer has calculated the cost of the gravity trunk sewer works to be constructed as part of the Developer Deed providing Sewer from Lot: 2 Plan No: DP0594388 to KKSPS11 will be $1,534,313.33 (ex GST).

Council staff have assessed the rates and costs of the works being proposed and consider them to be comparable to costs Council would incur if undertaking the works. This assessment comprised of assessing the supplied rates against previously completed works with appropriate escalation factors applied. Hopkins have also provided a second tendered amount for the works as part of the demonstration of value for money.

The remaining works to facilitate development as shown in the design plans are intended to be completed by Council's Project Delivery team using monies allocated to the Operation Plan.

The total cost estimate (including a 20% contingency allowance) for the delivery of all works is $4,955,000, an additional $2,485,500 is proposed to complete the remaining works, however, greater certainty is required on the timing of these works, pending developer activity.

5. Legislative and Policy Implications

The matter complies with legislative requirements under the Water Management Act. The works in kind agreement process for these works adheres to Council's Work in Kind Policy. The works have been assessed as qualifying as works in kind in accordance with the Policy by Council's Group Manager Utilities Planning and Design, noting the allocation in the Development Servicing Plan. It is recommended that Council enter into a Developer Works Deed for the works in kind.

6. Strategic Context and Implications

The provision of the additional sewer capacity is in line with the strategic sewer planning for the Area 15 Lakewood growth area.

7. Risk and Insurance Implications

The following risks have been identified:

- Construction Impacts: Potential disruption to local ecosystems, vegetation, and waterways during trenching and installation.
- Community Disruption: Temporary inconvenience to residents and businesses during construction (e.g. noise, traffic, access).
- Equity Concerns: Perception of preferential treatment if infrastructure benefits one developer more than others without clear justification.
- Stakeholder Engagement: Risk of community dissatisfaction if communication is not transparent or inclusive
- Procurement Transparency: Risk of perceived lack of fairness due to not calling tenders under Section 55(3)(i), even if justified.
- Policy Compliance: Potential misalignment with Council's Works-in-Kind Policy if documentation or approvals are incomplete.
- Financial Exposure: Risk of cost overruns or disputes over reimbursement if scope or valuation of works is not clearly defined.
- Legal Risk: If the Developer Deed is not properly executed or if land access issues re-emerge, it could delay or complicate delivery.

Risk mitigation measures include:

- Council retains the authority to withhold the Section 307 Certificate of Compliance under the Water Management Act for the development lots associated with DA2023/73 until it is satisfied that all sewer infrastructure works have been completed in accordance with Council's AUS-SPEC standards.

- Payment schedules will be arranged to ensure works being completed on Council's Pump Station to facilitate the Sewer Trunk Main will be completed first. A total of $377,460 of Sewer Contribution payment has been made by the developer, this cost will cover any risks associated with damage to Council Infrastructure/property during the course of the Construction.

- Council proposes a security bond and/or retention of monies that can be released at end of Defects Liability Period pending no outstanding issues.

8. Engagement and Consultation

Internal consultation was undertaken with the following Council staff in development of this report:

- Director Community Utilities
- Group Manager Utilities Planning and Design
- Utilities Design and Development Manager
- Reticulation Networks Manager
- Strategic Land Use Planning Manager

External consultation has occurred with:

- Jojeni Pty Ltd (Director) - Developer

9. - Hopkins - Developer's Planning Consultant**Civic Leadership**

The delivery of the Area 15 Trunk Sewer Main demonstrates Council's commitment to civic leadership through responsible infrastructure planning that aligns with Environmental, Social, and Corporate Governance (ESG) principles. Environmentally, the project supports sustainable urban growth by enabling efficient wastewater management and reducing future ecological impacts. Socially, it facilitates the timely release of residential lots, contributing to housing supply and community development within the Lakewood precinct. From a governance perspective, the proposed Developer Works Deed with Jojeni Pty Ltd reflects transparent and accountable decision-making, ensuring infrastructure is delivered in a cost-effective manner while upholding Council's Works-in-Kind Policy. This approach reinforces Council's role in proactively managing growth and delivering public value through collaborative partnerships.

Options

If the above recommendation is not adopted, it is Council's preferred alternate outcome to complete all Area 15 Trunk Sewer main works as one package of works delivered and managed by Council's Infrastructure Delivery Team. However, this presents a high risk of works clashing with the already underway subdivision works and has implications with Work Health and Safety legislation where more than one principle contractor is working on a particular site, therefore this approach is not recommended.

Attachments

1. Letter Hopkins Consultants - Woodlands Estate - Trunk Sewer Main 2024 07 23.pdf
2. Email - DA2023-73 - Woodlands - Trunk Sewer Works - Quotation CMH to MH 85 Developer Deed 2025_redacted
3. Letter 2 - Trunk Main Developer Works Deed and Contribution - Response to Council 2025 08 29_redacted
4. GHD - Lakewood Area 15 Gravity Trunk Mains IFC design REV 2 2025 04 17 - Site Layout Plan.pdf
5. DRAFT - Developer Works Deed - Area 15 Trunk Sewer Main Installation - Jojeni Investments Pty Ltd

Item: 14.02

Subject: Policy Review - Recycled Water Services

Presented by: Community Utilities, Narelle D'Amico

Recommendation

That Council:

1. **Place on public exhibition the draft Recycled Water Services Policy, commencing as soon as practicable for a minimum of 28 days.**
2. **Note that a further report will be tabled at the December 2025 Ordinary Council meeting, detailing the submissions received from the public during the exhibition period and any subsequent changes made to the Policy.**

Executive Summary

The attached Recycled Water Services Policy further details the framework as it relates to the supply and distribution of recycled water, and associated responsibilities.

The Recycled Water Services Policy has been reviewed in line with the adopted review period timeframe. This review has not resulted in any significant content changes or updates. There have been a number of minor amendments made, and these are outlined in Attachment 2.

In line with standard practice and to support the Policy review, it is recommended that the Policy is placed on public exhibition for at least 28 days to give the community an opportunity to make a submission providing feedback.

Report

1. Background

The Recycled Water Services Policy was adopted in 2023.

This document provides information on Council's recycled water schemes and guidelines for the use and operation of recycled water. The document includes information relating to the Bonny Hills/Lake Cathie recycled water scheme, particularly noting the specific requirements for recycled water production, distribution and use. Recycled water is a key part of ensuring water security for the Local Government Area, and as such, the appropriate management and use of this valuable resource is vital. As the recycled water network expands, this document will continue to be updated to accurately reflect the supply and usage requirements.

2. Discussion

Port Macquarie-Hastings Council (Council) is committed to providing high quality recycled water that consistently meets or exceeds expectations and regulatory requirements, including Australian Guidelines for Water Recycling (AGWR) 2006.

Council has a demonstrated commitment to:

- maintain and implement a water management system that is consistent with the AGWR 2006 and to the satisfaction of NSW Health

- use a risk-based approach in which all potential risks to recycled water quality are identified and effective measures are taken to minimise any threat to supply.
- undertake accurate, timely, and meaningful monitoring and reporting to supply timely and relevant information to customers and regulators that supports confidence in the supply
- ensure effective incident and emergency response plans are in place, reviewed and actioned if required
- ensure all water supply staff involved in the supply of recycled water are aware of the importance of maintaining recycled water quality at all times, including the provision of water industry training.
- respond to customers' concerns in a timely manner
- engage in the development of industry regulation and guidelines, and undertake targeted research and development
- use an Integrated Water Cycle Management approach to identify issues and inform long-term planning and strategies, and to continually review and improve work practices by assessing the performance of the water supply system against criteria including the AGWR 2006 considering customers, regulators, and business drivers.

The Policy applies to Council activities as well as the activities of Council's recycled water customers and delineates responsibilities of relevant parties. It should be considered in parallel to Council's Water Services Supply Policy.

Review of this Policy incorporates relevant legislation and documentation released from relevant NSW state agencies and best practice guidelines.

3. Conclusion

The Recycled Water Services Policy is a key document in understanding the commitments and responsibilities of Council and the community relating to the supply and use of recycled water within our local government area. It is recommended that the Policy is placed on exhibition for the public to provide feedback on the content.

Key Considerations

4. Financial and Economic Implications

There are no financial or economic implications resulting from this Policy.

5. Legislative and Policy Implications

This is a revision of the existing Recycled Water Services Policy that was adopted by Council in 2023.

6. Strategic Context and Implications

No changes made have altered strategic implications.

7. **Risk and Insurance Implications**

No changes made will result in risk or insurance implications.

8. **Engagement and Consultation**

Internal staff consulted for the Policy review included:

- Innovation, Process & Compliance Manager
- Process Planning Engineer
- Water & Sewer Compliance Coordinator
- Water & Sewer Compliance Officers
- Utilities Process Manager
- Water Operations Coordinator
- Process Engineer
- Group Manager Utilities Planning & Design

9. **Civic Leadership**

Nil.

Attachments

1. DRAFT Recycled Water Services Policy 2025 - for exhibition .pdf
2. Documentation of changes made to draft Recycled Water Services Policy

Item: 14.03

Subject: **Extension of Contract T-20-23 Pipe Relining and Relaying Works (Sewer, Stormwater and Water Mains)**

Presented by: Community Utilities, Narelle D'Amico

Recommendation

That Council:

1. **Request the Chief Executive Officer to enter into negotiations to vary Contract T-20-23 Pipe Relining and Relaying Works (Sewer, Stormwater and Watermains), extending the contract for a further period of seven (7) months until 30 June 2026, in accordance with the Contract's terms and conditions.**
2. **Delegate authority to the Chief Executive Officer to negotiate and execute the Contract extension agreement with:**
    - **Wilmot Pipelining**
    - **Total Drain Cleaning Services**
    - **M.C. Dirtworks**
    - **Interflow Pty Ltd**
    - **Insituform Pacific Pty Ltd**
    - **Fitt Resources Pty Ltd**
    - **Eire Constructions Pty Ltd**
    - **Downer PipeTech**
    - **Ditchfield**
    - **Abergeldie Rehabilitation**

    for a period of up to seven (7) month period ending by 30 June 2026, in accordance with the current contract's terms and conditions.
3. **Note that procurement planning is underway for an open tendering process to be advertised in early 2026 for a new contract for Pipe Relining and Relaying Works (Sewer, Stormwater and Watermains) with an anticipated award by June 2026 and commencement 1 July 2026.**

Executive Summary

The existing Contract T-20-23 for Pipe Relining and Relaying Works (Sewer, Stormwater and Watermains) commenced on 1 December 2020 for an initial period of three (3) years, with a further two (2) x one (1) year period options to extend. This contract is due to expire on 30 November 2025.

This report seeks Council approval to extend the current contract for a further period of seven (7) months to ensure that we have the ability to procure from the existing panel during emergency issues. Noting the expiration of the existing contract and the potential commencement date of a new contract, an extension to the existing contract is necessary to bridge the gap and prevent any disruption to Water and Sewer Operations' ability to address emergency works. This extension will allow sufficient time to prepare new procurement documents for an open tendering process for Pipe Relining and Relaying Works (Sewer, Stormwater and Watermains).

Report

1. Background

Council's current Contract T-20-23 provides for the provision of pipe relining and relaying services to support both proactive maintenance and reactive emergency works. These services are essential for the effective management of Council's water, sewer, and stormwater networks, which comprise approximately 726km of sewer mains, 12,434 manholes, 331km of stormwater pipelines, and 13,612 stormwater pits.

A combination of ageing infrastructure, pipeline materials, and environmental factors contribute to the deterioration of these networks. This can result in infrastructure failures such as sinkholes, erosion, and sedimentation, as well as environmental incidents, including sewer surcharges. To address these challenges, Council has committed budgets for sewer and stormwater renewal works as part of its ongoing capital and operational programs.

Sewer relining forms a critical component of the sewer capital works program. It is used both as a proactive measure to extend the life of existing assets and as a reactive response to sudden failures such as sewer line collapses. Budgets for 2025-2026 have been approved, and contracts for the scheduled proactive relining program are already in place.

The proposed extension of Contract T-20-23 will ensure continued coverage for reactive and emergency works while the tender process for establishing a new panel arrangement is finalised. This will provide Council with the necessary operational flexibility to respond promptly to unplanned network failures and maintain continuity of essential services.

2. Discussion

<u>Project Benefits</u>

Extension of this contract will provide PMHC Water and Sewer Operational Teams the ability to engage contractors from the panel to ensure that the Principal's requirements can be serviced when the need arises and pricing can be achieved using the Volume 4 Schedule of Prices and the project-specific Works Order.

Panellists may be engaged directly or may be required to provide quote(s) for project-specific Works Orders in line with the Volume 4 Schedule of Prices. In cases where quotes are requested, they will be requested electronically by emailing a 'Request for Quote' to appointed Contractors. The appointed Contractors are to base the quote on the maximum rates set out in the Volume 4 - C2 Schedule of Prices. All quotes must be provided at no cost to Council. Council will accept a quotation by issuing the successful Contractor with a Purchase Order to perform the Works.

<u>Request for Tender</u>

Preliminary planning has commenced to prepare the necessary tender, specification, and procurement documentation for a new panel arrangement for Pipe Relining and Relaying Works (Sewer, Stormwater and Watermains). The Pipe Relining and Relaying Contract is inherently complex and requires a significant time investment to adequately develop a comprehensive scope of work, ensure regulatory compliance, and address operational and service delivery requirements.

Our commitment to a fair and transparent process demands that all tenderers are afforded equal opportunity and a level playing field. Denying a proper transition period would:

- create an unfair advantage for the incumbent contractor
- undermine public trust in Council's procurement practices.

The open tendering requirements for the new panel arrangement for Pipe Relining and Relaying Works (Sewer, Stormwater and Watermains) contract will be advertised by early 2026, with contract award planned by June 2026 and commencing 1 July 2026.

3. Conclusion

It is intended that Council enters into negotiations with the current Panel for a seven (7) month contract extension ending 30 June 2026, under the same terms and conditions as the existing contract and including provisions for tendered rates and prices. Any rate adjustments will be made in accordance with the Contract, Schedule C2 - Schedule of Prices, Item 1.1.1 Pricing Schedule, reflecting CPI adjustments.

Key Considerations

4. Financial and Economic Implications

If the recommendation is supported, the financial impact will align with the existing Contract's tendered rates and prices, which will remain in place. It is noted that rate adjustments may occur in accordance Contract, Schedule C2 - Schedule of Prices, Item 1.1.1 Pricing Schedule, reflecting CPI adjustments.

5. Legislative and Policy Implications

The original procurement process for the establishment of this panel arrangement was undertaken in accordance with the Local Government (General) Regulation 2021, Council's Procurement Policy, and the associated Tendering Procedures.

The proposed extension to 30 June 2026 is intended to provide sufficient time to complete a thorough and robust procurement process for the new panel arrangement. The forthcoming procurement will likewise be undertaken in full compliance with the requirements of the Local Government (General) Regulation 2021, Council's Procurement Policy, and Tendering Procedures to ensure transparency, probity, and value for money.

6. Strategic Context and Implications

This project aligns with Council's Community Strategic Plan:

Community Strategy 1.3 - Ensure our water supply and wastewater networks are safe reliable and designed to meet current and future needs

7. Risk and Insurance Implications

The proposed extension of Contract T-20-23 will ensure continued coverage for reactive and emergency works while the tender process for establishing a new panel arrangement is finalised. Failure to extend this contract will leave Council without a direct path to engage external contractors potentially exposing us to increased risk during an emergency event.

8. Engagement and Consultation

Internal consultation with Council staff in the development and assessment of this RFT, including:

- Director Community Utilities
- Group Manager Utilities Operations
- Reticulation Networks Manager
- Procurement Manager

9. Civic Leadership

Sewer and stormwater network management reflects Council's role as a civic leader in delivering essential infrastructure that safeguards community wellbeing and protects the natural environment. By extending the existing Pipe Relining and Relaying Panel arrangement, Council demonstrates responsible stewardship in ensuring continuity of critical services while preparing a robust and competitive procurement process for the future.

This approach aligns with Council's commitment to Environmental, Social, and Governance (ESG) principles by:

Environmental: Proactively managing aging infrastructure to reduce the risk of sewer surcharges, overflows, and pollution incidents, thereby protecting waterways and surrounding ecosystems.

Social: Supporting public health and community amenity through reliable sanitation services, while ensuring transparency and accountability in how works are planned and delivered.

Governance: Maintaining strong probity and compliance with legislative frameworks, ensuring that decisions balance efficiency with long-term sustainability.

Council's proactive investment in pipe relining and relaying demonstrates its capacity to transform infrastructure challenges into opportunities for innovation. By extending asset life, reducing costly emergency repairs, and minimising disruption to the community, Council continues to deliver value for money and strengthen community confidence in the management of critical utilities.

Options

Council has the following options:

1. Support the recommendation

By supporting the recommendation to extend the existing panel arrangement, Council will ensure continuity of critical pipe relining and relaying services until a new procurement process can be completed. This approach maintains compliance with legislative requirements, avoids service delivery risks, and allows sufficient time for a fair and robust tendering process.

2. Not support the recommendation

If Council chooses not to support the recommendation, the current panel will expire on 30 November 2025, leaving no contractual arrangement in place for these essential services. This option introduces significant operational and financial risk, particularly in the event of emergency works, and could compromise Council's ability to maintain essential sewer and stormwater infrastructure.

3. Make changes to the recommendation

Council may wish to amend the recommendation, for example by approving an alternative extension period or imposing additional conditions on the continuation of the current panel. While this provides flexibility, any shortened timeframe or additional requirements may place undue pressure on the procurement process and limit Council's ability to secure value-for-money outcomes.

4. Seek further information

Council could defer the decision and request further information before making a determination. While this option provides additional assurance to Council, it risks delaying approval beyond the expiry of the current panel and may impact Council's ability to respond to infrastructure needs in the interim.

Attachments

Nil

Item: 15.01

Subject: Notice of Motion - Resolutions Register

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

Recommendation

That Council request the Chief Executive Officer to provide to each Ordinary Council meeting an outstanding resolutions report that details all resolutions of Council requiring action that are currently outstanding.

Comments by Councillor Edwards

Although Council does maintain a resolutions register, and the minutes are a record of Councils' decisions, I feel there is a need for some form of reporting on the status of actions, particularly actions outstanding, that Council has supported or endorsed to occur through a resolution.

Comments by Chief Executive Officer

Implementation of the recommendations intent if supported assists with transparency and accountability for implementation of the decisions of Council.

Council is currently implementing a new electronic business paper system and may result in the current manual spreadsheet resolutions register becoming obsolete. This should not prevent the ability for Council to implement this resolution, if successful, however it is noted that its appearance and features may differ than what is currently available.

It is suggested that consideration of a quarterly report rather than monthly report may be appropriate so as to minimise additional resourcing requirements to produce reports on a monthly basis.

Resourcing Implications

With the implementation of a new electronic business paper system in progress, resourcing requirements to implement the recommendation, is successful, have not yet been able to be determined.

Financial Implications

There are no financial implications as a result of this motion.

Policy Implications

There are no policy implications as a result of this motion.

Attachments

Nil

Agenda

Subject: Adoptions of Recommendation from Confidential Session

Recommendation

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

   Item 16.01 Extension of Waste Collections, Processing of Dry Recyclables and Organics Processing Contracts

   This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

   Item 16.02 2024.067.01 Design and Construction of Thrumster Wastewater Treatment Plant Tender

   This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

   Item 16.03 2024.096 Phase 2 Landfill Gas System Implementation

   This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

   Item 16.04 2024.144 Operation of Port Macquarie Hastings Council Vehicular Ferry Services Tender

   This item is considered confidential under Section 10A(2)(c) of the Local Government Act 1993, as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
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.**