KEMPSEY SHIRE COUNCIL

NOTICE OF MEETING

A COUNCIL MEETING WILL BE HELD ON TUESDAY 16 FEBRUARY 2016
AT THE CRESCENT HEAD SURF CLUB
1 RANKINE ST
CRESCENT HEAD
COMMENCING AT 9.00AM

BUSINESS
1 OPENING PRAYER
2 ACKNOWLEDGEMENT OF COUNTRY
3 APOLOGIES
4 DECLARATIONS OF INTEREST
5 ASSESSMENT OF ITEMS LISTED FOR CONFIDENTIAL CONSIDERATION
6 CONFIRMATION OF MINUTES
7 CITIZENSHIP CEREMONIES
8 PUBLIC FORUM / PRESENTATIONS
9 CONSIDERATION OF MOTIONS FOR SUPPLEMENTARY REPORTS AND MOTIONS FOR CHANGES TO THE ORDER OF BUSINESS
10 CONSIDERATION OF REPORTS RELATING TO PUBLIC FORUM MATTERS
11 CONSIDERATION OF REPORTS RELATING TO A CONSENSUS MOTION
12 MAYOR’S REPORTS
13 STAFF REPORTS
14 RESCISSION MOTIONS
15 NOTICES OF MOTION
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1 OPENING PRAYER

"Dear Lord, help us in our deliberations today so that our decisions will be for the greater good for the whole of Kempsey Shire - Amen".

2 ACKNOWLEDGEMENT OF COUNTRY

"Council acknowledges that this meeting is being held on the traditional lands of the Dunghutti People".

3 APOLOGIES

That the apology submitted by Councillors for non-attendance at the meeting be accepted and leave of absence granted.

4 DECLARATIONS OF INTEREST

That Councillors’ declared interests be noted.

5 ASSESSMENT OF ITEMS LISTED FOR CONFIDENTIAL CONSIDERATION

That the confidential reports be considered in the confidential section of the meeting.

6 CONFIRMATION OF MINUTES

That the Minutes (15.12.2015 Minutes).pdf of the ordinary meeting of Kempsey Shire Council dated 15 December 2015 be confirmed.

RECOMMENDED:

That the minutes of the ordinary meeting of Kempsey Shire Council dated 15 December 2015 be confirmed.

7 CITIZENSHIP CEREMONIES

8 PUBLIC FORUM / PRESENTATIONS

Public Forum

1 – Ms Robyn Harvey will address Council speaking in relation to a non-agenda item - Crescent Head Foreshore Reserve car Parking - proposed changes.
Mervyn Cunningham will address Council speaking in relation to a freight hub

Presentations

- Mayoral Community Fund recipient, Terry Witchard from the Macleay Valley Education Fund, has accepted the offer to make a 10-minute presentation at the February Council Meeting.

  Terry has also asked the Mayor to present certificates to six students who have recently benefited from the Fund.

9 CONSIDERATION OF MOTIONS FOR SUPPLEMENTARY REPORTS AND MOTIONS FOR CHANGES TO THE ORDER OF BUSINESS

That the Agenda Order of Business be adopted and the late reports be considered in conjunction with the relevant Councillor or Community Strategic Plan reports.

10 CONSIDERATION OF REPORTS RELATING TO PUBLIC FORUM MATTERS

That the reports relating to the items dealt with in Public Forum be brought forward and dealt with immediately.

11 CONSIDERATION OF REPORTS RELATING TO A CONSENSUS MOTION

The following items will be enacted by one motion unless a Councillor or citizen of Kempsey Shire Council requests the item be considered separately.

RECOMMENDED:

That the recommendations contained in items 8 – 13 and 17 - 19 in the current agenda as listed be adopted.

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Nil
ITEM 1  RANKINE STREET CARPARK

Delivery Program Activity: (SOD-01-04) Maintain car parking throughout the Shire

Reporting Officer: Director Sustainable Environment

Effect of Recommendation on Budget: Nil

File: TQE14/5

REPORT SUMMARY

Reporting on the status of negotiations related to the expression of interest received for the possible sale of the Rankine Street carpark at Crescent Head.

RECOMMENDATION

That the information be noted.

COMMENTARY

On 18 June 2013, Council resolved to advertise seeking expressions of interest (EOIs) relating to the possible sale of Council’s carpark at Rankine Street, Crescent Head, including how it is proposed to provide adequate parking in the CBD area.

One EOI was received during the specified advertising period on 29 August 2014 (NOTE: For personal reasons the proponent has requested not to be named at this stage which remains the case).

On 18 September 2014 a public meeting was held to discuss the EOI which included a concept proposal for a 2/3 storey building comprising:-

- 26 room boutique hotel
- 300m2 of retail floor space
- Function room
- Hotel Restaurant
- Basement parking (15 spaces)

Issued raised at the public meeting included:-

- Compliance with height limit
- Provision of on-site parking
- Provision of public parking in vicinity
• Must retain as public car park
• Provision of disabled parking
• Retail floor space not required
• Loss of views
• More public toilets on the site
• Disruption to sea breezes
• Stormwater disposal

An update was provided to Council following its extraordinary meeting on 28 October 2014, including feedback provided at the public meeting and issues considered to be of relevance to continued negotiations with the proponent.

By letter of 30 October 2014, the proponent was advised of Council’s interest in continuing negotiations, contingent upon the following matters being adequately addressed:-

• Carparking offsets
• Scope of development site
• Demonstrated need for retail component
• Details of payment options
• Financial viability analysis
• Timing of the development
• Demonstrated financial capacity
• Process for negotiations/community, involving:-
  - An undertaking to consult with the Crescent Head community throughout the process of developing the development concept.
  - Upon receipt of written advice from proponent to proceed, a report to be presented to Council seeking a resolution as to whether it wishes to proceed, including any preliminary terms.
  - In the event Council resolves to proceed with negotiations, hold further discussions with the proponent to reach agreement on the revised concept, following which Council will consult with the community concerning the revised development concept, including parking offsets.
  - Any comments received from the community to be included in a further report to Council seeking a resolution to continue negotiations.
- Should Council resolve to proceed, it is likely that any contract of sale would be contingent upon approval of a DA under terms which are acceptable to each party. It is anticipated that Council’s agreement to the DA plans will be required prior to lodgement of any DA.

- Depending on the capital investment value, pursuant to clause 20 of State Environmental Planning Policy (State and Regional Development) 2011, the development may be Regionally Significant Development with the Northern Joint Regional Planning Panel being the relevant consent authority. The DA would be notified in accordance with Council’s policy and Council is likely to appoint an independent consultant to assess any DA. In the event the JRPP is not the relevant consent authority, Council would explore other means of appointing an independent assessment panel, the recommendations of which would be binding upon Council.

Council has made numerous contacts with the proponent’s representative since issuing a response to the EOI by letter of 30 October 2014. Although expressing a desire to continue negotiations, no response to Council’s letter has been received.

On 3 February 2016, the proponent’s representative advised that the proponent remains strongly interested in the site, is continuing to liaise with investors and architect, and appreciates Council’s patience. The proponent’s representative requests that Council agree to receive a detailed proposal addressing the matters raised by Council by 30 June 2016.
ITEM 2  PUBLIC PRIVATE PARTNERSHIP FOR KEMPSEY CINEMA PROJECT

<table>
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<th>Reporting Officer:</th>
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<td>(WD-03-02) Increasing value in local businesses</td>
<td>General Manager</td>
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<td>Effect of Recommendation on Budget:</td>
<td>File:</td>
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<td>Unknown at this stage</td>
<td>F12/1377</td>
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REPORT SUMMARY

Report on the development of a Public Private Partnership to deliver cinema services to the community, to be located in Kempsey’s Central Business District.

RECOMMENDATION

That a Public Private Partnership be entered into to provide cinema services located in Kempsey.

COMMENTARY

Council has previously resolved to apply under the Stronger Regions Fund for funding to construct a cinema complex in Kempsey, with the aim of reducing retail leakage and providing what is seen as essential community recreational services. Council was successful in the application, and as such, the project is considered viable now that a funding source has been found.

The process of applying for funding, the uncertainty as to whether funding would be made available, and the timeframes meant that Council has to develop a working concept in a relatively short period of time. It was seen that to successfully run a cinema complex would require a specialist firm to determine the financial viability and provide advice on the direction forward. Various options for establishing a premises were also investigated.

Initial information from a previous partner looking to establish a cinema indicated that it would be unviable on purely commercial terms to establish a cinema operation in Kempsey, or in fact in many regional locations. The primary reason for this is that the capital cost of the building would make the operations unviable.

These factors led to the Council entering into a partnership to investigate and develop a concept that would be workable due to the lack of other viable alternatives. It is fair to say that this has required a considerable input of time and effort on behalf of Gowings and Majestic Cinemas, who have both been working to develop a concept that is sustainable and also benefits the community.

Now that Council has been successful in securing the grant, the project needs to be moved from a concept to a reality. There is still a lot of work to be done in making the cinema a reality, but there are first steps that need to be undertaken, and this report pertains to the requirements for approval to enter in further development of the partnership that has developed to win these grant funds.
Requirements for Public Private Partnerships

Separate legislation and guidelines exist for Councils undertaking Public Private Partnerships (PPP). The definition of a PPP is very broad and as such it is better for Council to have gained approval on the basis of the project falling under the classification than not to do so.

Such agreements require Council to have formally resolved to enter into such a relationship. An application is then required to be made to the Director General of the Office of Local Government seeking approval for the PPP.

A PPP can be either a significant or non-significant. The size of the proposal would mean that the PPP is not significant, meaning that the proposal can be signed off by the Director General of the Office of Local Government. The Director General may also refer the matter to the Project Review Committee, but the size and nature of the arrangements being considered here are seen to be unlikely to trigger that need.

It is only once the Director General has provided agreement for the Council to proceed that Council has authority to enter into binding contractual agreements.

Development of the PPP so far

Generally councils would go out to tender or Expression of Interest (EOI) to determine the best value outcome for the community. In this situation it is not considered viable to go out to the market in relation to the location for the cinema. The cinema needs to be located in or very close to the Kempsey CBD and needs to have highway frontage (at least for signage) to Smith Street and Belgrave Street. This distinctly limits the site options. The building sites that would potentially meet these requirements would all need to be demolished and newly rebuilt. The size and dimensions of what is needed for a cinema complex and the age of the buildings mean that the cost of trying to refurbish would exceed the cost of demolishing and rebuilding.

There are limited new cinemas being built in rural areas. The following table shows arrangements that are currently under consideration or have just been completed that have been found on the internet. In the first instance the Council has received a new carpark in exchange for allowing a cinema to be constructed over Council owned land. In the other two cases, the Council is constructing the building and then seeking a leasehold tenant.

<table>
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<tr>
<th>Location</th>
<th>Year</th>
<th>Cinema Cost</th>
<th>Screens</th>
<th>Council Contribution</th>
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<tbody>
<tr>
<td>Holdfast Bay, SA</td>
<td>Under construction</td>
<td>$17m</td>
<td>8</td>
<td>$2.5m (towards carpark)</td>
</tr>
<tr>
<td>Queanbeyan, NSW</td>
<td>Proposed</td>
<td>$6.7m</td>
<td>8</td>
<td>$6.7m</td>
</tr>
<tr>
<td>Lake Haven, NSW</td>
<td>2015</td>
<td>$6.7m</td>
<td>8</td>
<td>$6.7m</td>
</tr>
</tbody>
</table>

These figures indicate that the current indications of costs for capital constructions reflects a result lower than the expected market costs of purchasing land, demolishing the existing building and then constructing a new cinema. Gowings have invested considerable resources into developing a proposal for how to viably site a cinema in a suitable location. Our testing of the market for premises, previous costings of construction and other council’s estimates of construction indicates that we will not gain a better outcome than what has been developed through the partnership to provide a location for a cinema to operate through.

In terms of an operator, Council was initially in discussions with a party to establish a cinema. That proposal sought annual subsidies from Council towards the cost of running the cinema. That
approach, which did not come to fruition, sparked a search for another partner that would be interested in running a regional cinema. Three cinema chains known to operate in regional NSW were approached. From those we received some initial feedback from one, no response from another, and Majestic continued to work with Council on looking at options. The number of cinema operators in the market is small and this limits the effectiveness of and Expression of Interest process as there is a need to develop a proposal through in-depth discussions and analysis of options. This is more so the case where there is no compelling business case that would drive the introduction of competition.

Majestic Cinemas has also provided substantial work in developing a proposal in a relatively short period of time to allow Council to submit a grant application. This has meant sharing of commercial in confidence material in a very open way that would not be possible under a tendering situation.

It is not considered that Council could have developed a workable solution to the issue using a traditional bidding process and thus would not have achieved the $2 million in grant funding. The work that has been done so far indicates that there is little value to be gained from testing markets more than has already been done. By being willing to work in partnership the community is gaining good value in that the partners are all seeking to find the best solution for the community that will work for all involved.

Risk Management – Partnership Approach

To offset the risk presented by not working in an arms-length tendering type situation it is proposed that there will need to be other controls put into place. The first is that a Probity Officer should be appointed. The Probity Officer is a person independent of the organisations who reviews what occurs to provide oversight. They would attend all meetings and review the actions of the parties.

The second factor proposed is to have the final negotiated position assessed by an external third party to undertake a prudential review and provide an opinion to Council as to whether the position reached would seem to reflect as good a value as would have been achieved by testing the market. Additionally, this check should advise as to whether the project is assessed as financially reasonable.

These two aspects are seen as providing oversight within the negotiations and a transparent check on the outcomes. Despite involving some costs, it is expected that the benefits that will be gained from developing the proposal as a partnership compared to the formal process of undertaking an EOI process will outweigh the cost of the additional probity and checking costs.

Governance Structure

The arrangements for how best to structure and run the elements to get a cinema into operation should not been seen as finalised. There are still considerable investigations and negotiations that need to be undertaken and a range of different options for the structure of how the parties can come together are still possible.

However, to gain approval to enter into a Public Private Partnership a proposed governance model needs to be established. This can only be developed around the proposed structure as it currently is. At this stage the proposal is as follows:

1) The building would be owned by a commercial partner. They will provide the facility at a reduced rental rate to reflect the contribution towards construction costs provided by the Council (including the grant).
2) The Cinema would be run by a private partner who would have responsibility for running the business and would enter into a profit/loss sharing arrangement with Council to reflect the high business risk of establishing a cinema in a situation where it is not fully commercially viable.

3) The cinema operator partner would enter into an agreement to return capital invested by Council in the building, which would be linked to the business performance.

4) Council would enter into an agreement with the cinema operator partner to ensure that the cinema operations can be established and made viable.

Risk Profiling of Project

Based on the population of Kempsey and the expected feed-in areas, it is expected that the cinema would be catering to around 30,000 people. Reviewing the publicly available information on cinemas, this population would not be sufficient to make building a cinema a commercially viable proposition. This view has been put to Council officers from the industry and the work that has been developed supports that view. However, proposal developed in regions where the supporting population is in the order of 50,000 to 60,000 indicate the councils that are proposing to construct and lease cinema complexes have assessed it viable to gain a return of their capital investment (albeit not a commercial return on their investment) in a five-year period.

Working backwards from a larger population base, the indications are that the current financial modelling of Council shows that the population would be capable of supporting a cinema. However, the fixed cost of rental creates the greatest risk faced, as these fixed costs cannot be varied to suit attendances. Council has mitigated this by reducing the capital spend through attraction of grant funding and use of Council’s funds towards the capital costs.

Moree Council, in developing a business plan for considering redevelopment of a complex to include a cinema, indicated that research shows national attendance is 3.8 times per annum, with smaller cinemas in their regional area ranging between 1.1 to 2.5 visits. It would be expected that a larger centre, such as Kempsey, would have visitation rates in the range from 2.5 to 3.8 visits. This would give a range of 75,000 to 114,000 visitations. Another organisation undertook a survey and found visitation rates of 25% of the population attending a cinema monthly. This would give an indicative attendance of 90,000. On top of this would be visitations from tourists. This would be variable, depending on issues such as weather. The four-year average number of visitor nights of 1,120,000 provides a sizeable market to draw from that will assist in increasing visitor numbers. These visitors will be split between the South West Rocks cinema and any new cinema, but visitors to Kempsey and surrounds as well as Crescent Head are likely to be attracted to a new complex located in Kempsey when currently they would not attend the cinema.

The outcomes of the cost of operations will be dependent on a range of factors, but it is expected that attendances of around 90,000 would be a loss in the range of $0 to $100,000 being a likely outcome for that year. While there are no absolutes, there is no reason to consider that attendances around this level could not be achieved.
Establishment of Operations

In attracting an operator to establish a cinema, Council will need to accept a portion of risk as the population does make the operations high risk for a commercial operator. The primary risk will be in what time is taken to establish a regular customer base and change spending habits to incorporate cinema outings. This may take some time to establish. Offsetting this is the high support that has been shown for the cinema from the community. The 84% level of support shown in the poll undertaken should translate into early strong ticket sales, which should minimise the risk of the operations of the cinema not being able to operate profitably over the longer term.

It is not possible to determine the potential size of this risk at this stage, but it is expected that this would be an issue that would need to be considered in the ongoing development of the partnership.

Benefits

As is the case with many local government services, the benefits from the cinema will not come back to the Council itself. The primary benefits that are seen to come from the establishment of the cinema are:

1) Reduction of retail leakage: Currently people seeking a cinema outing need to leave Kempsey. In doing so, they also generally undertake other spending. Cinema visits have been identified as one of the factors that drags spending out of town.

2) Increased employment: The additional spend will lead to increased employment, in addition to the direct employment generated within the business operation itself.

3) Attractiveness to business investors: The most likely business investors are small to medium operators who will move with their business investment. These people are looking for lifestyle options and a cinema will increase the attractiveness of Kempsey as an investment option.

4) Improve social activities: There is a lack of entertainment options for residents and this will increase the options that are available.

Economic appraisal of the project estimates that during construction, the project will generate $9.45 million in output and $2.84 million in value-add, increasing wages by $2.15 million and creating an average 32 FTE jobs per year over a two-year period. Post-construction, the project will deliver $22.6 million in economic benefits over a 20-year period, employ 20 people each year of operation and attract 22,000 more visitors. This compares favourably with the risk profile that the Council will be exposed to.

Cost Impact

While there are a range of cost impacts that may change based on the risk factors, there are also known impacts of the proposal. The probity and review processes will likely take $5,000 to $20,000. It is likely that the Council would need to incur such costs in any event to ensure that the project is well thought through.
Council is utilising $2 million of its reserves in the project. In the short-term this will mean that the funds will not be earning interest while they are tied up in the project. This will impact on Council’s revenue by $50,000 per annum.

In summary, Council will have exposure to the financial risk that the funds on loan will not be able to be repaid. Based on current profiling, there is a degree of risk that Council will need to support the business operations. This is seen as highly likely in the start-up period. Negotiations will need to be undertaken to ensure that any risk is acceptable to Council and the operator of the cinema.

The Development application would normally have contributions equating to approximately $530,000, which in this instance would be council having to allocate funds to itself towards the future needs, rather than it coming in from a developer. These funds would not have eventuated as the development would never commercially occurred, but the Council will need to allocate the funds to the development reserve.
ITEM 3  2015/2016 OPERATING PLAN – SIX MONTH UPDATE

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<td>Director Community Engagement</td>
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<td>Effect of Recommendation on Budget:</td>
<td>File:</td>
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<td>Nil</td>
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REPORT SUMMARY

The six monthly review of the Operating Plan provides an update to the Councillors on the progress against the delivery plan. Corporate Key Performance Indicators (KPI's) are reported monthly to Council.

RECOMMENDATION

1. That the progress on the 2015/2016 Operating Plan be noted.

2. That the Review of Projected Commencement and Completion Dates be adopted.

COMMENTARY

The 2015/2016 Operating Plan – Six Month Update is attached [Appendix A – Page 1].

Highlights

Significant projects have been progressed over the past six months. Most notably the nearing completion of the Smith Street works. Work was suspended over the holiday period to maximise trade for the retail strip. Work has now recommenced with the project completion date of 31 March 2016. A successful marketing campaign was developed to promote Kempsey as a shopping destination running on commercial TV stations during December.

In November 2015 Council in pursuit of economic stimulus following the highway bypass and to encourage residential development in Kempsey Township adopted two moratoriums. First to encourage alfresco dining and commercial use of the footpaths in Kempsey Township, removing fees and charges for this activity. Second to promote residential development with the moratorium on Section 64 and 94 contributions in Kempsey.

These policies have been welcomed by the community and seen as a progressive step by Council.

In December 2015, 11 CCTV cameras were installed in the Clyde Street precinct and this was made possible with the support of local businesses allowing cameras to be installed on their buildings, use of electricity and the installation of an antenna.

Again, with the support of the community Riverside Park upgrade was completed. The outcome has been applauded by all and has seen a revitalisation of this recreation space.

Extensive work was also undertaken in the development of the grant application for the cinema. Now successful in achieving federal grant funding to pursue the project additional work will need to
be undertaken. This may need a review of some projects for the remaining six months of the Operating Plan.

Sound progress is being made on our Agricultural strategy with producers small and large appreciative of our focus in this area. The launch of the Macleay Valley Food Bowl website and branding strategy is lifting the profile of this area and realising positive outcomes.

Roads and Bridges Major Maintenance Program

Work is progressing on the 2015/2016 Roads and Bridges Major Maintenance Programs. While good progress is being made, adverse weather conditions in October/November did result in some delays to works and some adjustments to the program were necessary. Additional funding of $1.3M for “Blackspot” Safety Improvement works has also impacted on progress. It is a funding requirement to give these projects priority so that the works are fully complete by April 2016. Variations to the program were made and are outlined below.

Unsealed Roads Program

The program of gravel resheeting of unsealed roads is complete. Works undertaken included:

- Chain O Ponds Road (full length)
- Collombatti Road (from Chain O Ponds Road to Cedar Crossing Road)
- Inches Road
- Mighell Road (full length)
- Willi Willi Road (Sherwood Road to Turners Flat Road)
- Pipers Creek Road (4.5km)

Sealed Roads Program

The following projects in the sealed roads program have been completed:

- Peter Mouatt Street, South West Rocks
- Great North Road, Frederickton
- Stage 2 of Edinburgh Lane, West Kempsey
- Armidale Road rehabilitation near Mungay Creek Road
- Grassy Head Road (first 400m and the section of Blackspot works have been completed)

Works are currently in progress on:

- 2.7km of Crescent Head Road (works suspended over peak holiday period)
- 1.4km of Stuarts Point Road (works suspended over peak holiday period)
• Marsh Street, West Kempsey, Reconstruction
• Kemp Street, West Kempsey, Rehabilitation

Significant works are planned for completion in the next 6 months at:

• Armidale Road (Sherwood Road to Australian Solar Timbers entrance)
• South West Rocks Road at Kinchela Left Bank Road intersection
• South West Rocks Road (Old Station Road to Austral Eden Outer Road)
• South West Rocks Road (Belmore River Bridge to Darkwater Street, Gladstone)
• Old Station Road (South West Rocks Road to Belle Rio Close)
• Nance Road and Queen Street (South Kempsey industrial area)
• Robert Gardem Place, West Kempsey
• Short Street, West Kempsey
• Parkins Place, Frederickton
• John Street, Smithtown

Footpath Replacement Program

• Replacement of the footpath has been completed at John Street, Kempsey as planned.
• Replacement of failed sections of footpath at Phillip Drive, South West Rocks is programmed for April/May.

Kerb and Gutter Replacement Program

The kerb and gutter replacement program has not yet commenced. These works are planned to be undertaken between April and June.

Variations to the Roadworks Program

Detailed investigation and design work for Marsh Street and Kemp Street identified that the pavement and kerbing were in a very poor state and rehabilitation of the pavement alone would not give a satisfactory outcome. The kerbing was broken in many places and there was a high risk to pedestrians and primary school students. As these projects both front schools and churches it is considered that replacement of the failed kerbing in conjunction with rehabilitation and reconstruction of the road pavement was essential for public safety. The funding for Kemp Street was intended to undertake works from Tozer Street to North Street. Due to the higher cost to complete all of the work required in front of the schools/churches, the scope of work has been reduced. Further work north of Thompson Street will be included in the 2016/2017 Works Program.
Similarly, to provide additional funding for Marsh Street works proposed in North Street will be deferred to 2016/2017.

2015/2016 Blackspot Safety Improvement Program

Additional funding of $1.3M was provided through Roads and Maritime Services (RMS) under the Federal Government 2015/2016 Blackspot Program. This funding requires works to be given priority and to be completed by 30 April 2016. Last year the program was successfully completed within the timeframe allocated in the funding agreement which placed Council in a good position to be successful with applications for funding in this year’s program. As a result of this additional work there is a need to delay some of the planned works from the Operating Plan.

The projects funded were:

- Grassy Head Road at Middle Beach – This work is substantially complete except for a final seal coat on part of the length. A very poorly aligned and badly surfaced section of road has been significantly improved.

- Armidale Road at Skillion Flat – This work involves widening of the sealed pavement. It was suspended over Christmas but has recommenced and will be completed in February.

- Cochrane/Broughton Street Roundabout – This is a new roundabout to improve safety at this intersection. Work was suspended over Christmas and is nearing completion.

- Forth/Stuart Street Roundabout upgrade – This work is an upgrade of the existing roundabout. Works will commence in February.

- Armidale Road from Link Road to Heatherglenn Road – This project is awaiting Federal Government approval to a variation due to insufficient funding to undertake the originally approved works. It is expected that work will commence in February.

All Blackspot Program works should be completed by 30 April 2016 as required by the funding agreement.

Bridge Replacement/Refurbishment Program

The timber bridge replacement/refurbishment program is proceeding.

Refurbishment works have been completed at:

- Powicks Bridge, Secombs Lane

- Bococka Bridge, Mines Road

- Bridge No. 2, Mines Road

Bridge replacements are planned for Yellow Gully Bridge, Nagles Falls Road, Nulla Nulla Creek Road and the Killick Creek footbridge at Crescent Head. In addition to these works, the Point Briner footpath is planned for construction from February 2016.
Proposed variation to Bridge Replacement Program

The 2015/2016 Bridge Program includes replacement of McIntyres Bridge on Nulla Nulla Creek Road. This is a substantial 3-span structure and design work is progressing. It is likely that the cost estimate will exceed the budget allocation and also likely that the project will not be completed this year.

The replacement of the “Oil Terminal” footbridge at South West Rocks was listed for 2016/2017 program. This bridge is in a very poor state of repair and was recently damaged to the point where it was considered to be no longer safe for public use and it has been closed. Previous investigations have identified that the bridge is an important link to the beach and is used as part of a circuit by many residents who walk along the beach. It is not as highly used, as much as other bridges, which is why it has been further down the replacement list despite its poor condition. It is proposed to bring forward replacement of this bridge by deferring the replacement of McIntyres Bridge until 2016/2017 and it is recommended that this variation be adopted. Planning and design for the replacement of McIntyres Bridge will still continue in anticipation of the 2016/2017 program.

This footbridge and the remaining works in the program are expected to be completed by 30 June 2016.

Macleay Valley Way Works

Work has progressed on the upgrade of Macleay Valley Way funded by RMS in the handover agreement. To date the following works have been completed:

- Removal and replacement of the failed asphalt surface from Collombatti Road to North Street at Frederickton
- Removal and replacement of the failed asphalt surface south of the Kempsey Traffic Bridge
- Resurfacing from South Street to the railway overbridge at South Kempsey
- Resurfacing of the section north of the Slim Dusty Centre towards to the golf course

Work is currently underway on replacement of kerbing and resurfacing from Druitt Street to Little Rudder Street which will complete the major works funded under the handover agreement.

Kempsey Corridor Masterplan Works Program

Work is progressing on the projects funded under the Kempsey Corridor Masterplan Works Program.

- Smith Street – Refurbishment of the CBD in Smith Street from Belgrave Street to Forth Street was substantially completed under contract prior to the Christmas period. It was programmed for completion by 30 November 2015. Delays occurred and by agreement with the contractor and retailers, works were suspended from 1 December 2015 to 11 January 2016. It is expected that all works will be completed by 31 March 2016.

- Smith Street (north of Forth Street) – Alterations to traffic signals and kerb lines was substantially completed in conjunction with the CBD works. This work was programmed for completion by 30 November 2015 and will be fully completed by 28 February 2016. Savings have been made in regard to traffic signal relocations, allowing the footpath to be replaced across the full frontage of Coastline Credit Union and Kempsey Camping World.
• Smith Street (north of Stuart Street) – Work has commenced on reconfiguration of the traffic lanes and planting of trees. These works were originally planned for completion in September 2015 but delays occurred in commencing and the works were suspended over the Christmas period. Completion is now expected by 31 March 2016.

• Stuart Street – Construction of a footpath, planting of Red Cedar trees, fencing and provision of a rest stop was completed as programmed in October 2015.

• Belgrave Street – Works to primarily replace brick pavers in Belgrave Street between Smith Street and Stuart Street has commenced. The median garden beds will also be rejuvenated with new plantings. This work is ahead of the programmed schedule.

Further works are planned for Lower Belgrave Street; Lachlan Street, South Kempsey; and Macleay Street, Frederickton. Design issues with these works are expected to result in delays to the programmed work.

Review of Projected Commencement and Completion Dates

The commencement and completion dates for the projects listed in the Major Road Works Program have been reviewed and are contained within [Appendix B – Page 20]. The review lists the new completion dates and every endeavour will be made to meet this revised program. It is recommended that these revised dates be adopted.
ITEM 4  REQUEST TO VARY KEMPSEY AND FREDERICKTON CONTRIBUTIONS MORATORIUM PROCEDURE

Delivery Program Activity:  (HD-05-02) Ensure sustainability of infrastructure to meet expected future growth  Reporting Officer:  Director Sustainable Environment

Effect of Recommendation on Budget:  Unknown at this stage  File:  T6-10-379

REPORT SUMMARY

Reporting that a request has been received to vary Council’s Developer Contributions Moratorium – Townships of Kempsey and Frederickton procedure in relation to a proposed subdivision at West Kempsey

RECOMMENDATION

1. That the Developer Contributions Moratorium – Townships of Kempsey and Frederickton procedure be varied, subject to entering into a Deed of Agreement with Council as detailed in the following report.

2. That public notice of Council’s resolution be publicly notified in accordance with Section 356 of the Local Government Act, 1993,

COMMENTARY

Applicant:  Steve McEvoy (Voyee Pty Ltd)
Subject Land:  Lot 4 DP1124599, North Street, West Kempsey
Proposed Development:  33 lot residential subdivision

On 25 February 2013, development consent was granted for a 33 lot residential subdivision of the subject land.

Condition 50 requires the payment of a total of $298,380 (Indexed 15/16) in Section 94 contributions towards the provision of roads, public domain, open space and plan administration services which equates to $9,042 per lot.

In satisfaction of Condition 51, the payment of $574,761 in Section 64 water and sewer contributions is required which equates to $17,417 per lot.

At its meeting of 20 October 2015, Council resolved to adopt the Developer Contributions Moratorium – Townships of Kempsey and Frederickton procedure that provides for a sliding scale of concessions equivalent to 100% in Years 1 and 2 reducing to 55% in Year 5.

Applicant’s Proposal

Having regard to NSW Government requirements, Land Tax of over $3,000 per lot per annum is payable by developers on undeveloped lots. Under current and foreseeable market conditions, it is
likely to take 5 to 10 years to sell all lots within the subdivision. Under these conditions, the benefits of the moratorium would be significantly diminished by proceeding to submit a Subdivision Certificate to allow registration of a Plan of Subdivision for the entire 33 lots.

To avoid the need to pay land tax on lots that are likely to take a considerable period to sell, the applicant is proposing to submit applications for 5 separate Subdivision Certificates covering the entire subdivision and to seek registration of Plans of Subdivision as market demand dictates. The applicant has provided advice that the NSW LPI does not object to such a proposal.

The additional benefits to the community of the applicant’s proposal is that it will require the up-front completion of all engineering works (roads, kerb and guttering, footpaths, drainage, landscaping, intersection upgrade, electricity, telecommunications, water and sewer reticulation) for the entire subdivision estimated at $1.5 million, which will create a readily developable asset for housing investments.

The problem this creates for Council is that the release of 5 Subdivision Certificates without registering a Plan of Subdivision would effectively extend the 100% concession over an unlimited period, without resulting in the creation of residential allotments in the shorter term, thereby being contrary to the intention of the moratorium.

To address this problem, an agreement has been reached with the developer on a strictly without prejudice basis, subject to Council’s endorsement to allow the immediate release of multiple Subdivision Certificates as follows:

• Completion of all engineering works required for all stages of the subdivision.

• The owner entering into a Deed of Agreement which provides that Council will accept the payment of $1 in satisfaction of any requirement to pay contributions up to 27 October 2020. After 27 October 2020, contributions shall be payable at the rate applicable at the time, in accordance with Council’s Fees and Charges Schedule (or equivalent).

• The owner agreeing to the registration of a Caveat on the title of the englobo allotment that acts as a bar to transfer of allotments without the written authority of Kempsey Shire Council that the relevant terms of the Deed have been met.

• The owner agreeing to proceed to register a minimum of 10 lots within two years of release of the Subdivision Certificates.

The applicant has confirmed that he is agreeable to the above terms. Subject to Council’s endorsement of this agreement, the applicant has issued instructions to prepare the engineering plans for construction of the entire subdivision.

The additional concessions are considered to be justified for the following reasons:

• The agreement will result in an immediate capital injection rather than being spread over a period likely to be at least 10 years.

• The completed subdivision will provide an asset that has the potential to attract further investment without the need to extend infrastructure.
• Although other proposals would be considered on their merits, the proposal is unlikely to create a precedent, having regard to the current lack of zoned land for larger subdivisions in Kempsey and Frederickton. Should other land be rezoned to take advantage of the moratorium, similar agreements would be considered on their respective merits.

Local Government Act Requirements

It is noted that the effect of such an agreement would be an extension of a 100% concession over the full 5 year moratorium period, that is at variance to Council’s adopted procedure. The value of this concession will depend upon how many lots the developer is able to register within Years 3 to Year 5 of the moratorium.

Section 356(2) of the Local Government Act, 1993 provides:

356  Can a council financially assist others?

(1) A council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.

(2) A proposed recipient who acts for private gain is not ineligible to be granted financial assistance but must not receive any benefit under this section until at least 28 days’ public notice of the council’s proposal to pass the necessary resolution has been given.

(3) However, public notice is not required if:

(a) the financial assistance is part of a specific program, and

(b) the program’s details have been included in the council’s draft operational plan for the year in which the financial assistance is proposed to be given, and

(c) the program’s proposed budget for that year does not exceed 5 per cent of the council’s proposed income from the ordinary rates levied for that year, and

(d) the program applies uniformly to all persons within the council’s area or to a significant group of persons within the area.

(4) Public notice is also not required if the financial assistance is part of a program of graffiti removal work.

As the proposal does not satisfy sub-clauses (3)(a), (b) and (d), public notification of the benefit derived from the extended concessions is required.
ITEM 5  DRAFT KEMPSEY LOCAL ENVIRONMENTAL PLAN AMENDMENT NO.5 – RECLASSIFICATION OF COUNCIL OWNED LAND FROM COMMUNITY TO OPERATIONAL AT FREDERICKTON, EUROKA, YARRAVEL AND SOUTH WEST ROCKS

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>HD-04-03- Planning for a Sustainable Environment</td>
<td>Director Sustainable Environment</td>
</tr>
<tr>
<td>Effect of Recommendation on Budget:</td>
<td>File:</td>
</tr>
<tr>
<td>Nil</td>
<td>KLEP2013-AM-5</td>
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REPORT SUMMARY

Reporting on the public exhibition of the Planning Proposal to reclassify Council owned lands from Community to Operational, including the requisite Public Hearing under the Local Government Act 1993.

RECOMMENDATION

That Council exercise Delegation from the NSW Department of Planning and Environment to make the LEP Amendment.

Background

On 19 May 2015 Council resolved to seek a ‘gateway’ determination to proceed with the reclassification of various Council owned lands from Community to Operational.

The Department of Planning subsequently issued a Gateway Determination to proceed with the Planning Proposal. A copy of the Gateway Determination incorporating the Authorisation for Delegation is appended ([Appendix C - Page 21]).

Outcome of Public Exhibition and Public Hearing

The Planning Proposal was placed on Public Exhibition from 29 September 2015 to October 2015. One agency submission was received from the NSW Rural Fire Service and no community submissions were received. A copy of the NSW Rural Fire Service Submission is appended ([Appendix D - Page 26]).

A Public Hearing was required under s29 of the Local Government Act 1993 and was held on 17 December 2015 at the Kempsey Macleay RSL Club. The meeting was chaired by an independent Planning Consultant. One member of the public attended the hearing but did not raise any issues/concerns. The independent chair recommends the reclassification proceed in accordance with relevant statutory provisions. A copy of the report on the public hearing is appended ([Appendix E - Page 28]).

Details of Proposed Amendment

The objectives and intended outcomes described will be achieved by amending Schedule 4 of KLEP 2013 as proposed below.
Schedule 4 Classification and Reclassification of Public Land to be amended to add:

**Part 1 Land Classified, or Reclassified, as operational Land – no interests changed**

<table>
<thead>
<tr>
<th>Column 1 Location</th>
<th>Column 2 Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fredericton</td>
<td>Lot 34 DP 1033470 Yarrabandinni Road</td>
</tr>
<tr>
<td>Euroka</td>
<td>Lot 11 DP 816589 246 Euroka Road</td>
</tr>
<tr>
<td>Yarravel</td>
<td>Lot 36 DP 1011989 Crotty’s Lane</td>
</tr>
<tr>
<td>South West Rocks</td>
<td>Lot 8 DP 9232 18 Landsborough Street</td>
</tr>
</tbody>
</table>

**Subject Land**

**Extension to Frederickton Cemetery Lot 34 DP 1033470**

![Map of Frederickton Cemetery Lot 34 DP 1033470]
Euroka Cemetery – Lot 11 DP 816589

Lot 36 DP 1011989 – Proposed Cemetery at Yarravel
Final Steps

The NSW Department of Planning has issued Council delegation to make the plan. Council is requested to resolve to use the delegation in completing the plan.

A request to extend the Gateway Determination by three months has been submitted to the NSW Department of Planning and Environment as the Gateway will expire within a week of Council having considered this report.

The next steps will involve a report back to the NSW Department of Planning, obtaining legal advice from the Parliamentary Counsel approval of the amended Planning Instrument and then publication on the NSW Legislation Website.
ITEM 6 QUARTERLY BUDGET REPORT

<table>
<thead>
<tr>
<th>Delivery Program Activity: (CAD-02-02) Financial management</th>
<th>Reporting Officer: Manager Finance</th>
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<tbody>
<tr>
<td>Effect of Recommendation on Budget: Nil</td>
<td>File: F12/644-05</td>
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</table>

REPORT SUMMARY

Reporting that the Budget Review for the quarter ending 31 December 2015 has been prepared for all funds

RECOMMENDATION

That the Budget Review for the period ending 31 December 2015 is adopted and the variations contained therein are approved and financed from the sources as indicated.

COMMENTARY

The Budget Review has been prepared for the quarter to 31 December 2015.

In preparing the budget review every effort has been made to maintain the underlining budgeted cash result which was adopted by Council in the 2015/2016 Operational Plan.

The following documents are presented for Council’s information as [Appendix F - Page 30]:

- Report by the Responsible Accounting Officer that the quarterly budget review statement indicates that Council’s projected financial position will be satisfactory at year end.
- Budget Review Income and Expenses Statement which includes reference to a notes section detailing significant budget variances.
- Budget Review Capital Budget.
- Budget Review Cash and Investment Position.
- Budget Review Key Performance Indicators (KPI). KPIs incorporated within the annual Financial Statements have been included within Council’s Budget Review documentation.
- Contracts Statement detailing any contracts entered into within the quarter.

BUDGET SUMMARY

A comparison of the estimated financial result of each fund for the quarter is as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Original Budget</th>
<th>December Budget Review</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$8,893 (S)</td>
<td>$26,898 (S)</td>
<td>$18,005</td>
</tr>
<tr>
<td>Water</td>
<td>Nil</td>
<td>$0</td>
<td>$0</td>
</tr>
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</table>
### General Fund

The Budget Review reveals a $26,898 surplus this is an improvement of $18,005 on the $8,893(s) original budgeted result.

#### Surplus Variations

**Increased Income:**

- Additional Contribution to Graffiti Busters $5,000 (offset by increase in program budget).
- Contribution for Legal Expenses SWR caravan park $5,000 (offset expenses)
- $18,800 increase for Airport income in relations to the Flying College rental, offset by reduction Airport sundry income.
- Increase of $21,646 for various rental incomes for council land and buildings.
- $3,000 contribution for Willawarrin Show ring fence off set by expense.

**Decreased Income:**

- Removal of income $40,000 for OHS incentive program as program finished due to change in insurance provider, (offset by reduction in workers compensation costs).
- Decrease Airport house rental income of $7,772 as house no longer rented.

#### Decreased Expenditure

- Street Lighting costs $50,000
- Workers Compensation $40,000

#### Deficit Variations

**Increased Expenditure:**

- 4 Shore tourist parks operating costs $31,704 (funded from reserve)
- SES Contribution $12,700
- Airport Non Directional Beacon $5,800
- Public Halls water costs $5,200
- Graffiti Busters $5,000 (offset by income)
- Contributions to NSW Fire and Rescue and RFS $5,165

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<table>
<thead>
<tr>
<th>Fund</th>
<th>Original Budget</th>
<th>December Budget Review</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer</td>
<td>Nil</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>General Fund</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

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Capital Variations

- A reduction in capital grant income of $410,000 for the Crescent Head Reserve Toilet Block Replacement, this project is fully funded by Reserve.

General Fund – Accumulated Surplus (Working Funds)

Working funds comprise those uncommitted funds held by Council from surpluses generated in previous years. By nature working funds are readily convertible to cash in the short term. The working funds provide Council with a buffer against the impact of significant unbudgeted financial imposts.

Council’s current working fund balance is:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Balance as at 1/7/2015</td>
<td>$986,118</td>
</tr>
<tr>
<td>2015/2016 Budgeted Surplus</td>
<td>$26,898</td>
</tr>
<tr>
<td>Balance 30 June 2016</td>
<td>$1,013,016</td>
</tr>
</tbody>
</table>

Water Fund

The review reveals the budget remains in balance with no changes.
The accumulated fund surplus as at 30 June 2016 is estimated to be $604,117.

Sewerage Fund

The review reveals budget remains in balance with the following changes within the Sewerage Fund.

Variations

Sludge Management expenses increased by $18,700 this has been funded by a $12,400 reduction in capital projects and $6,300 savings in loan principal repayments in L1044 as rates more favourable than anticipated.

The accumulated fund surplus as at 30 June 2016 is estimated to be $856,135.
ITEM 7 REVIEW OF LOCAL GOVERNMENT ACT

<table>
<thead>
<tr>
<th>Delivery Program Activity: (CAD-01-03) Governance</th>
<th>Reporting Officer: General Manager</th>
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<tbody>
<tr>
<td>Effect of Recommendation on Budget: Nil</td>
<td>File: F12/103-05</td>
</tr>
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</table>

REPORT SUMMARY

The NSW Government has released guidance notes on its first round of changes proposed for the Local Government Act and is seeking feedback from Councils by 15 March 2016.

RECOMMENDATION

That a submission be lodged setting out:

a The legislation be reviewed to ensure that the word council is not used to cover different situations, such as the governing body, staff, etc.

b Use of the wording “healthy and prosperous” as the role of local government confuses the main focus of local government, with health provision and economic growth seen to be primarily State Government responsibilities and that removal of this wording will better reflect that local government has a broad community support role.

c The role of local government should recognise the role of providing services and infrastructure to the community, as this is a major aspect of the role councils currently undertake.

d A role to follow the guiding principles is not really a role and should be removed.

e The guiding principles seem to include roles and not principles.

f The use of the term “in consultation with” creates ambiguity and more specific details about the roles and responsibilities should be included.

g The use of the terms “direct and control the affairs of the council” in the use of “day to day operations” in the General Manager’s role is seen to still allow for confusion and further work needs to be done to delineate the various operational roles of the governing body and General Manager.

h If provision be made to require council’s governing body to only be allowed to resolve in accordance with its plans and policies, that provision also needs to be made for exceptional situations that may not have been envisaged by the plan or policy.

i Clarification be provided as to whether the appointment of the Mayor as the regional representative is intended to mean that the Mayor has the power to delegate those positions.

j The role of civic leadership be included in the role of individual councillors as this is an important aspect of the role.
k. The role of councillors be to act with honesty, integrity and within the policies of council be included in the individual role.

l. Who is responsible for determining the councillors’ development plans needs to be clarified.

m. The changes proposed to determine the organisational structure will not improve the current situation where the governing body and General Manager are in conflict over the organisational structure and that a mediation, or other such alternative system, needs to be put in place.

n. That the role of the General Manager be changed to reflect that not all staff positions will be in the organisational structure adopted by the governing body.

o. Requirements for NSW Government agencies to commit resources and support the development of the Community Strategic Plan be included in the legislation to ensure that integrated planning does occur.

p. Council does not support a change where the local government planning is purely subservient to the decisions of the Joint Organisation or NSW Government and that a better system reflecting the combination of a top down and bottom up approaches to integrated planning needs to be developed.

q. Clarification be provided by what is meant by the change to the scope of the Delivery Plan.

r. The financial controls over income controlled by the NSW Government also need to be included in the need to fully assess financial sustainability when being set.

s. The changes to needing to assess the long-term financial implications of changes should also apply to the NSW Government.

**COMMENTARY**

The commentary is not on all aspects of what is in the consultation paper [Appendix G - Page 46](#), but only matters where change is seen as needed or a significant change is occurring and considered to be valuable in bringing to the attention of councillors.

One overarching factor that has not been resolved is the use of the word ‘council’ at times to refer to the organisation and at others to refer to the governing body. This dual use of the term creates confusion and needs to be eliminated so that there is a clear distinction between the two.

**1.1 Purpose of Local Government Act**

Very broad principles.

**1.2 Role of Local Government**

The description of only including healthy and prosperous as the matter in a community that local government has a role in is seen to limit the scope of local government. While these may be broadly defined they also may be seen not to include areas councils are interested in. Does this mean that
councils have no role in sociability? Does it mean local government has no role in environmental protection and management? Does this indicate that local government now has primary responsibility for providing for the health of residents, thus taking on running of hospitals, dental and other health services? The use of these terms will create confusion as to the role of local government. This section should simply read that “the role of local government is to:” and then lead into the roles.

It is interesting that service provision or managing infrastructure on the community’s behalf is not included in the purpose of local government. It is indirectly alluded to, through a role being “endeavouring to provide the best value for money”, but is not included. The provision of services and infrastructure to support the community is a major part of what councils do. This should be directly included in the role of local government.

The paper includes as a ‘role’ to follow the guiding principles of local government. This in itself is not considered a role. This is simply a directive about how Council should act, and as such, is not relevant to the role of local government. Instead the section to be inserted on the guiding principles should be worded to state that councils must act in accordance with the guiding principles as set out.

1.3 Guiding Principles of Local Government

It is difficult to separate what are roles and what are guiding principles as the paper does not actually set out what are the proposed guiding principles. Instead it sets out what the guiding principles should do. This makes it impossible to provide meaningful impact on this section. The guiding principles proposed should be provided for input.

Guiding principles are any principles or precepts that guide an organisation throughout its life in all circumstances, irrespective of changes in its goals, strategies, type of work, or the top management. Actively engaging with the community is a role, not a guiding principle. Fostering ecologically sustainable development is a role. Working with others to secure services is a role.

Greater consideration needs to be given in determining what are the roles and what are the guiding principles as the paper indicates there is no clear direction on what are the roles (things local government does) and what are guiding principles (how we do things).

2.1 Role of the Governing Body

This is a much more expansive description than currently included in the legislation. The proposed changes still keep a separate section on the role of councillors, which has the potential to create confusion. At this stage, in reading the two sections together this should be OK.

The role of the governing body as defined is seen to have some subtle, yet still significant changes that need to be considered.

The inclusion of the wording “to direct and control the affairs of the council in consultation with the general manager and in accordance with the act” indicates a strong move back to the pre 1993 Local Government Act, with councillors taking a more operational role in directing the affairs and the General Manager becoming an advisor to the councillors. This seems to conflict with the role of the General Manager proposed, who is “to conduct day-to-day management of the council”. Whether this is the approach sought should be confirmed as the current wording is seen to still allow for
confusion over the roles, which is one of the current area that problems occur under the current legislation.

This section also includes the use of the work “in consultation with”. This terminology has the potential to create confusion over exactly what is the role of the different parties and what is required to meet this need for consultation. Consultation is the process of formally consulting or discussing the matter. Consulting is the process of giving expert advice to other professionals (Oxford Dictionary). Using this definition how the legislation is written the role of the governing body is to direct or control the affairs of the council, after giving professional advice to the General Manager.

The requirement to ensure as far as possible the financial sustainability of the Council provides a much stronger emphasis on considering the long-term financial impacts of decisions. This is seen as a good change, but will probably require a significant change in the approach to how matters are addressed. The financial impacts should be highlighted in matters before Council and councillors will be more open to challenge on decisions where specific consideration of future funding has not been included in the decision.

The section includes “to make decisions in accordance with those plans and policies.” This will mean that Council could not legally resolve other than in accordance with its adopted plans and policies. This would mean that the governing body would need to change its plans of policies if it wished to move outside those. At the moment, Council can resolve to act totally contrary to its plans and policies. It is considered that it is appropriate that Council should remain within its plans and policies, however there may be situations that are unexpected where Council may not be able to take the time required to change plans, often which require 28-day consultation periods. Provisions need to be included to allow for extenuating situations, potentially with such cases reported to the Minister for Local Government for overview.

The section also includes “to determine the process for appointment of the General Manager”. Under the current legislation the appointment of the General Manager is something that cannot be delegated. The proposed change indicates that the governing body will be able to delegate the appointment of the General Manager. It is not necessarily a negative, as the change does not require this to occur, so councils would simply have increased flexibility should they choose to use it.

3.1 Role of the Mayor

There is a much more expansive description of the role of Mayor. These descriptors seem to generally accord with the roles Mayors currently take on.

Of note is the role: “to represent the governing body on regional organisations and in inter-government forums at regional, State and Federal levels”. This needs clarification as to whether it is intended that these representations can be delegated and if so how that delegation is to occur. Currently the representation on regional bodies is determined through a report to Council and councillors resolving the appointments. Under this change the Mayor is automatically the appointed person. Potentially the Mayor would then have the power to delegate to other councillors the Mayor’s position on these bodies.

3.3 Role of Councillors

Removal of the ‘dual’ roles is a positive move as it created a clear conflict. Movement of aspects that relate to the role of the governing body clarifies the roles of the individuals. There is however one
aspect that is considered worth duplicating in this area.

Previously the role of providing civic leadership was in the role of councillor. This is still considered an important aspect of the role and is not captured in the new proposal.

It is also considered beneficial to reinforce that councillors must act with honesty, integrity and within the Code of Conduct in the role of the councillors.

3.7 Councillors Professional Development

This section will create a resource requirement to develop much more detailed training planning for councillors. While it is unclear where the responsibility rests for determining what training councillors should undertake, the commentary indicates that the General Manager will be determining this, as the training plans need to be undertaken in consultation with the Mayor, the governing body, and the individual councillors. This needs to be clarified.

The training seems to be optional, in that it is referred to as being ‘offered’. However, whether councillors avail themselves of the training offered will be recorded and set out in the Annual Report.

3.9 Financial Controllers

This section is a significant change. The Queensland provisions allow the Financial Controller to be appointed by the Director General of the Office of Local Government. The Financial Controller will act under the direction of the Director General. No payments can be made without the approval of the Financial Controller and the financial controller can refuse to make payments where the payment is considered financially unsound.

The cost of this position will be borne by Council.

It would appear that the Financial Controller will not have the power to redirect Council onto a new financial path, for example, seek changes to rating structures or efficiency drives.

4.1 Postal Voting

This is only included to highlight this as a significant, but positive change.

5.1 Organisational Structure

The changes are to clarify exactly what is the role of the governing body in establishing an organisational structure.

In the commentary it is stated that the objective is that the governing body cannot unilaterally restructure the organisation without the input of the General Manager, but it would appear that the council is fine to unilaterally restructure after they have been given advice. This effectively creates no different situation than currently exists. It would appear that there are concerns over governing bodies making changes to organisation structures, but it is unclear if these changes will resolve the issue that seems to be what happens when the General Manager and councillors want different organisational structures. The requirement to seek advice in what is clearly already a dysfunctional relationship will only heighten tensions. An alternative mechanism for mediating such situations is clearly needed. Potentially, this is a role for the Director General of the Office of Local Government.
to take on where the governing body and General Manager cannot agree on an organisational structure.

5.2 Role of the General Manager

As highlighted earlier, there is a conflict between the role of the governing body and that of the General Manager.

The change to what organisation structure the governing body determines means that there is a need to change the section here on staff appointment. Read as it is, the current proposal would only allow for the appointment of senior staff and positions reporting directly to the General Manager. All other positions are not in a structure adopted by the governing body.

7.1 Integrated Planning

While placing the requirements for integrated planning into the legislation is reported, an integrated planning approach will never work unless there are clear requirements placed in government agencies to resource and work within the integrated framework as well. It is not possible to have an integrated framework that only applies to local government. This is a clear failure in the current system and needs to be addressed in the proposed legislation.

7.3 Reflecting Regional Priorities

This creates a centralised top down approach to strategic planning. Effectively local planning will be removed with the need to apply the State Government imposed regional priorities. Equally, the proposal requires Council to undertake regional projects determined by the Joint Organisations. It has not been mooted to councils before that the Joint Organisation will have the power to set the priorities of local councils, but this provision creates that overarching level of governance into the regional setting.

7.4 Scope of Delivery Plans

It is unclear what is intended by this change. Clarification should be sought. If the indication is that more detail on what level of breakup is required in the Delivery Plans, going to a very detailed level of service provision is at odds with the approach of the NSW Government towards focussing on key issues. Information should be sought on whether the NSW Government supports detailed comprehensive reporting or key strategic outcome reporting in strategic plans so that a consistent approach can be taken at the State and Local Government levels.

7.5 Fiscal Sustainability

Where fees, rates or charges are set or controlled by the NSW Government there should be a requirement for these fees to be supported by a revenue policy with a clear view to establishing fiscal sustainability.

This linkage is missing in areas such as the rate peg. While the rate peg is set based on changes in costs, it does not reflect that, for example, the freezing of the Financial Assistance Grant means that the amount needed to be raised from rates has to also cover the escalating costs that would otherwise have been covered by the indexation of the grant.
7.6 Community Engagement

These provisions should be part of the integrated reporting suite and should not be developed as a separate system. To do so will only create a fragmented approach from day one.

There would be concerns about whether the ‘mandated’ requirements are likely to push councils into expensive and resource hungry consultations based around antiquated government processes that often do not gain engagement of a good cross-section of the community.

8.3 Performance Measurement

The concept of better performance reporting is supported, but the details are required before an assessment of whether they will be tools that will assist councils and communities in driving better outcomes. The Victorian system is based around perceived outcomes of the communities, which give a much better way of comparing how councils are relatively performing. They look at issues such as overall satisfaction, satisfaction with decision making, etc.

8.4 Internal Audit

Included simply to note that this change will come in and will need to be resourced.

The scope of the audit committee is very broad, including looking at the achievement of the strategic plan, continuous improvement and long term sustainability. To achieve all this will require a reasonable level of resources, however, mainly because in the past this Council has not funded these areas as a priority. It is expected that a number of these functions would be under the resources proposed in the joint service model, with the continuous improvement team. That team would likely report back to the independent panel as opposed to the council’s Mayors as in the current structure.

8.5 Audits by Auditor General

This is included to note its significance. The main significance is not that the auditors will be appointed by the Auditor General and not councils, but for the fact that for the first time there will be a body that will be potentially undertaking industry-wide assessments of performance of local government. This is seen as a good step towards industry-wide movement towards working together.

8.6 Financial Management

The only suggestion is that the principle here should also apply to the State Government in making any decisions that impact on local government.
ITEM 8  2016 LOCAL EVENT APPLICATIONS

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
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<tbody>
<tr>
<td>(WS-01) Build a positive and strong community culture</td>
<td>Director Community Engagement</td>
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<tr>
<th>Effect of Recommendation on Budget:</th>
<th>File:</th>
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<tbody>
<tr>
<td>Nil</td>
<td>F12/148-05</td>
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REPORT SUMMARY

Reporting on applications made for two half day (afternoon) events in the Kempsey Shire in 2016.

RECOMMENDATION

That an application be made to NSW Industrial Relations for:

a  A half day local event on Wednesday 6 April 2016 for the Kempsey Show; and

b  A half day local event on Friday 4 November 2016 for the Kempsey Cup.

COMMENTARY

Council has received applications for the Kempsey Shire in 2016 for:

1  A half day local public holiday from 12.00 pm on Wednesday 6 April 2016 for the Kempsey Show; and

2  A half day local event day from 12.00 pm Friday 4 November 2016 for the Kempsey Cup.

Request from the Central North Coast National Agricultural Society Limited (Show Society):

“The Show Society has been given the dates for our Annual Kempsey show, those dates being 5th & 6th of April 2016, unfortunately once again these dates fall on the Tuesday & Wednesday.

The Central North Coast National Agricultural Society would like to request an application to apply for a Half Day Public Holiday on Wednesday the 6th of April 2016.

Hoping this request meets with your approval.”

Request from Kempsey Race Club Inc.:

“We make application for a half day local event on Friday the 4th November 2016. This is for the running of the 2016 Kempsey Cup.”

These events are significant social events for the Kempsey Shire area and also attract visitors to the area.

Council has given notice to the public through advertising commencing 26 January 2016 and has written to the local chambers of commerce, major employers, banks/financial organisations and
schools. Information was also placed on Council’s website. The closing date for submissions was Monday 8 February 2016. At the time of writing this report, in response to the advertising, 1 submission had been received.

Submission from Melville High School:

“Hello, On behalf of Melville High, I would like to express my concern at the Half day Public Holiday for Kempsey Show proposal. On the previous occasion when the declared Half day Public Holiday for Kempsey Show occurred it created significant problems for our students as staff left for the afternoon, however, bus companies refused to bring their school services earlier and students were stranded at school under minimal supervision.”

Should any further submissions be received they will be tabled at the meeting.

NSW Industrial Relations has advised that:

“In determining whether to apply for a local public holiday, or a local event day, it is important that the Council takes into account the costs to businesses and local communities of declaring a local public holiday within the designated area.”

“Where it is proposed to request a half-day local public holiday, consideration should be given to the effect which a half-day holiday will have on local schools and on the transport of school students who attend school on the day.”

Wages and salaries for Council staff to be allocated for the proposed half day public holiday are in the vicinity of $52,120.

The businesses of the Shire would also have salary implications.

The Public Holidays Act 2010 (NSW) deems that Council can apply for either a local public holiday or a local event day.

Guidelines for Local Public Holiday and Local Event Day Applications

Declaration of a Local Public Holiday

In circumstances where a local public holiday is declared by the Minister, a bank located in the designated holiday area will be required to close unless it holds an approval to open on the day under Part 3A of the Retail Trading Act 2008. Shops located within the designated holiday area are free to open without restriction.

Implications for Employers

The public holiday provisions contained in the National Employment Standards of the Fair Work Act 2009 (Cth) apply to local public holidays declared under the Public Holidays Act 2010. This means that all employees irrespective of their former entitlements and whose place of work is within a local public holiday area will be entitled to be absent from work on the day or half-day that is the local public holiday or half holiday. In addition, employees who work on the day or part day may have an entitlement to penalty rates under a relevant award or enterprise agreement.
In considering an application to the Minister for a public holiday or part-day holiday, it is expected that the Council will consult with the affected community and other relevant stakeholders as to the impact of a local public holiday or part-holiday on businesses located in the local government area.

Declaration of a Local Event Day

The capacity for the Minister to declare a local event day or part day at the request of a local council is also available under the Public Holidays Act 2010. The Minister must be satisfied that the day or part-day is, and will be observed as, a day of special significance to the community in the area concerned.

The declaration of a local event day or part day does not preclude banks or shops located within the designated holiday area from opening or trading on the day.

Implications for Employers

A declared local event day does not automatically mean that employers in the particular locality are compelled to treat the day as a public holiday. Entitlements to paid leave or penalty rates on a local event day will only arise where agreed to at the workplace level, usually in the form of an enterprise agreement or by contract. This goes some way to restoring the industrial arrangements that existed prior to changes in the Commonwealth workplace laws.

Council’s resolution will form part of the application to the Minister for Industrial Relations for determination and publishing on the NSW legislation website. Council will advertise the determination.
ITEM 9 KEMPSEY FAMILY COMMUNITY CENTRE FUNDING AGREEMENT

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
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<tr>
<td>(SOD-02-01) Work with community groups</td>
<td>Director Community Engagement</td>
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<tr>
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<tr>
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<td>F12/1077-02</td>
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REPORT SUMMARY

The Kempsey Family Community Centre in South Kempsey is funded by Family and Community Services (FACS). The 2015/2016 Funding Agreement requires Council’s Common Seal to be affixed.

RECOMMENDATION

That Council’s Common Seal be affixed to the Family and Community Services 2015/2016 Funding Agreement for the Community Renewal Services.

COMMENTARY

Council is the auspicing body for services and programs delivered through the Kempsey Family Community Centre in South Kempsey. NSW Family & Community Services (FACS) provides funding to deliver programmes, outreach services and school holiday activities. Primarily focused on social housing tenants, these programmes provide advice, referral and advocacy, and support to the communities of South and West Kempsey directly, however broader community benefits are also realised.

Core focus areas also include, community building and developing partnerships with government and non-government organisations in the delivery of services including health, legal and family support.

The funding provides for the employment of a Community Renewal Services Officer with the residual funds supporting programs and holiday activities.

This is an important service in engaging with the community and has had many positive outcomes over the 15 years in operation.

The Funding Agreement is [Appendix H – Page 78].
ITEM 10  STREET NAMING FOR PROPOSED SUBDIVISION

<table>
<thead>
<tr>
<th>Delivery Program Activity: (HD-04-02) Manage and regulate impacts of people on others</th>
<th>Reporting Officer: Director Sustainable Environment</th>
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<tr>
<td>Effect of Recommendation on Budget: Nil</td>
<td>File: T6-13-172</td>
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REPORT SUMMARY

An application to name a new street at New Entrance, South West Rocks in association with an eleven lot subdivision.

RECOMMENDATION

That the alternative names of Anchorage Place and Edgewater Place be endorsed, for the purpose of public exhibition.

COMMENTARY

In accordance with the approved Development Consent for development T6-13-172, the applicant has submitted three possible street names for the proposed cul-de-sac within the development:

Anchorage Place, Edgewater Place, Mariners Place.

These names were subsequently submitted to the Geographical Name Board for preapproval whereby preapproval was received for two of the three submitted names, being Anchorage Place or Edgewater Place. [Appendix I - Page 85]

As submitted by the applicant, the proposed names were justified on the basis that they ‘reflect a maritime theme which ties in with the historical, cultural and physical characteristics of the area’. [Appendix I - Page 86]

It is recommended that Council endorse the preapproved alternative names for the purposes of seeking comments from the public with the proposals to be advertised for a period of 30 days.
ITEM 11  CODE OF CONDUCT

<table>
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<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
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<tr>
<td>(CAD-01-03) Governance</td>
<td>Director Corporate Management</td>
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<td>File:</td>
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REPORT SUMMARY

The Code of Conduct has been amended to include changes relating to Circular 15-41 issued by the Office of Local Government on 17 December 2015.

RECOMMENDATION

That the Code of Conduct be adopted.

COMMENTARY

Circular 15-41, attached at [Appendix K – Page 87], was issued by the Office of Local Government on 17 December 2015 and took effect from 13 November 2015.

The primary change relates to the addition of part b) in clause 4.29 which now reads as follows:

4.29 A Councillor, who would otherwise be precluded from participating in the consideration of a matter under this Part because they have a non-pecuniary conflict of interests in the matter, is permitted to participate in consideration of the matter, if:

a) The matter is a proposal relating to:

i) The making of a principal environmental planning instrument applying to the whole or a significant part of the council’s area, or

ii) The amendment, alteration or repeal of an environmental planning instrument where the amendment, alteration or repeal applies to the whole or a significant part of the council’s area, and

b) The non-pecuniary conflict of interests arises only because of an interest that a person has in that person’s principal place of residence, and

c) The Councillor declares any interest they have in the matter that would otherwise have precluded their participation in consideration of the matter under this Part.

This change means that Councillors will no longer be permitted to participate in the consideration of the making, amendment, alteration or repeal of an environmental planning instrument applying to...
the whole or a significant part of their local government area they have a significant non-pecuniary interests in unless:

- The only interests affected by the changes are the interests they or their relatives, close friends or affiliates have in their principal places of residence; and

- They have made a special disclosure of the affected interests.

In addition the Local Government Act and code of conduct has been strengthened to streamline the process for dealing with councillor misconduct. Part 1 of The Code of Conduct has been amended to include the provision of automatic disqualification of a councillor from holding civic office for a period of 5 years where they have been suspended for misconduct on a third occasion.

A copy of 5.1.1 – Code of Conduct is attached at [Appendix L – Page 90].
ITEM 12 STATEMENT OF CASH AND INVESTMENTS

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
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<td>(CAD-02-02) Financial Management</td>
<td>Manager Finance</td>
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<tr>
<td>Nil</td>
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REPORT SUMMARY

Reporting on the statement of bank balance and investments for the months of December 2015 and January 2016.

RECOMMENDATION:

That the information be noted.

COMMENTARY

The Local Government Act 1993 requires that Council be notified at each ordinary meeting of details of all monies invested by Council.

A statement of balances and investments is shown in [Appendix M – Page 106].
ITEM 13 DEVELOPMENT APPROVALS AND CONSTRUCTION CERTIFICATES

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
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<tbody>
<tr>
<td>(HD-05-01) Ensure development undertaken to safe and reasonable standard</td>
<td>Director Sustainable Environment</td>
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<tr>
<td>Nil</td>
<td>329</td>
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REPORT SUMMARY

Reporting that the following applications have been approved for the period of December 2015 and January 2016 and includes approvals by Private Certifiers.

RECOMMENDATION

That the information be noted.

REPORT DETAILS


2015/LD-00292 Lot 3 DP43922 41-43 NANCE ROAD SOUTH KEMPSEY
CHANGE OF USE
Applicant: NSW QUARRY SERVICES P/L

2012/LD-00249 Lot 154 DP731850 DAVIS ROAD WITTITRIN
CONTINUED USE OF AN EXISTING BUILDING AS A DWELLING
Applicant: DULLARD J & DULLARD S

2012/LD-00386 Lot 2 DP758505 9 HOME STREET HAT HEAD
TWO STOREY DWELLING & GARAGE
Applicant: MCNEIL ARCHITECTS

2015/LD-00140 Lot 1 DP593179 1800 NULLA NULLA CREEK ROAD BELLBROOK
ECO-TOURIST FACILITY
Applicant: HOPKINS CONSULTANTS PTY LIMITED

2015/LD-00156 Lot 1 DP204845 22 POLWOOD STREET WEST KEMPSEY
CHANGE OF USE - EXISTING SHED AS A DWELLING
Applicant: MR N C ANDERSON

2015/LD-00206 Lot 121 DP1197659 38 PACIFIC STREET CRESCENT HEAD
MULTIPLE DWELLINGS (15) AND STRATA SUBDIVISION
Applicant: MILESWINTER HOLDINGS & CORE DEVELOPMENT GROUP

2015/LD-00230 Lot 14 DP1069003 80-114 MACLEAY STREET FREDERICKTON
ADDITIONS TO EXISTING AGED CARE FACILITY & CONSOLIDATION OF LOTS
Applicant: MR A ELMSLIE
2015/LD-00240  Lot 10 DP758444 20 KINCHELA STREET  GLADSTONE
CHARTER & TOURISM BOATING FACILITY
Applicant: MR A A C CUMMINS

2015/LD-00261  Lot 20 DP1073515 127 SETTLERS WAY  SOUTH KEMPSEY
THREE LOT SUBDIVISION
Applicant: MIDCOAST BUILDING & ENVIRONMENTAL

2015/LD-00287  Lot 35 DP752419 116 MAINEYS ROAD  TURNERS FLAT
NEW DWELLING AND CHANGE OF USE OF EXISTING DWELLING TO FARMSTAY
ACCOMMODATION
Applicant: HOTONDO HOMES KEMPSEY

2015/LD-00293  Lot 6 DP1194600 ARAKOON ROAD  SOUTH WEST ROCKS
FOUR LOT SUBDIVISION
Applicant: HADLOW DESIGN SERVICES

2015/LD-00300  Lot 1 DP1078113 30 FRANK COOPER STREET  SOUTH WEST ROCKS
TWO LOT SUBDIVISION
Applicant: TIPRUSH PTY LTD

2015/LD-00312  Lot 62 DP1045568 23-25 QUEEN STREET  GREENHILL
RELOCATION OF DWELLING WITH ALTERATIONS & ADDITIONS (STAGE 1) AND
SECONDARY DWELLING (STAGE 2)
Applicant: DENNIS PARTNERS PTY LTD

2015/LD-00316  Lot 124 DP1064436 2 FOREST PLACE  WEST KEMPSEY
DETACHED DUAL OCCUPANCY
Applicant: J & E MILLER BUILDERS

2015/LD-00321  Lot 15 DP758505 8 STRAIGHT STREET  HAT HEAD
DETACHED DUAL OCCUPANCY & DEMOLITION OF EXISTING GRANNY FLAT
Applicant: HADLOW DESIGN SERVICES

2015/LD-00076  REV01 Lot 1094 DP1100356 WILLI WILLI ROAD  TURNERS FLAT
DWELLING
Applicant: MISS J MORRIS

2015/LD-00323  Lot 2332 DP1196964 19 GREGORY STREET  SOUTH WEST ROCKS
RESIDENTIAL FLAT BUILDING (29 UNITS)
Applicant: BUCK AND SIMPLE

2015/LD-00327  Lot 272 DP719054 1773 ARIMIDALE ROAD  TEMAGOG
DOG KENNELS
Applicant: MS V DODGE

2015/LD-00330  Lot 5 DP1036869 28 WONGA PLACE  SOUTH WEST ROCKS
TWO STOREY DWELLING
Applicant: FISHBURN A & FISHBURN P

2015/LD-00335  Lot 1 DP127859 831 PIPERS CREEK ROAD  DONDINGALONG
TWO STOREY DWELLING & SHED
Applicant: AVELING-ROWE K & AVELING-ROWE M

2015/LD-00340 Lot 2 DP359798 84 KINCHELA STREET GLADSTONE
ALTERATIONS & ADDITIONS TO EXISTING DWELLING AND GARAGE, NEW GARAGE
Applicant: BAILEY M & BAILEY N

2015/LD-00344 Lot 628 DP1191515 49 BELLE O'CONNOR STREET SOUTH WEST ROCKS
DEWLLING
Applicant: PYCON HOMES & CONSTRUCTIONS PTY LTD

2015/LD-00347 Lot 148 DP245822 22 GOOLAGONG CRESCENT SOUTH WEST ROCKS
ATTACHED BOATPORT
Applicant: BALDWIN W & SMITH K

2015/LD-00349 Lot 2 DP1022264 415 FISHERMANS REACH ROAD FISHERMANS REACH
CONTINUED USE OF AN EXISTING SHIPPING CONTAINER AS A STORAGE CONTAINER
Applicant: MS J G BAINES

2015/LD-00350 Lot 1 DP745790 15 LORD STREET EAST KEMPSEY
ADDITIONS TO EXISTING GARAGE
Applicant: MR B T KEOUGH

2015/LD-00353 Lot 29 DP1078115 16 RIPPON PLACE SOUTH WEST ROCKS
DEWLLING
Applicant: MATTO LUKE CORP PTY LTD T/AS ADENBROOK HOMES

2015/LD-00354 Lot 18 DP1213084 RACEMOSA CIRCUIT SOUTH WEST ROCKS
TREE REMOVAL
Applicant: MR G B RILEY

2015/LD-00355 Lot 9 DP238151 59 MIDDLETON STREET SOUTH KEMPSEY
DEMOLITION OF EXISTING DWELLING
Applicant: ABORIGINAL HOUSING OFFICE

2015/LD-00356 Lot 142 DP245822 4 CURRAWONG CRESCENT SOUTH WEST ROCKS
ADDITIONS TO EXISTING TWO STOREY DWELLING
Applicant: MARSDEN M & MARSDEN I

2015/LD-00357 Lot 15 DP263528 106 FERRIER DRIVE YARRAVEL
MANUFACTURED SECONDARY DWELLING WITH ADDITIONS
Applicant: NEW ENGLAND NORTH WEST PLANNING SERVICES

2012/LD-00372 REV03 Lot 24 DP1014666 10 PENN PLACE CRESCENT HEAD
TOURIST FACILITY
Applicant: SCHILLING C & DUNN D

2015/LD-00169 REV01 Lot 12 DP1044229 30 BLAIRS LANE SOUTH KEMPSEY
CONTINUED USE OF ADDITIONS TO EXISTING GARAGE AS A DETACHED STUDIO
Applicant: DAVIS W & DAVIS G
2015/LD-00141  REV01 Lot 151 DP752403 103 KAWANA LANE  BARRAGANYATTI
CONTINUED USE OF AN EXISTING RURAL WORKERS DWELLING
Applicant: WILLIAMS S & WILLIAMS C

2015/LD-00362  Lot 23 DP754423 BELMORE RIVER RIGHT BANK ROAD  BELMORE RIVER
FLOOD MOUND FOR STOCK YARDS
Applicant: MR D R EAKIN

2015/LD-00366  Lot 4 DP1194600 ARAKOON ROAD  SOUTH WEST ROCKS
SHED
Applicant: MR B D LAWRENCE

2015/LD-00371  Lot 2 DP358594 59 ELBOW STREET  WEST KEMPSEY
CHANGE OF USE TO OFFICE
Applicant: MACLEAY VALLEY COMMUNITY FM RADIO STATION INC

2014/LD-00285  REV01 Lot 54 DP1131221 SP0 16 RUDDER STREET  EAST KEMPSEY
DWELLING
Applicant: MS J L KINNEAR

2015/LD-00375  Lot A DP393737 1 ARMIDALE ROAD  ALDAVILLA
CARPORT - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR R J MCLEOD

2015/LD-00376  Lot 1 DP775930 785 OLD COAST ROAD  KUNDABUNG
SWIMMING POOL - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MOZARTON PTY LTD

2015/LD-00377  Lot 13 DP1057903 16 FRANCIS CONN PLACE  FREDERICKTON
SHED - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR A R DEAN

2015/LD-00378  Lot 144 DP1154042 32 ACACIA PLACE  YARRAVEL
SHED
Applicant: BUILDPLAN CONSULTANTS PTY LTD

2015/LD-00381  Lot 1 DP1144474 AIRPORT ROAD  ALDAVILLA
ADDITIONS TO PILOT TRAINING FACILITY
Applicant: AUSTRALIAN INTERNATION AVIATION COLLEGE

2015/LD-00384  Lot 2 DP1168206 36 HILLVIEW DRIVE  YARRAVEL
DWELLING - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR L T ALLEN

2015/LD-00385  Lot 8 DP1214925 PRIOR CIRCUIT  WEST KEMPSEY
DWELLING - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: VOYEE PTY LTD

2015/LD-00386  Lot 9 DP1214925 PRIOR CIRCUIT  WEST KEMPSEY
DWELLING - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: VOYEE PTY LTD
2015/LD-00392 Lot 92 DP869615 422 MARYS BAY ROAD DONDINGALONG
SHED - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR B W WITCHARD

2015/LD-00393 Lot 6 DP774762 245 ARAKOON ROAD ARAKOON
SWIMMING POOL - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR B P MACKENZIE

2015/LD-00394 Lot 7 DP1214925 PRIOR CIRCUIT WEST KEMPSEY
DWELLING - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: VOYEE PTY LTD

2015/LD-00395 Lot 21 DP1156464 12 TALLOWWOOD PLACE SOUTH WEST ROCKS
DWELLING
Applicant: PERRY HOMES (AUST) PTY LTD

2015/LD-00397 Lot 10 DP1041965 104 LIKA DRIVE SOUTH KEMPSEY
AWNING TO EXISTING SHED - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR I R ISMAY

2015/LD-00401 Lot 12 DP23100 OCEAN AVENUE STUARTS POINT
ADDITIONS TO EXISTING BOWLING CLUB
Applicant: HADLOW DESIGN SERVICES

2015/LD-00402 Lot 41 DP791310 62 OCEAN STREET SOUTH WEST ROCKS
SUNROOM ADDITIONS - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MS C E RAMM

2015/LD-00404 Lot 105 DP264569 5 THE PONDS WAY ALDAVILLA
AGRICULTURAL SHED - COMPLYING DEVELOPMENT - PRIVATE CERTIFER
Applicant: MR I C BRACK

2016/LD-00003 Lot 7 DP222120 7 PHILLIP DRIVE SOUTH WEST ROCKS
DWELLING ADDITIONS - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR R K MARTIN

2014/LD-00017 REV01 Lot 1 DP902900 210 EUROKA ROAD EUROKA
EXTRACTIVE INDUSTRY
Applicant: MRS L C MCKEON

2015/LD-00337 Lot 332 DP1104517 76 STANLEY FOLKARD PLACE SOUTH KEMPSEY
FIXED WIRELESS TELECOMMUNICATIONS FACILITY & ASSOCIANTED EQUIPMENT
Applicant: AURECON AUSTRALASIA

2010/LD-00212 REV02 Lot 18 DP109770113 YULGILBAR PLACE SOUTH WEST ROCKS
SUBDIVISION & BOUNDARY ADJUSTMENT (STAGE 2 MODIFICATION)
Applicant: DIVALL SG, DIVALL KM, KEMP DJ, KEMP PA

2015/LD-00360 Lot 18 DP1097701 13 YULGILBAR PLACE SOUTH WEST ROCKS
DUAL OCCUPANCY (DETACHED) AND SUBDIVISION
<table>
<thead>
<tr>
<th>Application Number</th>
<th>Lot Numbers</th>
<th>Street Address</th>
<th>Description</th>
<th>Applicant</th>
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<tbody>
<tr>
<td>2015/LD-00363</td>
<td>Lot 6 DP759080 115-145 SEA STREET WEST KEMPSEY</td>
<td>ADDITIONS TO AN EXISTING EDUCATIONAL ESTABLISHMENT - STORE ROOM BLOCK J</td>
<td>HADLOW DESIGN SERVICES</td>
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<td>2011/LD-00329</td>
<td>REV03 Lot 1 DP723999 10 KEMP STREET WEST KEMPSEY</td>
<td>CHANGE OF USE - DENTAL SURGERY</td>
<td>WAYNE ELLIS ARCHITECT</td>
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<td>2014/LD-00339</td>
<td>REV01 Lot 1 DP749455 10 MACLEAY STREET FREDERICKTON</td>
<td>CONTINUED USE OF EXISTING DINING AREA ADDITIONS TO HOTEL</td>
<td>MD MCILROY</td>
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<td>1999/LD-00109</td>
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<td>2015/LD-00373</td>
<td>Lot 1 DP507058 5 TABRETT STREET WEST KEMPSEY</td>
<td>CONTINUED USE OF EXISTING BUILDING AS A SECONDARY DWELLING</td>
<td>MS J A CORVEN</td>
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<td>2015/LD-00379</td>
<td>Lot 20 DP1014666 20 HIBBARD LANE CRESCENT HEAD</td>
<td>SECONDARY DWELLING</td>
<td>MR J W MOZELEY (JNR)</td>
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<td>2015/LD-00382</td>
<td>Lot 364 DP754396 SHORT STREET SOUTH WEST ROCKS</td>
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<td>2015/LD-00387</td>
<td>Lot 1 DP339477 6 KOROGORA STREET CRESCENT HEAD</td>
<td>THREE STOREY ADDITIONS &amp; ALTERATIONS TO EXISTING DWELLING</td>
<td>MR D W JOHNSTON</td>
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<td>2015/LD-00388</td>
<td>Lot X DP384153 4 BAY STREET HAT HEAD</td>
<td>TWO STOREY DWELLING</td>
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<td>Lot 332 BARNARD STREET GLADSTONE</td>
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<td>2015/LD-00403</td>
<td>Lot 1 DP43922 49-51 NANCE ROAD SOUTH KEMPSEY</td>
<td>TREE REMOVAL</td>
<td>OURJUICE STUMP REMOVAL</td>
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<td>2016/LD-00002</td>
<td>Lot 3 DP1045544 3-5 CHAPMAN STREET FREDERICKTON</td>
<td>ALTERATIONS &amp; ADDITIONS TO EXISTING DWELLING</td>
<td>POGORIUTSCHNIG R &amp; POGORIUTSCHNIG T</td>
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<td>2016/LD-00007</td>
<td>Lot 137 DP1211586 GREGORY STREET SOUTH WEST ROCKS</td>
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</table>
DWELLING ALTERATIONS AND ADDITIONS - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR G F BAKER

2013/LD-00135 REV02 Lot 302 DP754396 NEW ENTRANCE ROAD SOUTH WEST ROCKS
STORAGE CONTAINER
Applicant: HADLOW DESIGN SERVICES

2015/LD-00276 REV01 Lot 4 DP581868 152 VERGES CREEK ROAD VERGES CREEK
DUAL OCCUPANCY
Applicant: MRS J G TULK

2015/LD-00356 REV01 Lot 142 DP245822 4 CURRAWONG CRESCENT SOUTH WEST ROCKS
ADDITIONS TO EXISTING TWO STOREY DWELLING
Applicant: MARSDEN M & MARSDEN I

2016/LD-00016 Lot 12 DP754450 207 BALLENGARA ROAD DONDINGALONG
SWIMMING POOL - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: WONDERLAND POOLS & SPAS

2015/LD-00295 REV01 Lot 356 DP771298 255 MARYS BAY ROAD EUROKA
ATTACHED DUAL OCCUPANCY
Applicant: DEX CONSULTING PTY LTD

2016/LD-00025 Lot 35 DP31938 7 RUDDER STREET SOUTH WEST ROCKS
SWIMMING POOL - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MS B L CLARKE

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<td>Modifications</td>
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</table>

There were 76 applications approved with a value of $18,832,929.76.

For the financial year to date there have been 293 approvals including 51 modifications approved, with 81% approved within 30 days.

The 293 approvals (including 263 sub-applications) have a value of $32,982,011.79.

There are 119 applications awaiting determination for the following reasons:

FURTHER DETAILS REQUIRED (FD) 53
FURTHER DETAILS REQUIRED 01 (FD01) 2
INCOMPLETE APPLICATION (IA) 6
REFERRAL TO OTHER AGENCIES (OA) 1
REFER TO RFS - INTEGRATED - MORE DETAILS (RFS3) 1
REFER TO RURAL FIRE SERVICE (LD) (RR) 2
Being Processed 54
Council Report on Development Applications refused, withdrawn or rejected

2015/LD-00291 Lot 100 DP195689 14 CROADS ESPLANADE SMITHTOWN
   TWO LOT SUBDIVISION
   Applicant: HOPKINS CONSULTANTS PTY LIMITED
   Determination: Withdaw by applicant

2015/LD-00364 Lot 23 DP625887 2910 SOUTH WEST ROCKS ROAD JERSEYVILLE
   SWMIMING POOL
   Applicant: GIBSON FAMILY POOLS P/L
   Determination: Withdrawn by applicant

2015/LD-00213 Lot 18 Sec 3 DP19488 16 JEFFERY STREET SMITHTOWN
   RELOCATED DWELLING WITH ALTERATIONS & ADDITIONS
   Applicant: DENNIS PARTNERS ENGINEERS PTY LTD
   Determination: Withdrawn by applicant

2015/LD-00325 Lot 176 DP754400 591 LOFTUS ROAD CRESCENT HEAD
   RESITING OF DWELLING
   Applicant: MR D J THURGOOD
   Determination: Withdrawn by applicant

2015/LD-00380 Lot 6 DP1143537 1423 MARIA RIVER ROAD CRESCENT HEAD
   TREE REMOVAL
   Applicant: P DRANE & T LYNCH
   Determination: Withdrawn by applicant

2015/LD-00396 Lot 35 DP31938 7 RUDDER STREET SOUTH WEST ROCKS
   SWIMMING POOL
   Applicant: MS B L CLARKE
   Determination: Withdrawn by applicant

2015/LD-00368 Lot 106 DP258248 18 STRINGY BARK CRESCENT YARRAVAL
   ADDITIONS TO EXISTING DWELLING
   Applicant: R GARNER & K WITT
   Determination: Withdrawn by applicant

Council Report on Construction Certificates Building

2014/CB-00036 Lot 2 DP1071111 3-5 LAWSON STREET FREDERICKTON
   ALTERATIONS AND ADDITIONS TO APPROVED REFRESHMENT ROOM
   Applicant: MR E R WALKER

2015/CB-00244 Lot 124 DP1064436 2 FOREST PLACE WEST KEMPSEY
   DETACHED DUAL OCCUPANCY
   Applicant: J & E MILLER BUILDERS
2015/CB-00257  Lot 5 DP1036869 28 WONGA PLACE  SOUTH WEST ROCKS
TWO STOREY DWELLING
Applicant: FISHBURN A & FISHBURN P

2015/CB-00261  Lot 1 DP127859 831 PIPERS CREEK ROAD  DONDINGALONG
TWO STOREY DWELLING & SHED
Applicant: AVELING-ROWE K & AVELING-ROWE M

2015/CB-00265  Lot 2 DP359798 84 KINCHELA STREET  GLADSTONE
ALTERATIONS & ADDITIONS TO EXISTING DWELLING AND GARAGE, NEW GARAGE
Applicant: BAILEY M & BAILEY N

2015/CB-00269  Lot 148 DP245822 22 GOOLAGONG CRESCENT  SOUTH WEST ROCKS
ATTACHED BOATPORT
Applicant: BALDWIN W & SMITH K

2015/CB-00292  Lot 2 DP358594 59 ELBOW STREET  WEST KEMPSEY
CHANGE OF USE TO OFFICE
Applicant: MACLEAY VALLEY COMMUNITY FM RADIO STATION INC

2015/CB-00295  Lot 13 DP1057903 16 FRANCIS CONN PLACE  FREDERICKTON
SHED - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR A R DEAN

2015/CB-00296  Lot A DP393737 1 ARMIDALE ROAD  ALDAVILLA
CARPORT - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR R J MCLEOD

2015/CB-00297  Lot 1 DP775930 785 OLD COAST ROAD  KUNDABUNG
SWIMMING POOL - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MOZARTON PTY LTD

2015/CB-00299  Lot 272 DP719054 1773 ARMIDALE ROAD  TEMAGOG
DOG KENNELS
Applicant: MS V DODGE

2015/CB-00300  Lot 1 DP1144474 AIRPORT ROAD  ALDAVILLA
ADDITIONS TO PILOT TRAINING FACILITY
Applicant: AUSTRAILIAN INTERNATION AVIATION COLLEGE

2015/CB-00303  Lot 9 DP1214925 PRIOR CIRCUIT  WEST KEMPSEY
DWELLING - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: VOYEE PTY LTD

2015/CB-00304  Lot 8 DP1214925 PRIOR CIRCUIT  WEST KEMPSEY
DWELLING - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: VOYEE PTY LTD

2015/CB-00308  Lot 21 DP1156464 12 TALLOWWOOD PLACE  SOUTH WEST ROCKS
DWELLING
Applicant: PERRY HOMES (AUST) PTY LTD
2015/CB-00310 Lot 2 DP1168206 36 HILLVIEW DRIVE YARRAVAL
DWELLING & ATTACHED GARAGE - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR L T ALLEN

2015/CB-00311 Lot 92 DP869615 422 MARYS BAY ROAD DONDINGALONG
SHED - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR B W WITCHARD

2015/CB-00312 Lot 6 DP774762 245 ARAKOOON ROAD ARAKOOON
SWIMMING POOL - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR B P MACKENZIE

2015/CB-00313 Lot 7 DP1214925 PRIOR CIRCUIT WEST KEMPSEY
DWELLING - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: VOYEE PTY LTD

2015/CB-00316 Lot 10 DP1041965 104 LIKA DRIVE SOUTH KEMPSEY
AWNING TO EXISTING SHED - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR I R ISMAY

Applicant: MS C E RAMM
2015/CB-00320 Lot 41 DP791310 62 OCEAN STREET SOUTH WEST ROCKS
SUNROOM ADDITIONS - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: G J GARDNER HOMES

2015/CB-00321 Lot 43 DP592703 595 OLD COAST ROAD KUNDABUNG
DWELLING & ATTACHED GARAGE - PRIVATE CERTIFIER
Applicant: MR I C BRACK

2015/CB-00323 Lot 105 DP264569 5 THE PONDS WAY ALDAVILLA
AGRICULTURAL SHED - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: SWR CROQUET CLUB

2016/CB-00003 Lot 7 DP222120 7 PHILLIP DRIVE SOUTH WEST ROCKS
DWELLING ADDITIONS - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MR R K MARTIN

Applicant: MR G F BAKER
2015/CB-00302 Lot 364 DP754396 SHORT STREET SOUTH WEST ROCKS
CROQUET COURTS
Applicant: COLEMAN J & COOPER D

2016/CB-00004 Lot 5 DP729843 9 CHARLES PARRY STREET CRESCENT HEAD
GARAGE
Applicant: MR G F BAKER
2016/CB-00011 Lot 628 DP1191515 49 BELLE O’CONNOR STREET SOUTH WEST ROCKS DWELLING - PRIVATE CERTIFIER
Applicant: PYCON HOMES & CONSTRUCTIONS PTY LTD

2016/CB-00012 Lot 1094 DP1100356 WILLI WILLI ROAD TURNERS FLAT DWELLING - PRIVATE CERTIFIER
Applicant: MISS J MORRIS

2016/CB-00013 Lot 35 DP752419 116 MAINEYS ROAD TURNERS FLAT NEW DWELLING AND CHANGE OF USE OF EXISTING DWELLING TO FARMSTAY ACCOMMODATION
Applicant: HOTONDO HOMES KEMPSEY

2016/CB-00014 Lot 12 DP754450 207 BALLENGARA ROAD DONDINGALONG SWIMMING POOL - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: WONDERLAND POOLS & SPAS

2016/CB-00016 Lot 144 DP1154042 32 ACACIA PLACE YARRAVEL SHED
Applicant: BUILDPLAN CONSULTANTS PTY LTD

2016/CB-00022 Lot 35 DP31938 7 RUDDER STREET SOUTH WEST ROCKS SWIMMING POOL - COMPLYING DEVELOPMENT - PRIVATE CERTIFIER
Applicant: MS B L CLARKE

There were 33 applications approved.

For the financial year to date there have been 180 approvals including 3 modifications approved, with 99.4% (179) approved within 30 days.

(Please note: This includes approvals by Private Certifiers).

**VARIATION TO THE DEVELOPMENT STANDARDS CONTAINED IN KEMPSEY DCP 2013**

All development applications determined involving variations to the development requirements contained in Kempsey DCP 2013 are required to be reported to Council for information.

During the preceding months there were 11 applications approved involving variations to the development requirements contained in Kempsey DCP 2013.

**Application number:** T6-15-344  
**Subject land:** Lot 628 DP1191515, 49 Belle O’Connor Street, South West Rocks  
**Description:** DWELLING  
**Chapter:** C1 Residential Development – Urban Areas  
**Development requirement:** Street Setback Clause 5.2.1 (a)(i) and (e)  
**Proposed:** Minimum setback of 5.0 m and minimum setback of 6.0 m to the garage. Any unenclosed structure may encroach 1.5m into the primary street frontage provided it does not impact on the existing streetscape or adjoining property.

**Proposed:** Front setback of 4.768m, (variation 232mm, 4.68%), Garage setback of 5.5m, (variation 500mm, 8.33%), Unenclosed front deck setback
Desired outcome: 3.185m, (variation 315mm, 9%)

Desired outcome: D03 Buildings are sited and designed to accommodate the natural slope and orientation of the site. -site drainage will not adversely affect adjoining properties

Objections: Nil

Planning comment: Whilst the minimum development requirements for a front setback have not been provided for, it is considered that in this instance the desired outcomes are still achieved as the design minimises the height for retaining walls and reduces the amount of cut and fill to the site providing stability and reduction of erosion control measures.

Application number: T6-15-230
Subject land: Lot 14 & Lot 15 DP1069003, 78-114 Macleay Street, Frederickton
Description: ADDITIONS TO EXISTING AGED CARE FACILITY & CONSOLIDATION OF LOTS
Chapter: C1 Residential Development – Urban Areas
Development requirement: Cut and Fill and Retaining Walls – Clause 5.2.7
a) The maximum height/depth of any cut or fill is to be limited to 1.5 metres above or below the natural ground level.
h) Generally, a maximum length of 12 metres applies to retaining walls greater than 1.8m in height.

Proposed: Cut height/depth approximately 3.1m
Fill height/depth approximately 1.8m
Retaining wall length approximately 13.5m

Desired outcome: D03 - Buildings are sited and designed to accommodate the natural slope and orientation of the site and immediately adjacent lands.

Objections: Two (2) objections relating primarily to the potential impacts of demolition and earthworks.

Planning comment: The development requirements for cut and fill are inconsistent with those relating to retaining walls. Retaining walls are allowed to exceed 1.5m if located under the proposed development and certified by an engineer. This should apply to cut and fill. In this instance majority of the earthworks for the proposal are for the provision of basement car parking. As per the development requirement, generally a maximum length of 12m applies to retaining walls greater than 1.8m in height. The total length of the wall is approximately 13.5m. However, the height of the wall does not exceed 1.8m across the entire length.

Application number: T6-15-356
Subject land: Lot 142 DP245822, 4 Currawong Crescent, South West Rocks
Description: ADDITIONS TO EXISTING TWO STOREY DWELLING
Chapter: C1 – Residential Development – Urban Areas
Development requirement: Side/Rear Setbacks (single storey development) - Clause 5.2.2 (b)
A minimum side setback of 1.5 metres shall apply to the second storey provided the average setback in the same horizontal plane is not less than 3.0 metres.

Proposed: A side setback of 1.2 metres from the southern boundary to the proposed second storey additions.

Desired outcome: D04
Objections: Nil

Planning comment:
Whilst the development requirement of minimum setback to a side boundary has not been provided for the proposed addition, it is considered that in this instance the desired outcomes are still achieved as the development will not result in the loss of views or privacy of adjoining residences, will not overshadow private open space of adjoining residences or create any additional negative impacts.

Application number: T6-15-321
Subject land: Lot 15, Sec 4, DP758505, 8 Straight Street, Hat Head
Description: DETACHED DUAL OCCUPANCY AND DEMOLITION OF EXISTING GRANNY FLAT
Chapter: C1 – Residential Development – Urban Areas
Development requirement: Garages, Carports and Outbuildings – Clause 5.3 (c)
Garages must be set back a minimum of 6.0 metres from lot frontages or 1.0 metre behind the house façade (whichever is the greater).
Proposed: Setback of 2.5 metres to the rear lot frontage in line with the house façade.
Desired outcome: D01, D03
Objections: Nil

Planning comment:
Whilst the development requirement of minimum setback to the lot frontage has not been provided for the proposed garage, it is considered that in this instance the desired outcomes are still achieved as the design and position of the garage does not dominate the existing dwelling or create any adverse visual impacts on the existing streetscape.

Application number: T6-15-340
Subject land: Lot 2 Sec 9 DP359798, 84 Kinchela Street, Gladstone
Description: ALTERATIONS AND ADDITIONS TO EXISTING DWELLING AND GARAGE, NEW GARAGE
Chapter: C1 Residential Development – Urban Areas
Development requirement: Maximum length of continuous wall of 20m – Clause 5.2.3(a)
Proposed: Continuous wall length of 24.7m
Desired outcome: DO2 and DO3
Objections: Nil

Planning comment:
Whilst the development requirement of a maximum continuous wall length of 20m has not been provided for, it is considered that in this instance the desired outcomes are still achieved as: the scale and height of the proposed garage matches the existing dwelling; the garage addition will result in no loss of amenity to neighbouring dwellings; the scale and height of the proposed garage is appropriate to the local residential character; screen landscaping will be provided in the front boundary setback to soften the visual impact of the garage; the long wall length will be partially articulated through the use of painted block-work walls, which provide a minor variation from the fibro cladding of the main building.
Application number: T6-15-395  
Subject land: Lot 21 DP1156464, 12 Tallowwood Place, South West Rocks  
Description: DWELLING  
Chapter: C1 Residential Development – Urban Areas  
Development requirement: Garages must be setback a minimum of 6.0 metres from lot frontages or 1.0 metre behind the house façade (whichever is the greater)  
Proposed: Garage setback is 6.0 metres and complies however is 2.5 metres forward of the building façade.  
Desired outcome: DO1 Garages and parked vehicles do not dominate the principle dwelling and do not have an adverse impact on the streetscape. DO2 Where garages and carports are attached to the main dwelling; they are an integral and unobtrusive part of the design.  
Objections: Nil  
Planning comment: Whilst the development requirement of the garage setback from the house façade (in accordance with Clause 5.3 (c)) has not been provided for, it is considered that in this instance the desired outcomes are still achieved as the garage forms an integral and unobtrusive component of the design. It will not have an adverse impact on the streetscape as there are existing dwellings in the same subdivision similarly designed and approved.

Application number: T6-15-347  
Subject land: Lot 148 DP245822, 22 Goolagong Crescent, South West Rocks  
Description: ATTACHED BOATPORT  
Chapter: B2 Parking Access and Traffic Management  
Development requirement: No more than one driveway per street frontage – Clause 6.1(d)  
Proposed: Second driveway on the Currawong Crescent frontage  
Desired outcome: DO1, DO2, DO3, DO4 & DO5  
Objections: Nil  
Planning comment: Whilst the development requirement of a maximum of one driveway per frontage has not been provided for, it is considered that in this instance the desired outcomes are still achieved as: the proposed access point has adequate sight distance and will not negatively impact on the circulation and safety of the traffic network; the driveway will have no significant impact on pedestrian safety as the number of pedestrians using the footpath is low; the amount of hardstand area will be minimised leading to minimised stormwater runoff; and it is unlikely that traffic will congest at the new access point.

Application number: T6-15-323  
Subject land: Lot 2332 DP1196964, 19 Gregory Street, South West Rocks  
Description: RESIDENTIAL FLAT BUILDING (29 APARTMENTS)  
Chapter: D4 Old School Site, South West Rocks  
Development requirement: Clause 3.2 – Urban Design, Character and Form  
Proposed: 12.5m building height; 9m pavement to ceiling height; and
11m façade height as measured from Gregory St

**Proposed:**
- 17.95m building height;
- 10.98m pavement to ceiling height; and
- 9.28m façade height as measured from Gregory St

**Desired outcome:**
D01, D06 & D08

**Objections:**
Nil

**Planning comment:**
The desired outcomes are met as the proposal does not breach the existing vegetated skyline across the site, maintains a compatible scale with surrounding buildings, contributes to the Gregory Street streetscape amenity, and is compatible with the character and amenity of the local street environment. The Gregory Street building façade has an increased setback of the upper storey, excludes it from the building façade. The highest point of the proposed building façade from pavement is 9.28m. The maximum 17.95m building height occurs at the rear of the site due to the significant slope of the land after mid-depth, as it falls towards the Buchanan reserve in the Back Creek area. When viewed from Gregory Street the proposal is well within the acceptable height limitations. Strict compliance in this instance is unreasonable given the absence of any adverse impacts in terms of bulk and scale, overshadowing, loss of privacy, loss of solar access and loss of protected views.

**Application number:** T6-15-323

**Subject land:** Lot 2332 DP1196964, 19 Gregory Street, South West Rocks

**Description:** RESIDENTIAL FLAT BUILDING (29 APARTMENTS)

**Chapter:** C1 Residential Development – Urban Areas

**Development requirement:** Clause 5.2.7 – Cut and fill and retaining walls

**Proposed:**
- Max. excavation 1.5m
- Max. retaining wall height 1.5m

**Desired outcome:**
Retaining wall approx. 5m for basement car park

**Objections:**
D03

**Planning comment:**
The desired outcome is that buildings are sited and designed to accommodate the natural slope and orientation of the site. This outcome is achieved as the proposed cut is not to re-grade a sloping site, but to excavate a basement level so as to take full advantage of the site by providing car parking and servicing areas below ground. The slope of the site makes it necessary to excavate to the levels specified to maintain grade throughout the car park, as well as the floor levels of the apartments above.

**Application number:** T6-15-323

**Subject land:** Lot 2332 DP1196964, 19 Gregory Street, South West Rocks

**Description:** RESIDENTIAL FLAT BUILDING (29 APARTMENTS)

**Chapter:** C1 Residential Development – Urban Areas

**Development requirement:** Clause 5.2.2 – Side/rear setbacks

**Proposed:**
- North (all storeys) = 6m
- South (all storeys) = 4.7m
Desired outcome: D01, D03, D04, D05 and D06
Objections: Nil

Planning comment:
The desired outcomes are met as the setbacks afford privacy to residents, maintain important views, and minimise overshadowing. The northern and southern setbacks are significantly greater than required to comply with Clause 5.2.2. Only the western setbacks for Buildings A & C are non-compliant, with a minimum setback of 0.5m for all storeys. Most of the important views from nearby properties are westerly views in the direction of the Back Creek area and the dunes/ocean beyond.
Given the above, it is considered that the compliant northern and southern setbacks are the important setbacks in this location, as they limit view loss from properties that have westerly views across the site.

Application number: T6-15-323
Subject land: Lot 2332 DP1196964, 19 Gregory Street, South West Rocks
Description: RESIDENTIAL FLAT BUILDING (29 APARTMENTS)
Chapter: C1 Residential Development – Urban Areas
Development requirement: Clause 5.4 – Private open space
Proposed: Apartment C1 receives sunlight, but not for the full 3hrs
Desired outcome: D01
Objections: Nil

Planning comment:
The desired outcome is that private open space areas receive adequate sunlight to encourage outdoor use. Only apartment C1 does not fully comply with this standard, all twenty-eight (28) other apartments comply, representing 96.5% compliance over the entire proposal. Apartment C1 received sunlight, but not for the full 3hrs required.
All apartments are well-designed and have large living areas and large balconies. Whilst the private open space area for apartment C1 does not achieve the required daylight, these areas are still of adequate size and configuration for passive outdoor recreation activities and associated furniture.

Application number: T6-15-360
Subject land: Lot 18 DP1097701, 13 Yulgilbar Place, South West Rocks
Description: DUAL OCCUPANCY (DETACHED) AND SUBDIVISION
Chapter: C1 Residential Development – Urban Areas
Development requirement: Maximum depth of fill/retaining wall of 1.5m – Clause 5.2.7(a) & (e)
Proposed: Maximum height of fill/retaining wall of 1.8m
Desired outcome: D03
Objections: Nil

Planning comment:
Whilst the development requirement of a maximum height of fill/retaining wall of 1.5m has not been provided for, it is considered that in this instance the desired outcome is still achieved as: the retaining wall is located between the two proposed dwellings reducing its visual impact; the retaining wall and fill is required to create a level driveway and private open space area; cut and fill
is kept to a minimum through the remainder of the site and site drainage will not affect adjoining lands.

Application number: T6-15-360
Subject land: Lot 18 DP1097701, 13 Yulgilbar Place, South West Rocks
Description: DUAL OCCUPANCY (DETACHED) AND SUBDIVISION
Chapter: C1 Residential Development – Urban Areas
Development requirement: Minimum street frontage of 20m for dual occupancies – Clause 7.3(a)
Proposed: Street frontage to cul-de-sac head of 4m
Desired outcome: DO1
Objections: Nil

Planning comment:
Whilst the development requirement of a minimum street frontage of 20m has not been provided for, it is considered that in this instance the desired outcome is still achieved as: the narrow street frontage is offset by the quickly widening allotment width, the proposed dual occupancy development will contribute to the open, natural character of South West Rocks; the proposed development is compatible with the streetscape; the proposed development will have no significant adverse impacts on the amenity of the locality; the site is of sufficient area and width to accommodate two dwellings; and the site is located on a cul-de-sac, which limits the ability to provide a 20m wide street frontage.

Application number: T6-15-387
Subject land: Lot 1 DP339477, 6 Korogora Street, Crescent Head
Description: THREE STOREY ADDITIONS AND ALTERATIONS TO EXISTING DWELLING
Chapter: C1 Residential Development – Urban Areas
Development requirement: Minimum setback to secondary street frontage of 3.0m – Clause 5.2.1(b)
Proposed: Proposed third storey addition is set back 2.7m to East Street
Desired outcome: DO4
Objections: Two objections received on the grounds the additions breach the height limit.

Planning comment:
Whilst the development requirement of a minimum setback to the secondary street frontage of 3.0m has not been provided for, it is considered that in this instance the desired outcomes are still achieved as the degree of variation is minor, being 0.3m; the proposed addition allows for view sharing; the proposal maintains traffic sight distances; stepping the wall adds articulation along the length of wall, while maintaining the same roof line; the proposed addition is consistent with the local residential character; and the proposed variation will not impact on the amenity to adjacent land and dwellings.

Application number: T6-15-387
Subject land: Lot 1 DP339477, 6 Korogora Street, Crescent Head
Description: THREE STOREY ADDITIONS AND ALTERATIONS TO EXISTING DWELLING
Chapter: C1 Residential Development – Urban Areas
Development requirement: Minimum side boundary setback 1.5m – Clause 5.2.2(b)
Proposed: Proposed side boundary setback of covered deck is 1.2m
Desired outcome: DO4
Objections: Two objections received on the grounds the additions breach the height limit.

Planning comment:
Whilst the development requirement of a minimum side boundary setback of 1.5m has not been provided for, it is considered that in this instance the desired outcomes are still achieved as: the variation from the development requirement is minor, at 0.3m the proposed additions are consistent with the character of the existing dwelling and neighbourhood; privacy to residents is maintained; important views to the ocean are maintained; and no adverse impacts to adjoining properties are envisaged.

Application number: T6-15-388
Subject land: Lot X DP384153, 4 Bay Street, Hat Head
Description: TWO STOREY DWELLING
Chapter: C1 – Residential Development – Urban Areas

Development requirement:
(b) Garages and other outbuildings are not to be positioned forward of the front building line.
(c) Garages must be set back a minimum of 6.0 metres from lot frontages or 1.0 metre behind the house façade (whichever is the greater).

Proposed: Garage setback 1.7 metres in front of the house façade and 10 metres from lot frontage

Desired outcome: D01, D02, D03
Objections: Nil

Planning comment:
Whilst the development requirements for the position and setback has not been provided for the proposed garage, it is considered that in this instance the desired outcomes are still achieved as the garage is integrated with the existing dwelling and forms part of the same building. The dwelling and garage are positioned more than 10 metres from the primary street frontage providing additional landscaping and open space area within the front yard that reduce the visual prominence of the building. The design and position of the garage does not dominate the streetscape or create any adverse visual impacts, and it is not envisaged to have any adverse impacts on the amenity of the neighbourhood.
RESCISSION MOTIONS

Nil
NOTICES OF MOTION

ITEM 14  RANKINE STREET CARPARK CRESCENT HEAD

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>HD-04-03 - Planning for a sustainable environment</td>
<td>Councillor Bruce Morris</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Effect of Recommendation on Budget:</th>
<th>File:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil</td>
<td>F12/1118-03</td>
</tr>
</tbody>
</table>

I intend to move the following motion at the ordinary meeting to be held Tuesday, 16 February 2016

REPORT SUMMARY

The proposed sale of the Council owned car park at Rankine Street Crescent Head should not proceed until after the adoption of the Community Development Plan or Master Plan for the strategic development of the Crescent Head village. In addition, the sale of the site should not proceed until after the Free Camping and lack of vehicle parking within the Crescent Head Foreshore area is satisfactorily resolved.

RECOMMENDATION

1. That Council not proceed with the sale of Council’s carpark at Rankine Street, Crescent Head.

2. That Council evaluates the need for the Rankine Street carpark after adoption of the Community Development Plan or Master Plan for the strategic development of the Crescent Head village and the satisfactory resolution of the lack of vehicle parking within the Crescent Head Foreshore area.

3. In the event that Councils evaluation is that the Rankine Street carpark is to be sold, that the sale process be recommenced.

COMMENTARY

Council considered a Notice of Motion (NOM) concerning the continuation of the sale of the Council owned carpark in Rankine Street Crescent head at its Ordinary Meeting of 16 December 2014. A copy of this NOM is contained at [Appendix N - Page 110]. At this meeting Council resolved “That Council develops a Community Development Plan or Master Plan for the strategic development of the Crescent Head village in conjunction with the Crescent Head community.” The recommendation to not proceed with the EOI process for the sale of, or development of, Council’s carpark at Rankine Street, Crescent Head though was not supported by Council.

After the expression of Interest and initial development proposal, additional information was requested by Council in relation to the proposed development. The provision of this additional information has been continually delayed with extensions of time granted to the developer for the provision of same. This is despite numerous requests by the community and some Councillors in relation to the matter.
The Crescent Head Country Club presented an alternative proposal to Council for consideration on 15 June 2015. The Crescent Head Country Club asked for confirmation of their proposal by the end of October 2015. No formal consideration of this matter has been made by Council since this presentation. After this presentation it was indicated that the developer would provide additional details by the end of October 2015, this was subsequently delayed further with information still not being provided to the Councillors or the Community, with the most recent response being that the developer has asked for a further extension of time.

Council is also considering a matter in relation to Free Camping issues within the Crescent Head Foreshore Carpark Area. This matter was the subject of a public meeting held at Crescent Head on 13 January 2016. At this meeting it was acknowledged that the demand for parking spaces within the Crescent Head Foreshore Carpark was greater than that available. The need for overflow parking in Willow Street and an increase in the number of parking spaces by offsetting log barriers were proposed as options. Whilst Rankine Street carpark was not mentioned during the meeting, this car parking area is often full during peak periods, and serves as an overflow/backup car park to the Foreshore car parking areas.
ITEM 15  WASTE COLLECTION VEHICLE, MOBILE BILLBOARD OR BOTH

<table>
<thead>
<tr>
<th>Delivery Program Activity: HD-04-03 - Planning for a sustainable environment</th>
<th>Reporting Officer: Councillor Bruce Morris</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of Recommendation on Budget: Nil</td>
<td>File: TQE14/5, F12/1146</td>
</tr>
</tbody>
</table>

I intend to move the following motion at the ordinary meeting to be held Tuesday, 16 February 2016.

REPORT SUMMARY

That Council consider utilising the Waste Collection vehicles as mobile billboards as a part of the new waste collection contract. The waste collection vehicles provide a means of delivering long term Strategic message/s to the community. A different message could be provided on each side of each type of collection vehicle.

RECOMMENDATION

1. That Council includes as an optional contract provision within the waste collection contract, for the waste collection vehicles to include a message on the side of the vehicles.

2. That Council determines what long term strategic message or messages are to be included on the waste collection vehicles.

COMMENTARY

Council’s current Waste contract ends on 1 October 2016. With past contracts Council has indicated what logos/wording they want to be displayed on the collection vehicles. The new contract provides Council with the opportunity to have the contractor display a message on the waste collection vehicle. It is proposed that any such message/s be of a long term strategic nature and be retained on the vehicle for the life of the waste contract. Council could consider a provision within the contract to change the message periodically, although it is considered that this is likely to be cost prohibitive and for this reason has not been included in the recommendation.

Warringah Council has adopted a message concerning Domestic Violence on their waste collection vehicles as shown on the picture below.
Given that Council’s waste collection contract will include the collection of General Waste (fortnightly collection), Green Waste (weekly collection) and Recyclables (fortnightly collection), which it would be likely to have dedicated vehicles, Council could consider up to six different messages, one on each side of each collection vehicle type, although the same message or message theme on each side would strengthen the message.

If the message on the collection vehicle was constant for the contract duration any addition cost should be minimal. Subsequently the message/s adopted by Council would need to be of a long term strategic nature. These messages would need to be determined by Council to provide the greatest long term impact. The option adopted by Warringah could be considered along with several others that would support social, safety or environmental initiatives contained within Council’s Delivery Plan. Some suggestions although not exhaustive could be the need for Emergency Plans, Flood and Fire Preparedness, or Crime Prevention and Reporting.

General Manager’s Additional Information

At this stage the planned use of the vehicles is for a waste related message to promote increased recycling and organics separation with the view to reducing the longer term cost of disposal of waste into landfill. This message ties in with the known issue that increased waste to landfill will increasingly cost the community.
I intend to move the following motion at the ordinary meeting to be held Tuesday, 16 February 2016

REPORT SUMMARY

The time to be visionary and pursue a stronger, more prosperous future for Kempsey is now. The potential and opportunity for a major Freight and Logistics Hub located in Kempsey is good, although with many new developments across the country we need to act, before we miss the train. Our central location between Sydney and Brisbane, with the soon to be completed highway duplications, coupled with industrial land ideally located near road interchanges, with the capacity to develop a rail siding provides considerable market potential. Land rents are much more favourable than capital cities, with the potential to service an area from the Sunshine Coast in the North, Wollongong in the South and Dubbo to the west, within eight hours by truck.

RECOMMENDATION

1. That Council collaborates with Mr Merv Cunningham and Ms Robin Clear, as well as potential investors and transport companies, to investigate the viability of establishing a Freight and Logistics Hub in Kempsey.

2. In the event that the establishment of a Freight and Logistics Hub in Kempsey is assessed as viable, that Council proactively pursues and supports the development of a Kempsey Freight and Logistics Hub.

COMMENTARY

Council needs a long-term vision to bring prosperity, business development and commerce, jobs, careers, and opportunities to the Macleay Valley. The development of a Freight and Logistics Hub has the potential to be our long-term saviour. The world and Australia is experiencing a revival in the use of rail for long haul transport and it is anticipated that this will continue into the future. This provides an opportunity for regional areas that are in strategic geographic locations, with many facilities recently opened, under development or planned for development. These facilities are generally inland on major road and rail intersections, with some being located at Casino, Parkes, Griffith, Wagga Wagga, Ettamogah, Junee, Cootamundra and Toowoomba.

At this stage there are no known proposals for the Mid North Coast, although with the progress on the Pacific Highway duplication the potential for a Freight and Logistic Hub in the region is excellent. The potential market penetration by truck, within eight hours is in the vicinity of 10 million customers. Industrial land is readily available, with easy access to the highway with the potential for rail sidings. The rent for this land would be highly competitive with comparable land in other locations. Why not store motor vehicles, transported to Kempsey by train, for distribution to the
Sydney and Brisbane market? Another opportunity could be the establishment of distribution warehouses by retail suppliers. A new entrant to the Australian market like LiDL could potential supply stores from Sydney to Brisbane from the one facility.

Let’s all see the big picture, take hold of this opportunity, visualise the future, understand the possibilities, start the communication and fight for prosperity, jobs, careers and opportunities where we are truly Healthy, Wealthy, Safe and Sociable. The potential offered by a Freight and Logistics Hub is considerable. This is not just about trains and trucks or parcels or freight, this is about Kempsey being a logistics super hub, a feeder of commodities and products to areas from Sydney to Brisbane, a receiver of locally manufactured and farmed products and freighting them across Australia and to the world, with the possibility of an air freight capability to the world, from the Kempsey airport.

We need to say the Macleay Valley is open for business.

Councillor Anthony Patterson

**GM’s Additional Information**

If passed, the Councillors will need to identify the budget that is to be allocated to this project as this will lead to other projects needing to be postponed. As a proposal only, it is not possible to provide an estimation of the costs involved as to what Council would be expected to provide as part of the collaboration.


This level of investigation would be what is considered the minimum that should be available before commencing any further action in promoting a project. If the project cannot be shown to be feasible it will be unlikely that any marketing campaign will result in an investment.

It has been reported that there are currently up to 11 intermodal hub proposals currently in NSW. The head of the NSW Regional Intermodal Taskforce has indicated that it would be up to the private sector to run the terminals. This aligns with what has recently been occurring. The Ettamogah Rail Hub involves a $7 million Federal Government investment and $7 million in Council funding towards road infrastructure leading to the facility. The Council at the Toowoomba freight hub committed $1 million, linked with $2.89 million in state funds for lead up infrastructure. This indicates that for an intermodal hub to be viable it will need to have a commercial case and backing. Grant funding would only be available for supporting infrastructure that creates a bottleneck. Council or a private investor would likely need to fund a fair proportion of those costs as well as in matching funds.

This will be a sizeable investment. A greenfield development with the scale to be sustainable would require funding in the order of $10 million for the facility itself, based on the Narrandera evaluation document. The Notice of Motion does not indicate what the investment will be and may include significant external infrastructure, as outlined above. The costing (at least indicative) of this project will be important to know in determining the viability of the proposal.
The Sea Freight Council of NSW released a report into intermodal hubs in 2004 (http://www.transport.nsw.gov.au/sites/default/files/b2b/publications/SFCNSW-Regional-Intermodal-Terminals-Sea-Freight-Council.pdf). This study indicated that to be viable an intermodal hub will ideally have 15,000 to 20,000 twenty foot equivalent containers per annum. Their report focuses on intermodal hubs as a method of moving freight to a port, as they indicate that:

“the volume of imports moving direct from port to rural locations is limited, and rail movements cannot generally compete with road for domestic/intrastate movements to/from a metropolitan location.”

In their report they set out what they consider the critical requirements for sustainability. This initial table is copied below:

<table>
<thead>
<tr>
<th><strong>Perspective</strong></th>
<th><strong>Condition</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Terminals as places</td>
<td>The terminal must have proximity to substantial and appropriate freight volumes, where there is a requirement to move products towards a market (and/or port). Proximity to existing road and rail infrastructure is imperative. Typically, dense export-based rural commodities tend to favour an intermodal (rail/road) path to port, particularly where the rail journey is significantly greater than the road journey linking the customer to the terminal.</td>
</tr>
<tr>
<td>Terminals as entities</td>
<td>The terminal must be “fit for purpose” and ensure commercial sustainability for the investor and operator. Volume remains the key determinant for commercial success, followed by rail service regularity, and a level of investment commensurate with the size and complexity of the task. Terminals may yield benefits for external stakeholders (e.g. community or government) which avoid externality costs such as greenhouse gas emission, road trauma, road maintenance, and noise emissions</td>
</tr>
<tr>
<td>Terminals as elements in chains</td>
<td>Intermodal terminals are only sustainable to the extent that they exist as elements in supply chains that provide low cost transport paths to markets or ports, and these chains will compete with other supply chains for market share; therefore, not only must the terminal itself be efficient, it must exist within an efficient chain where the total cost of the elements is lower than the cost of competing chains for a comparable level of service.</td>
</tr>
</tbody>
</table>

They make several important observations about the desire to develop more intermodal hubs, which include:

- “The increase in the number of rural intermodal terminals over the last 5 to 7 years has created an impression of a larger market for investment than is the case. This is an erroneous notion. Substantial volume in nearby catchments is the critical driver for financial and operational sustainability.”

- “A rail operator with terminal investments can secure a greater revenue base and has the ability to spread overheads, whereas an operator with terminal investments only is likely to be at a cost disadvantage”
• “Intermodal supply chains are not efficient across all distances, volumes and service levels, and where insufficient volume exists or service flexibility is necessary, road-based transport offers a superior economic alternative”

• “Whilst some interviewees expressed the need for a viable rail and terminal network, as a basis of addressing externality issues such as greenhouse emission, road trauma, road maintenance costs, and so on, the immediate transport costs remained the one relevant criterion influencing choice”

• “Rural terminals do not represent a significant means of directly stimulating employment, as even large terminals (>25,000 TEU pa) employ less than 20-30 direct staff.”

• “The terminal may stimulate secondary employment opportunities by co-locating secondary and tertiary processes nearby, however the initial terminal development can only be considered viable where there are substantial start-up volumes or where volumes build quickly in the early stages of the terminal’s life”

Their report considers also the logistics of moving freight to Sydney. Their finding was that:

“In the main, NSW rural-based intermodal terminals have a predominant focus on export movements to the ports of Sydney. Rail-based transport is able to compete in the export chains owing to its ability to deliver the consignment direct to port and obviate the need for additional handling and road movements from a secondary terminal. By contrast, the movement of “domestic” freight to/from the Sydney market is dominated by direct road movements, due to freight time demands and rail terminal infrastructure constraints in the Sydney Basin.”

This aligns with the NSW Government Freight transport Strategy, which indicated that there is not sufficient capacity on the main north line to service increased rail freight in peak demand periods. The NSW Government has indicated that there are considerable constraints on the main north line. This is to the extent that during the core freight movement times the capacity would have been fully utilised by 2013. Some works were proposed to increase capacity, but it is unknown if they have been carried out. The creation of the inland rail link, diverting Melbourne/Brisbane traffic was seen as the medium term solution to the capacity problem, but not economically viable. A dedicated northern freight line was seen as a long term solution, but also not economically viable.

Work is continuing on the Melbourne/Brisbane line, which will see reduced congestion on the Sydney line. This rail project is what is also driving the investment in intermodal hubs at key linkages on that route, such as Parkes and Toowoomba.

Other current proposals and projects are linked to expansion of current facilities and link into the large freight volumes that are currently in existence. The Mid North Coast does not have the freight volumes being generated that those areas have, which is set out in the NSW Freight and Port Strategy.

As is noted, to be effective the rail corridors need to be able to efficiently compete with the road alternative. Freighters will utilise the freight option that provides the best outcome. Currently the rail lines into and out of the North Coast have significant limitations both on speed and capacity, which would make the use of those lines less competitive than a road freight alternative. These matters would need to be addressed prior to any intermodal hub on the North Coast being able to have a viable business model.
The Notice of Motion cites the accessibility of many markets within an eight-hour truck trip as the reason why an intermodal hub would be viable in this location. The Sea Freight Council did specifically look at the movement of freight domestically, with councillors being recommended to read the report in full to gain a good understanding of the market dynamics of intermodal hubs.

In terms of domestic freight options they indicate:

- “Within NSW, the movement of a domestic road-based consignment will generally take around 4-8 hours depending on distance. Comparable rail-based movements, with additional road movements at one or both ends, may take 9-18 hours depending on rail timetables and terminal operating hours

- “Domestic” inventories are consolidating and tend to be held in the major markets, such as Sydney and Melbourne. Exceptions do exist, however are generally in quantities which do not favour economic rail-based distribution processes

- Distribution to rural outlets tends to be in smaller consignment lots (up to 25 tonnes). In most circumstances an intermodal terminal will lack the capacity to influence domestic movements via two terminals and rail, given the dispersed geographic nature of origin and destination points

- Domestic interstate freight movements by rail between Sydney and Melbourne (a journey of >900kms) cannot compete on time and cost against road, and therefore the notion that rail freight can compete in rural situations where distances are less is unlikely – with the exception of a few discrete examples.”

The report provides a worked example of moving freight from Sydney to Griffith, which shows that use of rail would take twice the time and at a higher cost. It is logical to assume that on the shorter trip of Sydney to Kempsey the differential would be greater, particularly when taking into account the known capacity constraints and speed limit constraints on the lines and the upgrades to the Pacific Highway that have occurred since 2004.

From this it would appear that the development of an intermodal hub at Kempsey would be more favourable along the lines of that proposed by Greater Taree Council, with road freight being consolidated rather than a rail alternative.

The tables in the Sea Freight Council report show that the only situation in which a greenfield rail intermodal hub operating 500km from a port would compete effectively with road transport for export markets would be for a super-sized terminal (greater than 20,000 TEU) and then only for people within 50km of the intermodal hub. This accords with the Narromine report.
DELEGATES REPORT

Nil
ITEM 17 LOCAL TRAFFIC COMMITTEE MEETING HELD ON 23 DECEMBER 2015 AND 2 FEBRUARY 2016

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(CAD-01-04) Technical engineering management</td>
<td>Director Infrastructure Services</td>
</tr>
<tr>
<td>Effect of Recommendation on Budget:</td>
<td>File:</td>
</tr>
<tr>
<td>Nil</td>
<td>F12/1073-04</td>
</tr>
</tbody>
</table>

REPORT SUMMARY

For Council to adopt the minutes of the Local Traffic Committee of informal meeting via email 23 December 2015 and informal meeting via email 2 February 2016

RECOMMENDATION

That the recommendations of the informal meeting via email 23 December 2015 and informal meeting via email 2 February 2016 be adopted.

COMMENTARY

A copy of the minutes of the informal meeting of the Local Traffic Committee via email 23 December 2015 is at [Appendix O – Page 113] and informal meeting via email 2 February 2016 is at [Appendix P – Page 115].
## ITEM 18  KEY PERFORMANCE INDICATORS

<table>
<thead>
<tr>
<th>Delivery Program Activity: (CO-01-03) Governance</th>
<th>Reporting Officer: Director Community Engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of Recommendation on Budget: Nil</td>
<td>File: F12/756-04</td>
</tr>
</tbody>
</table>

### REPORT SUMMARY

Reporting on the key performance indicators for the 2 month period ending 31 January 2016.

### RECOMMENDED:

That the information be noted.

### COMMENTARY

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Minimum Target</th>
<th>Performance Y.T.D.</th>
<th>Result</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% projects completed on time and on budget</td>
<td>85%</td>
<td>100%</td>
<td>✔️</td>
<td>December 2015: Sustainable Environment 12/12 – 100% January 2016: Sustainable Environment 12/12 – 100%</td>
</tr>
<tr>
<td># community projects undertaken by groups in the community</td>
<td>10</td>
<td>5</td>
<td>✔️</td>
<td>December 2015: 87.50% January 2016: 76.19%</td>
</tr>
<tr>
<td>% customer enquiries solved before second contact is made</td>
<td>60%</td>
<td>77.78%</td>
<td>✔️</td>
<td>December 2015: 87.50% January 2016: 76.19%</td>
</tr>
<tr>
<td>% of instances where service levels met</td>
<td>80%</td>
<td>92%</td>
<td>✔️</td>
<td>December 2015: Infrastructure 90% Sustainable Environment 55.5% January 2016: Infrastructure 90% Sustainable Environment 50%</td>
</tr>
<tr>
<td># mean satisfaction rating with customer service</td>
<td>3.34</td>
<td>81.13%</td>
<td>?</td>
<td>December 2015: 73.75% January 2016: 73.81%</td>
</tr>
<tr>
<td>Indicator</td>
<td>Minimum Target</td>
<td>Performance Y.T.D.</td>
<td>Result</td>
<td>Commentary</td>
</tr>
<tr>
<td>----------------------------------------------------</td>
<td>----------------</td>
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<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ saved through innovation</td>
<td>$200,000</td>
<td>$77,600</td>
<td>🚫</td>
<td>The migration of Council’s telecommunications services from Telstra, Optus and Soul to the current whole-of-business agreement with Telstra</td>
</tr>
<tr>
<td>% of staff undertaking discretionary training</td>
<td>52%</td>
<td>30.62%</td>
<td>🚫</td>
<td>December 2015: Significant improvements in % staff undertaking discretionary training up from 23.3% in November to 30.62% this month. This result reflects the continued internal promotion of opportunities of online courses on offer to staff as part of a strategy of increasing voluntary training. January 2016: No change from December. A continuation of internal promotion of opportunities of online courses on offer to staff as part of a strategy of increasing voluntary training</td>
</tr>
<tr>
<td>% unplanned leave hours per employee per annum on average</td>
<td>3.7%</td>
<td>4.49%</td>
<td>🚫</td>
<td>December 2015: Unplanned leave hours increased from a 4.59% to 4.67%. Additional strategies are being implemented to further reduce this figure January 2016: Unplanned leave hours down from a 4.67% to 4.49%. Additional strategies are being implemented to further reduce this figure</td>
</tr>
<tr>
<td># of lost time Injuries per million hours worked</td>
<td>11.00</td>
<td>14.12</td>
<td>🚫</td>
<td>December 2015: One new lost time injury for December, totally 5 YTD. A proactive approach is taken to having employees Recover at Work from their injuries. January 2016: No new lost time injury for January, totally 5 YTD. A proactive approach is taken to</td>
</tr>
<tr>
<td>Indicator</td>
<td>Minimum Target</td>
<td>Performance Y.T.D.</td>
<td>Result</td>
<td>Commentary</td>
</tr>
<tr>
<td>------------------------------------------------</td>
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<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>having employees Recover at Work from their injuries.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Government</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% variable grants received from applications made</td>
<td>60%</td>
<td>Nil</td>
<td>?</td>
<td></td>
</tr>
<tr>
<td>$ variable grant funding received ($mill)</td>
<td>$3.5</td>
<td>$3,171,800</td>
<td>✔</td>
<td>$2M – Cinema project – National Stronger Regions Fund</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$100,000 – Southern Priority Weeds Project for Tropical Soda Apple and Senegal Tea programs – Local Land Services – project to be managed by Mid North Coast Weeds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$20,000– RMS Funding – Community Safety Officer</td>
</tr>
<tr>
<td><strong>Business</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ investment into the local government area ($million)</td>
<td>$50</td>
<td>$33 M</td>
<td>✔</td>
<td>December 2015 $31.4M January 2016 $33M (YTD figure)</td>
</tr>
<tr>
<td># people employed in the Shire</td>
<td>11,123</td>
<td>11,150</td>
<td>✔</td>
<td>12,566</td>
</tr>
<tr>
<td># break &amp; enter, malicious damage crimes</td>
<td>1,010</td>
<td>118</td>
<td>✔</td>
<td>Data to September 2015</td>
</tr>
</tbody>
</table>
COUNCILLOR QUESTIONS

2015-12-15
CAD-01-06
COUNCILLOR A P PATTERSON
FILE: F12/227-04
QFNM1
What will it take to get a budget for the removal of the flying foxes?

RESPONSE:
As previously reported to Council, the cost of gaining approvals and establishing Stage 2 works, being the establishment of a buffer between the colony and adjoining residences would be approximately $160,000 plus an additional $10,000 pa to maintain the buffer, noting that this would not result in the removal of the colony,
It was further reported that the total cost of removing the colony, depending upon the requirements of OEH is between $265,000 and $345,000 plus an estimate of $20,000 pa for maintenance.
Council would also recall that based upon the number people affected, severity of impacts and cost, the removal of the colony would rank 306 on the current list of Unfunded Projects.
In order to provide a budget to remove the colony, Council would need to remove projects from its current Delivery Plan that it feels are of lesser importance to the value of at least $265,000 with a contingency for a further $80,000 to meet OEH requirements.

2015-12-15
HD-02-06
COUNCILLOR A T SHIELDS
FILE: F12/227-04
QFNM1
When will the old oil terminal footbridge at SWR be replaced? Is this an opportunity to allow for emergency 4WD beach access?

RESPONSE:
It is intended to bring the replacement of the old oil terminal footbridge forward from next years Works Program to the current year and accelerate the planning that had been undertaken to allow a replacement as soon as possible. In order to achieve this, one of the bridge projects intended to be undertaken this year will require deferral until next year. Work is planned to commence in May and finish in June 2016.
The option to increase the access to cater for vehicles has not been considered in detail as the initial assessments indicated that there would be a significant increase in cost above what could be afforded and that expansion of the infrastructure in this location may not be appropriate considering the sensitivity of the adjoining land. The beach is currently accessed by vehicles from Arakoon and the South West Rocks Surf Club (when conditions across Back Creek are favourable). The Surf Club ATV vehicle can access the beach across the Mitchell Street footbridge when Back Creek is not able to be crossed.

2015-12-15
WD-03-02
COUNCILLOR D F SAUL
FILE: F12/227-04
QFNM1
When will Council be given a feasibility study on the proposed cinema complex?

RESPONSE:
An update on the cinema project will be in the current business paper.

2015-12-15
WD-03-03
RJS
<table>
<thead>
<tr>
<th>COUNCILLOR D F SAUL</th>
<th>FILE: F12/227-04</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>QFNM2</strong></td>
<td></td>
</tr>
<tr>
<td>What is the breakdown of costs of the $80,000 allocated to consultants for advertising Smith Street?</td>
<td></td>
</tr>
<tr>
<td><strong>RESPONSE:</strong></td>
<td></td>
</tr>
<tr>
<td>The costs only include one item, the consultancy, which was approximately $46,000.</td>
<td></td>
</tr>
</tbody>
</table>

| 2015-12-15         | ✗               |
| SOD-01-01          | RBP             |
| COUNCILLOR E A GREEN | FILE: F12/227-04 |
| **QFNM1**          |                  |
| Would it be a good idea for Council to publicly acknowledge dune care? |
| **RESPONSE:**      |                  |
| Council has previously assisted Dune Care and other community-based environmental groups through the provision of chemicals and technical assistance. In the past, where community groups have assisted with Council environmental rehabilitation projects, public recognition has been provided. Should such groups wish to provide details of projects being undertaken, Council would be happy to post details on its website. |

| 2015-12-15         | ✓ ✗             |
| WD-05-02           | RBP             |
| COUNCILLOR E A GREEN | FILE: F12/227-04 |
| **QFNM2**          |                  |
| When will the Flying school commence? |
| **RESPONSE:**      |                  |
| Council entered into a lease agreement with Australian International Aviation College in July 2014 to use the ex Terminal building for the purposes of a flying school. The lease was expanded to include an area on the grass apron for demountable classrooms that were installed in December 2015. |

| 2015-12-15         | ✓               |
| WD-05-03           | RJS             |
| COUNCILLOR E A GREEN | FILE: F12/227-04 |
| **QFNM3**          |                  |
Has the directional signage to the Macleay Funerals facility at Chain of Ponds Road been erected? If not, when will they be installed?

RESPONSE:
Council received a request on 15 July 2015 for the installation of directional signs for the cemetery, crematorium and funeral chapel located at 316 Chain O Ponds Road. A response letter was sent on 16 September 2015 following a site investigation at each of the proposed signage locations which concluded the following recommendations:

1. That installation of a double sided directional sign consisting of the words “CEMETERY/CREMATORIUM” opposite the entrance to the Cemetery, Crematorium and Funeral Chapel, could be supported.

2. That installation of directional signage at the following locations (as per the request) would not be supported in accordance with the Kempsey Shire Council Development Control Plan (DCP) and Signage Policy:
   - Macleay Valley Way and Second Lane intersection
   - River Street and Spooners Avenue intersection
   - Spooners Avenue and Chain O Ponds Road intersection.

It was highlighted that a proliferation of directional signs, together with a street name sign at the same location can render all of the signs ineffective, as motorists will have difficulty scanning all of the information and making decisions within the time available whilst driving past.

A further request was received by Council on 8 December 2015 which included a report submitted on behalf of Macleay Funerals by O’Brien Traffic. This request will be forwarded to the next meeting of the Local Traffic Committee (LTC) with recommendations following review of the submission.

The recent request has been reviewed and the report to the LTC will recommend that the existing directional signage at the intersection of Chain Of Ponds Road with Spooners Avenue be reconfigured to permit installation of a finger board directional sign for the crematorium in accordance with Council’s policy. The report will still recommend refusal of the requested signage at Macleay Valley Way and River Streets. The next LTC is scheduled to meet in March 2016.

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2015-12-15
WD-03-02
COUNCILLOR B J MORRIS
FILE: F12/227-04
QFNMI
Can Council have a workshop covering details including financial sharing regarding the cinema complex?

RESPONSE:
Current details of the cinema financials are in the current business paper. As noted in the report, the financial model may change over time as the project is investigated.
20 CONFIDENTIAL ITEMS

MOTION FOR CONFIDENTIAL SESSION

In accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005, in the opinion of the General Manager, the following business is of a kind as referred to in section 10A(2) of the Act, and should be dealt with in a part of the meeting closed to the media and public.

Set out below is section 10A(2) of the Local Government Act 1993 in relation to matters which can be dealt with in the closed part of a meeting.

The matters and information are the following:
(a) personnel matters concerning particular individuals (other than councillors)
(b) the personal hardship of any resident or ratepayer
(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business
(d) commercial information of a confidential nature that would, if disclosed;
(i) prejudice the commercial position of the person who supplied it, or
(ii) confer a commercial advantage on a competitor of the Council, or
(iii) reveal a trade secret
(e) information that would, if disclosed, prejudice the maintenance of law
(f) matters affecting the security of the Council, councillors, council staff or Council property
(g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege
(h) information concerning the nature and location of a place or an item of Aboriginal significance on community land.

Councillors are reminded of their statutory obligations in relation to the non-disclosure to any outside person of matters included in this section.

That Council form itself into the Confidential Session, and at this stage, the meeting be closed to the public to permit discussion of the confidential business items listed for the reasons as stated in the Agenda.
ITEM 19  VARIOUS LEGAL MATTERS

Delivery Program Activity: (CAD-01-03) Governance  
Reporting Officer: Director Corporate Management

Effect of Recommendation on Budget: Nil  
File: F12/250-05

Section 10A(2)(g) – Legal Proceedings

This report is submitted on a confidential basis as it involves advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege. (Local Government Act 1993, Section 10A (2)(g))

On balance, the public interest in preserving the confidentiality of the advice outweighs the public interest in openness and transparency in Council decision making by discussing the matter in open meeting.

REPORT SUMMARY

Reporting on the current position regarding legal matters.
## ITEM 20  PUBLIC PRIVATE PARTNERSHIP FOR KEMPSEY CINEMA PROJECT

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(WD-03-02) Increasing value in local businesses</td>
<td>General Manager</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Effect of Recommendation on Budget:</th>
<th>File:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unknown at this stage</td>
<td>F12/1377</td>
</tr>
</tbody>
</table>

### Section 10A(2)(d)(i) – Commercial Position

This report is submitted on a confidential basis as it involves commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. (Local Government Act 1993, section 10A(2)(d)(i))

On balance, the public interest in preserving the confidentiality of the commercial information supplied, outweighs the public interest in openness and transparency in council decision making by discussing the matter in open meeting.

### REPORT SUMMARY

Reporting on the development of a Public Private Partnership to deliver cinema services to the community, to be located in Kempsey’s Central Business District.
ITEM 21  GENERAL MANAGER’S PERFORMANCE REVIEW 2014/2015

<table>
<thead>
<tr>
<th>Delivery Program Activity:</th>
<th>Reporting Officer:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(CAD-02-04) Human Resource Management</td>
<td>Mayor</td>
</tr>
<tr>
<td>Effect of Recommendation on Budget:</td>
<td>File:</td>
</tr>
<tr>
<td>Nil</td>
<td>RAW/28100</td>
</tr>
</tbody>
</table>

**Section 10A(2)(a) – Personnel Matters**

This report is submitted on a confidential basis as it involves personnel matters concerning particular individuals (other than Councillors). (Local Government Act 1993, section 10A(2)(a))

On balance, the public interest in preserving the confidentiality of the commercial information supplied, outweighs the public interest in openness and transparency in council decision making by discussing the matter in open meeting.

**REPORT SUMMARY**

Advising of the completion of the General Manager’s Performance Review for the 2014/15 year.
ITEM 22    GENERAL MANAGER’S PERFORMANCE REVIEW AGREEMENT 2015/2016

<table>
<thead>
<tr>
<th>Delivery Program Activity: (CAD-02-04) Human Resource Management</th>
<th>Reporting Officer: Mayor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of Recommendation on Budget: Nil</td>
<td>File: RAW/28100</td>
</tr>
</tbody>
</table>

**Section 10A(2)(a) – Personnel Matters**

This report is submitted on a confidential basis as it involves personnel matters concerning particular individuals (other than Councillors). (Local Government Act 1993, section 10A(2)(a))

On balance, the public interest in preserving the confidentiality of the commercial information supplied, outweighs the public interest in openness and transparency in council decision making by discussing the matter in open meeting.

**REPORT SUMMARY**

MEETING NOTICE

KEMPSEY SHIRE COUNCIL CARAVAN PARKS FUTURE MANAGEMENT AND CAPITAL IMPROVEMENTS

TRUST MANAGER: KEMPSEY SHIRE COUNCIL

Your attendance is requested at a meeting of the Reserve Trust to be held in the Council Chambers on Tuesday 16 February 2016 (at the conclusion of the Council meeting).

The purpose of the meeting is detailed hereunder.

David Rawlings
GENERAL MANAGER

1 APOLOGIES

2 REPORT

KEMPSEY SHIRE COUNCIL CARAVAN PARKS FUTURE MANAGEMENT AND CAPITAL IMPROVEMENTS

File: F12/566-03

Reporting on recommended process to tender the future management and capital funding of Council’s five holiday parks in line with the 2016 to 2021 Business Management Plan for Council’s five (5) caravan parks located at Crescent Head, Hat Head, Horseshoe Bay, Grassy Head and Stuarts Point.

The endorsement of Council (as Trust Manager of the respective Crown Reserves) is sought to approve the process to progress a new management contract that also aims to seek funding for agreed capital improvements.

RECOMMENDATION

1 That the recommended process to tender the future management and capital improvement funding of Council’s 5 Holiday Parks (as listed in this report) be endorsed by Council.

2 That a Deed of Agreement between the Trust and the current caravan park contractors to provide a three-month extension to the current contract be endorsed.

COMMENTARY

The 2016 to 2021 Business Management Plan for Kempsey Shire Caravan Parks Draft Report was reviewed by Council as the Reserves Trust Manager on Tuesday 15 December 2015. The plan provides Council with market analysis, recommended priority business improvements and a
budgeted capital works plan aimed at securing the long term competitive advantage and commercial viability of the park.

The plan was also prepared to assist Council in determining the most appropriate future management model for the combined facilities that also improve the business further whilst also seeking capital funding contributions from management to assist with part funding park priority improvements.

The current 5-year management contract expires on the 30th of June 30, 2016 and this provides an opportunity for Council to test the market place through an Expression of Interest (EOI) process and then develop tender documents to set up a new management contract taking into account the new partnership management model recommendations.

**Recommended Expression of Interest and Management Tender Process**

Otium Planning Group Pty Ltd has been retained to assist in the EOI and management tender and coordinated a meeting of Council Officers to consider the processes, tasks and timelines.

As the current management contract ceases on the 30th of June 2016 there is insufficient time to complete an extensive EOI process to help test the contract management market to guide Council on the best tender options.

It is therefore recommended that in order to provide adequate time for this process that a Deed of Agreement be executed to extend the current management contract by 3 months to the 30th of September 2016. This will provide an EOI and tender period from end of February to end of September 2016.

The current contractor has confirmed its agreement to a three (3) month extension.

Key actions that need to be approved by Council include:

- Appointment of an independent tender panel
- Appointment of an independent tender probity officer (to ensure all process are fair and equitable for all parties)
- Approval of the proposed tender tasks and associated timeline.

These are listed in detail in the following table.

<table>
<thead>
<tr>
<th>Task/Action</th>
<th>Details</th>
<th>Timeline</th>
</tr>
</thead>
</table>
| 1. Appoint Tender Panel | Council to set up a tender panel to oversee this process. Recommended the tender panel includes:  
  - Councillor/s (1 or 2 positions to be determined by Council from nominations).  
  - Director Infrastructure Services  
  - Director Community Engagement  
  - Property Contractor  
  - Otium Planning Group (OPG) Project Manager  
  Project Probity Office be appointed to be an | Councilor appointments to be determined by call for nominations.  
  - Panel formed by 20/02/2016  
  - Probity officer appointed by 20/02/2016 |
<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Develop EOI Documents</td>
<td>OPG to complete first draft EOI documents for panel review and edit</td>
</tr>
<tr>
<td>3.</td>
<td>Final EOI Documents</td>
<td>OPG to complete all edits and work with KSC to develop final documents</td>
</tr>
<tr>
<td>4.</td>
<td>Seek Expressions of Interest</td>
<td>KSC to advertise the EOI</td>
</tr>
<tr>
<td>5.</td>
<td>EOI Close</td>
<td>Close acceptance of EOI submissions</td>
</tr>
<tr>
<td>6.</td>
<td>Summary of EOI submissions</td>
<td>OPG to summarise all EOI submissions and forward to the Tender Panel</td>
</tr>
<tr>
<td>7.</td>
<td>Tender Panel Review the EOI Submissions</td>
<td>Tender panel to review EOI submissions and following review of options presented agree on future tender terms and conditions.</td>
</tr>
<tr>
<td>8.</td>
<td>Tender Panel complete EOI Assessment.</td>
<td>Tender panel to have assessed and approved a invite to tender list</td>
</tr>
<tr>
<td>9.</td>
<td>Tender Documents Completed and Circulated</td>
<td>Tender documents to be completed and circulated to invited companies.</td>
</tr>
<tr>
<td>10.</td>
<td>Tender Summaries Circulated for Review</td>
<td>OPG to complete tender summaries and circulate to tender panel</td>
</tr>
<tr>
<td>11.</td>
<td>Tenders Assessed</td>
<td>Tender panel to meet as required to assess tenders and confirm preferred tenderer and 2nd preferred tender</td>
</tr>
<tr>
<td>12.</td>
<td>Negotiations with Preferred Tenderer</td>
<td>Preferred Tender to meet with the tender panel and negotiations held on reaching a final head so agreement. * If after 10-days heads of agreement cannot be reached then negotiations stopped with preferred tenderer and commenced with second preferred tender</td>
</tr>
<tr>
<td>13.</td>
<td>Tender Panel Report to Council</td>
<td>OPG to assist the tender panel in completing a final report to Council by 21/08/2016</td>
</tr>
<tr>
<td>14.</td>
<td>Council Appoint Successful Tenderer</td>
<td>Council to review the tender panel report and if determined appropriate approve the successful tenderer</td>
</tr>
<tr>
<td>15. Legal Agreement be Finalised</td>
<td>Council legal services to develop final agreements and successful tenderer to sign</td>
<td>• By 23/09/2016</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>16. Successful Tenderer take up Contract</td>
<td>Successful tenderer provided access to caravan parks and management services from agreed date.</td>
<td>• On the 01/10/2016</td>
</tr>
</tbody>
</table>

**Note:** Dates listed in this schedule are a guide only and final dates will need to be confirmed once detailed work plan is completed.