

# DRAFT

## MINUTES – 24 MAY 2016



# PORT STEPHENS

## C O U N C I L

Minutes of Ordinary meeting of the Port Stephens Council held in the Council Chambers, Raymond Terrace on – 24 May 2016, commencing at 6.03pm.

**PRESENT:**

Mayor B MacKenzie, Councillors G. Dingle, S. Dover, K. Jordan, P. Kafer, P. Le Mottee, J Nell, S. Tucker, General Manager, Corporate Services Group Manager, Acting Facilities and Services Group Manager, Development Services Group Manager and Governance Manager.

<b>126</b>	<b>Councillor Steve Tucker</b> <b>Councillor Ken Jordan</b>  It was resolved that the apologies from Cr Chris Doohan and Cr John Morello be received and noted.
------------	--

<b>MINUTES ORDINARY COUNCIL - 24 MAY 2016</b>
---

<b>127</b>	<b>Councillor Ken Jordan</b> <b>Councillor Sally Dover</b>  It was resolved that the Minutes of the Ordinary Meeting of Port Stephens Council Ordinary Council held on 10 May 2016 be confirmed.
------------	---

	<p>Cr Paul Le Mottee declared a pecuniary conflict of interest in Item 2. The nature of the interest being the Le Mottee Group prepared the application for the owner.</p> <p>Cr Paul Le Mottee declared a pecuniary conflict of interest in Item 6. The nature of the interest being the Le Mottee Group was involved with the original proposal.</p>
--	--

# INDEX

**SUBJECT****PAGE NO****MOTIONS TO CLOSE..... 5**

1. MOTION TO CLOSE.....8

**COUNCIL REPORTS ..... 6**

11. PORT STEPHENS PATHWAYS PLAN .....8
1. DEVELOPMENT APPLICATION 16-2015-852-1 FOR A COMMUNITY FACILITY, RECREATION FACILITY (OUTDOOR), ASSOCIATED EARTHWORKS, SIGNAGE AND CAR PARKING (FERODALE PARK SPORTS COMPLEX) AT 36 AND 36A FERODALE ROAD, MEDOWIE (LOT 1 DP1003417 AND LOT 22 DP1021843) .....14
2. SECTION 96(1A) MODIFICATION APPLICATION NO.16-2014-654-5 TO REDUCE THE S.94 CONTRIBUTIONS APPLICABLE TO AN APPROVED MULTI DWELLING HOUSING (15 UNITS) AND 15 LOT SUBDIVISION AT 27 DOWLING STREET, NELSON BAY (LOT 1 DP 235550) .....21
3. REVOKE POLICY - LOCAL APPROVALS POLICY CONVERSION OF SEPTIC TANK FOR RAINWATER USE (IRRIGATION PURPOSES) .....35
4. PLANNING PROPOSAL - FLOOD PLANNING .....42
5. PLANNING PROPOSAL 374 TO 394 HINTON ROAD HINTON (LOT 328 DP 633032, LOT 8 DP 1038606 & LOT 325 DP 590644) .....49
6. REVISED PLANNING PROPOSAL FOR LAND AT THE CORNER OF FERODALE ROAD AND FAIRLANDS ROAD MEDOWIE LOT 100 AND LOT 101 DP 583216.....58
7. RATE DONATIONS FOR COMMUNITY GROUPS POLICY .....66
8. QUARTERLY BUDGET REVIEW AS AT 31 MARCH 2016.....76
9. MAKING OF RATES AND CHARGES 2016-2017.....96
10. TENDER: T01-FY1516 LEMON TREE PASSAGE FORESHORE REVETMENT .....101
12. PORT STEPHENS COUNCIL INTEGRATED PLANS 2013-2023 AND FEES AND CHARGES 2016-2017 .....106
13. INFORMATION PAPERS .....112

**INFORMATION PAPERS ..... 114**

1. CASH AND INVESTMENTS HELD AS AT 30 APRIL 2016.....115
2. WARD FUNDS - TARRANT ROAD, SALAMANDER BAY .....119
3. ANNUAL DESIGNATED PERSONS - PECUNIARY INTEREST RETURNS 2015-2016.....121

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

### NOTICES OF MOTION ..... 124

1. SALE OF PRIME KOALA HABITAT.....125

### CONFIDENTIAL ..... 128

1. PROPOSED SUBDIVISION AND SALE OF 112 ADELAIDE STREET,  
RAYMOND TERRACE.....129

# MOTIONS TO CLOSE

**ITEM NO. 1**

**FILE NO: 16/329628  
RM8 REF NO: PSC2010-02986**

**MOTION TO CLOSE**

REPORT OF: WAYNE WALLIS - GENERAL MANAGER  
GROUP: GENERAL MANAGER'S OFFICE

---

**RECOMMENDATION:**

- 1) That pursuant to section 10A(2) (c) of the *Local Government Act 1993*, the Committee and Council resolve to close to the public that part of its meetings to discuss Confidential Item 1 on the Ordinary agenda namely **PROPOSED SUBDIVISION AND SALE OF 112 ADELAIDE STREET, RAYMOND TERRACE**.
- 2) That the reasons for closing the meeting to the public to consider this item is that the discussion will include information containing:
  - information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
- 3) That the report remain confidential and the minute be released in accordance with Council's resolution.

---

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>128</b>	<p><b>Councillor Paul Le Mottee Councillor John Nell</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) That pursuant to section 10A(2) (c) of the <i>Local Government Act 1993</i>, the Committee and Council resolve to close to the public that part of its meetings to discuss Confidential Item 1 on the Ordinary agenda namely <b>PROPOSED SUBDIVISION AND SALE OF 112 ADELAIDE STREET, RAYMOND TERRACE</b>.</li><li>2) That the reasons for closing the meeting to the public to consider this item is that the discussion will include information containing:<ul style="list-style-type: none"><li>• information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.</li></ul></li><li>3) That the report remain confidential and the minute be released in accordance with Council's resolution.</li></ol>
------------	--

# COUNCIL REPORTS

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

### ORDINARY COUNCIL MEETING - 24 MAY 2016 MOTION

129	<b>Mayor Bruce MacKenzie</b> <b>Councillor John Nell</b>  It was resolved that Item 11 be brought forward and dealt with prior to Item 1.
-----	--

ITEM NO. 11

FILE NO: 16/282861  
RM8 REF NO: PSC2005-2767

### PORT STEPHENS PATHWAYS PLAN

REPORT OF: JOHN MARETICH - ASSET SECTION MANAGER  
GROUP: FACILITIES & SERVICES

---

#### RECOMMENDATION IS THAT COUNCIL:

- 1) Note the submissions received during the public exhibition period (**TABLED DOCUMENT 1**).
- 2) Endorse the proposed amendments to the exhibited Port Stephens Pathways Plan document.

---

### ORDINARY COUNCIL MEETING - 24 MAY 2016 MOTION

130	<b>Councillor John Nell</b> <b>Councillor Geoff Dingle</b>  It was resolved that Council:  <ol style="list-style-type: none"><li>1) Note the submissions received during the public exhibition period (<b>TABLED DOCUMENT 1</b>).</li><li>2) Endorse the proposed amendments to the exhibited Port Stephens Pathways Plan document.</li></ol>
-----	--



**BACKGROUND**

The purpose of this report is to seek Council's endorsement of the amended Port Stephens Pathways Plan. The Pathways Plan has been amended following Councillor workshops, site visits, public exhibition, community requests and petitions.

For consistency in this report and the Pathways Plan, the term 'pathways' refers to footpaths and to shared paths.

In September 2015 Council resolved to place on public exhibition the Port Stephens Pathways Plan. The Pathways Plan is a series of maps which document all existing and proposed footpaths and shared paths throughout the Port Stephens Council Local Government Area. Proposed pathways have been identified as sections of the network that:

- Have missing links.
- Provide connections for the community between destinations such as residential areas to shopping centres.
- Can promote an alternative transport mode.
- Provide a safer route than on-road travel.
- Enhance leisure activities and hence possible tourist attractions.

The proposed Pathways Plan identifies an increase in the network totalling 182kms. This includes approximately 46kms of footpaths and 136kms of shared paths.

Once adopted, the Pathways Plan will be included in the next iteration of the Strategic Asset Management Plan. The Pathways Plan will also be introduced into the next revision of Council's Section 94 Plan. The inclusion of the Pathways Plan into the Strategic Asset Management Plan and the Section 94 Plan provides a strategic approach to deliver the pathways network, and also allows Council to seek developer contributions to fund proposed pathway works.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens has an integrated, connected transport system.	Promote sustainable and improved, accessible and flexible transport modes.

**FINANCIAL/RESOURCE IMPLICATIONS**

Documenting and endorsing the Pathways Plan will assist Council in establishing Council's position on future pathways and improve Council's ability to attract funding opportunities.

Funding opportunities include the Transport for NSW Walking and Cycling Program, Section 94 developer contributions and Council's own source of funds. It should be

**MINUTES ORDINARY COUNCIL - 24 MAY 2016**

noted that as a whole the construction of proposed pathways are not yet funded and will be considered through the 10 year works program process.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	No		The proposed pathways are currently not funded and will be considered through the 10 year works program process.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

Council has a responsibility to provide an environment that is safe and conducive for alternative transport modes and that will improve connections within and between communities. Council seeks to promote and facilitate walking and cycling as viable alternatives to private vehicle use.

Any works will be carried out in accordance with relevant standards and legislative requirements.

The identification of existing and future pathways will provide a framework to assist Council in meeting the goals of the NSW 2021 State Plan to double the mode share of bicycle trips and to increase the mode share of walking to 25% by 2021.

The adoption of a pathways plan will also allow proposed works to be placed in the next revision of the Council Section 94 Plan and 10 year works program.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
There is a risk that not having an adopted Pathways Plan will reduce Council's ability to attract grant funding or to levy S94 contributions on development, leading to Council having to solely fund or to defer future works.	Medium	Adopt the recommendation and add the proposed sections into the next revision of the S94 Plan.	Yes
There is a risk that	Medium	Adopt the recommendation	Yes

identifying proposed pathways will lead to an expectation that all pathways will be funded and constructed, leading to reputational risk to Council		on the clear understanding that identified future works provide a mechanism to attract funding.	
---	--	---	--

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

A constructed pathway network will:

- Encourage people to be physically active, socially connected and to have an increased sense of wellbeing.
- Provide infrastructure for people of all ages and physical capabilities.
- Provide additional transport options, improve driver and pedestrian safety and assist in the reduction of motor vehicle pollution.
- Provide for people with disabilities, enabling them to move around the community safely in other modes of transport such as mobility scooters.
- Contribute to the local economy by providing an enhanced tourism experience.

**MERGER PROPOSAL IMPLICATIONS**

Formal adoption of a Pathways Plan will allow priorities to be identified in the Port Stephens LGA and will assist with future potential funding applications.

**CONSULTATION**

Community engagement on the proposed pathways plan was undertaken from 30 September 2015. The exhibition period was extended due to strong public demand with submissions still being received in April 2016.

A large number of responses were received during the exhibition period. Most responses related to concerns about the proposed pathways along the Corlette and Salamander Bay foreshores. Concerns raised included loss of privacy, safety of users of the reserves and environmental concerns.

In summary the main themes of the feedback received by area:

**Corlette**

Submissions for:

- Improved connectivity for the community.
- Improved safety for cyclists and pedestrians.

Submissions against:

- Safety concerns for users of the foreshore areas especially children.
- Amenity and privacy concerns for residents and property owners.
- The cost of constructing and maintaining a pathway.

What we did:

- Additional options have been proposed.

#### Soldiers Point/Salamander Bay

Submissions against:

- Safety concerns for users of the foreshore areas especially children.
- Amenity and privacy concerns for residents.
- The perceived loss of access from boatsheds direct to the waterfront.
- Difficulties in construction/ narrow width of reserve available.
- Potential impact on native vegetation and wildlife through construction

What we did:

- Additional options have been proposed

#### Brandy Hill/Seaham

Submissions for:

- Improved connectivity for the community.
- Improved safety for cyclists and walkers.

What we did:

- Additional options have been proposed.

#### Raymond Terrace

Submissions for:

- Improved connectivity for the community.
- Improved safety for cyclists and pedestrians.

Submissions against:

- Lack of direct connectivity in the proposed routes.

What we did:

- Additional options have been proposed.

Following public exhibition and in consideration of the submissions received a Councillor workshop was held to review the revised proposed pathways and to create alternative options. These options have been incorporated into the draft Pathways Plan (**TABLED DOCUMENT 2**). The various options have been created to address the community's concerns with each option providing positive and negative aspects.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

Nil.

**COUNCILLORS ROOM**

- 1) Community Submissions and Petitions.
- 2) Draft Pathways Plan.

**TABLED DOCUMENTS**

- 1) Community Submissions and Petitions.
- 2) Draft Pathways Plan.

**ITEM NO. 1**

**FILE NO: 16/319062**  
**RM8 REF NO: 16-2015-852-1**

**DEVELOPMENT APPLICATION 16-2015-852-1 FOR A COMMUNITY FACILITY, RECREATION FACILITY (OUTDOOR), ASSOCIATED EARTHWORKS, SIGNAGE AND CAR PARKING (FERODALE PARK SPORTS COMPLEX) AT 36 AND 36A FERODALE ROAD, MEDOWIE (LOT 1 DP1003417 AND LOT 22 DP1021843)**

REPORT OF: MATTHEW BROWN - DEVELOPMENT ASSESSMENT AND COMPLIANCE SECTION MANAGER  
GROUP: DEVELOPMENT SERVICES

---

**RECOMMENDATION IS THAT COUNCIL:**

- 1) Approve Development Application DA No. 16-2015-852-1 for a Community Facility, Recreation Facility (Outdoor), Associated Earthworks, Signage and Car Parking at No. 36 and 36A Ferodale Road, Medowie (Lot 1 DP1003417 and Lot 22 DP1021843), subject to the conditions contained in **(ATTACHMENT 1)**.

---

**ORDINARY COUNCIL MEETING - 24 MAY 2016**  
**MOTION**

<b>131</b>	<b>Councillor Steve Tucker</b> <b>Councillor Paul Le Mottee</b>  It was resolved that Council move into Committee of the Whole.
------------	--

**COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Ken Jordan</b> <b>Councillor Peter Kafer</b>  That Council defer Item 1 to allow for further consultation with Hunter Water.
--	---

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Nell and Steve Tucker.

Those against the Motion: Nil.

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>132</b>	<b>Councillor Ken Jordan</b> <b>Councillor Steve Tucker</b>  It was resolved that Council defer Item 1 to allow for further consultation with Hunter Water.
------------	--

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Nell and Steve Tucker.

Those against the Motion: Nil.

**BACKGROUND**

The purpose of this report is to present a development application for a community facility (Ferodale Park Sports Complex) and associated works to Council for determination. The application is referred to Council for determination as Council is the owner of the land (operational land) and it is considered that the application may be of interest to the community.

**The Site**

The subject site is No. 36 and 36A Ferodale Road, Medowie (Lot 1 DP1003417 and Lot 22 DP1021843). The site is located a short distance from the Medowie commercial area and adjoins the existing Ferodale Sports Complex. 36 Ferodale Road is currently used for cricket and AFL with the associated clubhouse, amenities block and car parking also occupying the lot. 36A Ferodale Road is vacant land which has been partially filled in accordance with the historic consent DA 16-2000-1559-1 Bowling Club, Car Park and Landfill.

**The Proposal**

Consent is sought for the construction of a community facility building, a bowling green (with provision made for another), children's playground, entry signage, landscaped garden and car parking area. The community facility building consists of 3 meeting rooms, 3 offices, a commercial kitchen and servery, public toilet facilities, staff toilet facilities, a loading and delivery area and screened waste storage. Drainage works are also required to convey stormwater to a detention basin prior to discharge into the nearby Campvale Drain.

## **Key Issues**

The key issues relevant to the development application were traffic and access assessment and stormwater management design.

### Traffic

The applicant engaged a qualified consultant to undertake a Traffic Impact Assessment for the proposal. The assessment surveyed the existing levels of traffic in the area and projected the increase that would be experienced as a result of the proposal. It has been adequately demonstrated that the existing access arrangements, road infrastructure and amount of car parking proposed is adequate to cater for the expected level of use.

The development does not provide the nexus for an upgrade to be required to the existing Ferodale Road / Kirrang Drive roundabout. This corresponds with the findings of the Traffic Impact Assessment submitted by the applicant. The upgrade and / or traffic calming of the roundabout is currently not within Council's capital works program for the near-future.

The sight distance available from the frontage is extensive and as such, the need for a pedestrian refuge is not warranted to be provided as a result of the development. The pram ramp crossings will be relocated to the east of the bus stop imposed within the conditions. This will allow for increased separation from the area adjacent to the roundabout. To assist in traffic calming in the location, a condition has been recommended requiring the installation of rubber rumble strips over the two delineation markings along Ferodale Road. This will serve to restrict traffic movements to each land, will still allow bus movements across the intersection and is cost effective.

### Drainage

The site is partially flood prone and is located adjacent to the Campvale drain. In this regard the use of on-site infiltration to dispose of stormwater was considered unsuitable and ineffective due to the high water table that exists. The applicant provided an alternate solution by which the capacity of the adjacent Campvale drain will be increased through widening (of 1.2 metres) to allow for stormwater discharge during major flood events. Smaller events will be catered for by a stormwater detention basin proposed adjacent to the Campvale drain on the eastern extent of the site. This solution was devised with reference to Council's intended widening works within the greater Campvale Drain area. Widening this small section of the Campvale Drain will assist to improve flow through the culvert at Ferodale Road. It should be acknowledged that further work on the Campvale drain downstream of the site is not warranted under this subject development application, however will be investigated in the future by Council's Facilities and Services group.



**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

**FINANCIAL/RESOURCE IMPLICATIONS**

Strategic Planning has provided a referral regarding S94A contributions. It has been determined that the proposal is for a public purpose (recreational and community facilities) and S94A levies are not to be imposed in accordance with Council's S94A Development Contributions Plan.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	No		
Reserve Funds	No		
Section 94	Yes		The application will not be levied S94A contributions as it is for a public purpose. Partial funding for the facility may be via Council's collected S94 levies as per Council's resolution at the April 12 2016 Council meeting.
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

The development application is consistent with Council's Local Environmental Plan 2013 and the requirements of Section 79C(a) of the *Environmental Planning and Assessment Act 1979*.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that if the determination may be challenged in the Land and Environment Court.	Low	Approve the application as recommended.	Yes
There is a risk that is	Low	Approve the application as	Yes

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

refused appropriate community facilities will not be provided for the community.		recommended.	
--	--	--------------	--

### SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

The application seeks development consent for the construction of a community facility adjacent to the existing Ferodale Sports Complex. The facility will enhance the community use of an area which is located within close proximity to the Medowie commercial area and will provide for a social sporting and community hub to cater for Medowie's continued population growth. The application will provide for a public bus stop along the sites frontage and is centrally located to be used by Medowie and greater Port Stephens residents. As such, the proposed development is considered to have a positive social impact.

The economic implications of the proposed development are considered to be positive by way of increasing economic activity within Medowie and the nearby commercial area. The proposed development will utilise a currently vacant site (being 36A Ferodale Road) and will supplement the existing Ferodale Sports Complex located on 36 Ferodale Road. The realisation of the proposed development will represent the efficient and economic use of existing recreation zoned land.

The environmental implications of the proposal are considered minimal. The proposed development site is currently vacant and does not contain any significant vegetation or animal habitat. Water quality discharge from the site has been assessed and deemed satisfactory. The drainage works will protect the Maundia habitat drain located adjacent to the Campvale Drain. No adverse environmental impacts are considered to result from the proposal.

### MERGER PROPOSAL IMPLICATIONS

Council resolved to lodge the development application prior to the announcement of the merger proposal. As such, the application was within the scope of Council's pre-merger works program. The development is not considered to be of the size, scale or cost which would negatively impact or influence the merger proposal.

The proposed development will not produce long term social, economic or environmental implications which would influence the operation of a merged entity.

### CONSULTATION

Consultation has been undertaken in accordance with Council policy and ten (10) submissions were received. All submissions received were in support of the proposed development. The submissions are discussed in **(ATTACHMENT 2)**.

### Internal

Internal referrals were made to specialist units within Council. A list of these referral units is as follows:

- Development Engineer;
- S94 Officer;
- Building Surveyor;
- Vegetation Management Officer; and
- Environmental Health Officer.

Councillors were also briefed at a two way conversation on 26 April 2016.

### External

No external referrals were required as part of this application.

### **OPTIONS**

- 1) Accept the recommendation.
- 2) Amend the recommendation.
- 3) Reject the recommendation.

### **ATTACHMENTS**

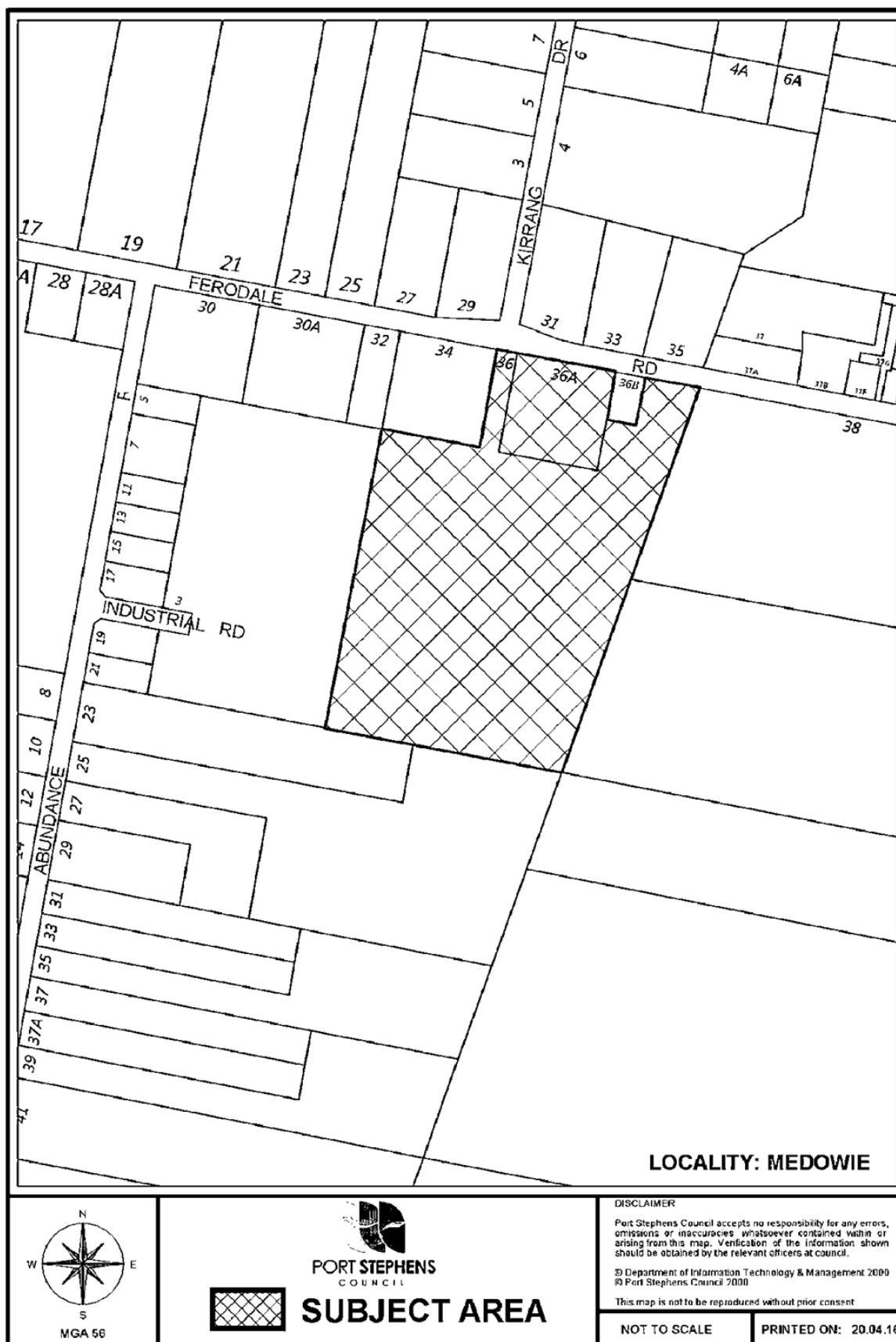
- 1) DA16-2015-852-1 (Ferodale Park Sports Complex) - Conditions of Consent.  
(Provided under separate cover)
- 2) DA16-2015-852-1 (Ferodale Park Sports Complex) - Assessment Report.  
(Provided under separate cover)
- 3) Locality Plan.

### **COUNCILLORS ROOM**

- 1) Development Plan Set listed within Draft Development Consent.

### **TABLED DOCUMENTS**

Nil.



## MINUTES ORDINARY COUNCIL - 24 MAY 2016

Councillor Paul Le Mottee left the meeting at 06:31pm, prior Item 2 in Committee of the Whole.

### ITEM NO. 2

FILE NO: 16/328112  
RM8 REF NO: 16-2014-654-5

### SECTION 96(1A) MODIFICATION APPLICATION NO.16-2014-654-5 TO REDUCE THE S.94 CONTRIBUTIONS APPLICABLE TO AN APPROVED MULTI DWELLING HOUSING (15 UNITS) AND 15 LOT SUBDIVISION AT 27 DOWLING STREET, NELSON BAY (LOT 1 DP 235550)

REPORT OF: MATTHEW BROWN - DEVELOPMENT ASSESSMENT AND COMPLIANCE SECTION MANAGER  
GROUP: DEVELOPMENT SERVICES

---

### RECOMMENDATION IS THAT COUNCIL:

- 1) Refuse Section 96(1A) modification application No.16-2014-654-5 which seeks to reduce the Section 94 contributions applicable to an approved multi dwelling housing (15 dwellings) and 15 lot subdivision at No.27 Dowling Street, Nelson Bay (Lot 1 DP 235550) for the reasons contained in **(ATTACHMENT 3)** of this report.

---

### ORDINARY COUNCIL MEETING - 24 MAY 2016 COMMITTEE OF THE WHOLE RECOMMENDATION

	<p><b>Councillor Ken Jordan</b> <b>Mayor Bruce MacKenzie</b></p> <p>That Council:</p> <ol style="list-style-type: none"><li>1. Section 96 application 16-2014-654-5 be approved to reduce the Section 94 contributions applicable to an approved multi dwelling housing (15 dwellings) and 15 lot subdivision at 27 Dowling Street, Nelson Bay (Lot 1 DP235550) for the following reasons:<ul style="list-style-type: none"><li>• There were previously 22 dwellings on the site. Although the dwellings have been demolished, their replacement with 15 new homes under the subject application does not increase the demand for public amenities and services beyond the previous development on the site; and</li><li>• The proponent will construct the full length of Trafalgar Lane at a cost of approximately \$260,000. These works have a public benefit given other properties within the lane will benefit from its construction.</li></ul></li></ol>
--	--

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

- |  |   |
|--|---|
|  | 2. Condition number 3 be modified to reduce the Section 94 contributions to a total of <u>\$93,667</u> (from the original amount of \$190,260, therefore resulting in a total reduction of \$96,593). |
|--|---|

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Ken Jordan and Steve Tucker.

Those against the Motion: Crs Geoff Dingle, Sally Dover, Peter Kafer and John Nell.

The motion was lost.

### ORDINARY COUNCIL MEETING - 24 MAY 2016 MOTION

	<b>Councillor John Nell</b> <b>Councillor Sally Dover</b>
--	--

	That Council refuse Section 96(1A) modification application No.16-2014-654-5 which seeks to reduce the Section 94 contributions applicable to an approved multi dwelling housing (15 dwellings) and 15 lot subdivision at No.27 Dowling Street, Nelson Bay (Lot 1 DP 235550) for the reasons contained in <b>(ATTACHMENT 3)</b> of this report.
--	---

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Crs Geoff Dingle, Sally Dover, Peter Kafer, Paul Le Mottee and John Nell.

Those against the Motion: Mayor Bruce MacKenzie, Crs Ken Jordan and Steve Tucker.

Following the block vote on all items except Items 2 and 6, Councillor Paul Le Mottee left the meeting at 06.54pm, in Open Council.

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>133</b>	<b>Councillor John Nell</b> <b>Councillor Ken Jordan</b>  It was resolved that Council refuse Section 96(1A) modification application No.16-2014-654-5 which seeks to reduce the Section 94 contributions applicable to an approved multi dwelling housing (15 dwellings) and 15 lot subdivision at No.27 Dowling Street, Nelson Bay (Lot 1 DP 235550) for the reasons contained in <b>(ATTACHMENT 3)</b> of this report.
------------	--

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Crs Geoff Dingle, Sally Dover, Peter Kafer, Paul Le Mottee and John Nell.

Those against the Motion: Mayor Bruce MacKenzie, Crs Ken Jordan and Steve Tucker.

**BACKGROUND**

The purpose of this report is to present to Council for determination a s.96(1A) modification application (No.16-2014-654-5) which seeks to amend condition No.3 in order to reduce the s.94 contributions applicable to an approved multi dwelling housing (15 dwellings) and 15 subdivision at No. 27 Dowling Street, Nelson Bay. The application has been called to Council by Mayor McKenzie. Furthermore, the proposal involves the reduction of s.94 contributions which is outside the delegation of Council staff. The call to Council form is held at **(ATTACHMENT 1)** of this report.

Site

The site is located at No.27 Dowling Street, Nelson Bay and is legally known as (Lot 1 DP 235550) **(ATTACHMENT 2)**. The site is relatively flat and has primary access from Dowling Street, Nelson Bay. At the present time seven of the approved dwellings under the original consent (DA No. 16-2014-654-1) have commenced construction on site. Associated footpaths and landscaping construction has also commenced. The approved laneway (Trafalgar Lane) is currently under construction and once complete shall provide primary access to the remaining eight dwellings approved on site. The site is surrounded by existing residential development, including similar scale multi dwelling housing.

### Approval history

DA 16-2014-654-1 granted approval for 15 dwellings and a 15 lot subdivision. A number of amendments have been made to the original approval inclusive of:

- 16-2014-654-2: Approved amendments to s.94 contributions to reflect staged construction of development;
- 16-2014-654-3: Approved amended conditions of consent to reflect staged construction of development; and
- 16-2014-654-4: Approval to amend conditions of consent to remove the footpath construction requirement. The application also sought the waiver s.94 contributions relating to 'road works'. The request to waive s.94 contributions was later removed from this application.

### Proposed Development

The application proposes to modify condition No. 3 of development consent 16-2014-654-1. Condition No. 3 relates to the payment of s.94 contributions. Currently the consent calls for a total payment of \$190,260 for all 3 stages. The current s.96 modification application seeks the reduced of this amount to a total of \$93, 667 - a reduction of 51%.

### Key Issues

The key issue arising out of the assessment of the s.96 modification is the non-compliance with Council's Section 94 Contributions Plan.

The application was referred to Council's Section 94 Analysis Team for consideration and it was determined that the applicants request for a 51% reduction in fees should not be supported. Legal advice was sought by Council officers to inform their decision.

The application has provided the following reasons to support the variation in s.94 contributions:

- 1) Applicant's argument: The developer will be constructing the full length of Trafalgar Lane at their own cost of approximately \$260,000. It is argued that these works are of public benefit and the development was not entirely dependent on the full length construction of the lane. The applicant suggests that due to the developer constructing the lane at their own cost, it is unreasonable to charge the 'road works' component of the s.94 contribution.

Council officer response: Council is not required to provide a credit as the requirement for the construction of Trafalgar Lane has been imposed under s80A(1) of the EP&A Act 1979 and not as a s.94 condition. As any material public benefit arising from the construction of Trafalgar Lane arises from a condition of consent, Council is legally not required to take it into account and provide credits against these contributions. The proponent was not able to gain



## MINUTES ORDINARY COUNCIL - 24 MAY 2016

access to lots within their development along Trafalgar Lane without construction of the road.

- 2) Applicant's argument: In accordance with subsection 1 of Council's Section 94 Contribution Plan, for a s.94 contribution to be payable, an increase in demand for services is required to be demonstrated. The applicant notes that there were previously 22 dwellings on this site, with the developer replacing those 22 dwellings with 15 dwellings, subsequently demonstrating that there is no increased demand for services. Accordingly, the applicant considers that no s.94 fees are payable.

Council officer response: It is noted that historical development (22 dwellings) had occurred on site many years ago. The dwellings were demolished some time ago and Council holds no approval records of these buildings. The site was vacant when the original DA (16-2014-645-1) for the current development was lodged and approved. Accordingly, it was assessed that the approved development generated an increased demand for public amenities and services when assessed against its status as vacant land. The historical development of the site, which no longer existed at the time of the current assessment and approval, did not negate the requirement for the application and payment of s.94 levies. Essentially, a vacant site was being developed which generated an increase in demand for public amenities and services "within the area".

On this basis the proposed modification has been recommended for refusal.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2013-2017
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

### FINANCIAL/RESOURCE IMPLICATIONS

There are no financial or resource implications that result from the recommendation of this report.

Approval of the application would result in a reduction of s.94 levies payable to Council.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	No		
Reserve Funds	No		
Section 94	Yes		The approval of the application would

**MINUTES ORDINARY COUNCIL - 24 MAY 2016**

			result in a reduction in the s.94 contributions payable to Council. Council will be financially liable for the provision of infrastructure and facilities required to service the development. It is recommended that Council adopt the recommendation and refuse the modification.
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

The proposed development is inconsistent with Councils Section 94 Contribution Plan 2007. A detailed assessment of the application in accordance with s.79C of the *Environmental Planning and Assessment Act 1979* is included as **(ATTACHMENT 4)**.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the approval of the application will undermine the provisions of Councils Section 94 Contribution Plan. Further, Council will be financially liable for the provision of infrastructure and facilities required to service the development.	High	Refuse the application as recommended.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

The original approved 15 unit multi dwelling housing development provides for affordable and varied housing choices in the Nelson Bay locality. The construction of the development will also provide for local employment opportunities in the area. The development however results in an intensification of the site. Accordingly, Council shall need to deliver additional facilities and services in order to provide for the future residents of the site. Council's Section 94 Contribution Plan ensures that development contributions are received from approved developments in order to help fund the provision of these required services and facilities. The proposed modification seeks a 51% (\$93, 667) reduction in these contributions.

The reasons provided by the applicant to support this reduction does not sufficiently justify the modification sought. Council will be liable to fund the balance of facility and service provision resulting for the reduction of the s.94 levies.

### **MERGER PROPOSAL IMPLICATIONS**

The proposed merger is not anticipated to have any implications on the development application.

### **CONSULTATION**

The application was not required to be exhibited in accordance with Council Policy.

### **OPTIONS**

- 1) Accept the recommendation.
- 2) Amend the recommendation.
- 3) Reject the recommendation.

### **ATTACHMENTS**

- 1) Call to Council form.
- 2) Locality Plan.
- 3) Reasons for Refusal.
- 4) Assessment Report.

### **COUNCILLORS ROOM**

Nil.

### **TABLED DOCUMENTS**

Nil.



CALL TO COUNCIL FORM  
DEVELOPMENT APPLICATION

I, Councillor Bruce Mackenzie

require Development Application Number 16 - 2014 - 654 - 5

for at: 27 Dawling Street Nelson Bay

for section 916 Contributions

at .....

to be subject of a report to Council for determination by Council.

**Reason:**

The reason for this call-up to Council is that I believe there is  
merit to be request for reduction in contributions

**Declaration of Interest:**

I have considered any pecuniary or non-pecuniary conflict of interest (including political donations) associated with this development application on my part or an associated person.

**I have a conflict of interest? Yes/No** (delete the response not applicable).

If **yes**, please provide the nature of the interest and reasons why further action should be taken to bring this matter to Council:

Signed: [Redacted Signature] Date: 10.5.2016

ITEM 2 - ATTACHMENT 2 LOCALITY PLAN.





**PORT STEPHENS**  
COUNCIL

## **REASONS FOR REFUSAL**

Under section 80, 80A, 80(1), 81(1)(o) and 96 of the Environmental Planning and Assessment Act 1979.

### **REASONS FOR REFUSAL**

1. The proposed modification is inconsistent with Port Stephens Section 94 Development Contributions Plan 2007 (s.79C(1)(a)(ii) *EP&A Act 1979*).

---

16-20' 4-654-5

**ITEM 2 - ATTACHMENT 4 ASSESSMENT REPORT.****PORT STEPHENS  
COUNCIL****S96(1A) MODIFICATION APPLICATION  
ASSESSMENT REPORT****APPLICATION DETAILS**

<b>Modification Application Number</b>	16-2014-654-5
<b>Development Description</b>	Multi Dwelling Housing (15 units) and 15 Lot Torrens Title Subdivision
<b>Modification Description</b>	Section 96(1A) Amendment to Approved 15 Dwellings and 15 Lot Subdivision – Reduce Section 94 Contributions
<b>Applicant</b>	LE MOTTEE GROUP PTY LTD
<b>Date of Lodgement</b>	16/02/2016

**Site History**

The subject site has approval for fifteen dwellings and a fifteen lot subdivision under DA 16-2014-654-1. Amendments have been made to the original approval inclusive of:

- DA 16-2014-654-2 - amendments to Section 94 contributions to reflect staged construction of development;
- DA 16-2014-654-3 - amend conditions of consent to reflect staged construction of development;
- DA 16-2014-654-4 – amend conditions of consent to remove the footpath construction requirement and waiver Section 94 contributions relating to 'road works'. The proposed modification to the Section 94 contributions was removed from this application as a result of discussions between the assessing officer and applicant.

**Modification Proposal**

The application proposes to modify Condition No. 3 of development consent 16-2014-654-1.

Condition No. 3 relates to the payment of Section 94 contributions. Currently the consent calls for a total payment of \$190,260 for all 3 stages. The s.96 modification application seeks that this amount be reduced to \$93, 667 for the reasons provided by the Applicant as set out below:

1. The developer will be constructing the full length of Trafalgar Lane at their own cost of approximately \$260, 000. These works are of public benefit and the development was not entirely dependent on the full length construction of the lane. The applicant states that the decision to build the entirety of the lane was made under duress. Reason being due to the application being before Council for an extended period of time, causing the developer to complete a redesign where required or construct the entirety of the lane. The applicant therefore notes that due to the developer constructing the lane at their own cost, it is unreasonable to charge the 'road works' part of the Section 94 contribution.

**ITEM 2 - ATTACHMENT 4 ASSESSMENT REPORT.**

16-2014-654-5

2. For a Section 94 contribution to be payable, an increase in demand for services is required to be demonstrated. The applicants states that the wording of Subsection 1 of the Section 94 Plan states:  
*"If a consent authority is satisfied that development for which development consent is sought will or is likely to require the provision or increase the demand for public amenities and public services within the area, the consent authority may grant the development consent subject to a condition requiring the dedication of land free of cost or the payment of a monetary contribution or both".*
3. The applicant notes that there were previously 22 dwellings on this site, with the developer replacing those 22 dwellings with 15 dwellings, subsequently demonstrating that there is no increased demand for services. Accordingly, it is considered that no Section 94 fees are payable.

**PROPERTY DETAILS**

<b>Property Address</b>	27 Dowling Street NELSON BAY
<b>Lot and DP</b>	LOT: 1 DP: 235550
<b>Zoning</b>	R2 LOW DENSITY RESIDENTIAL
<b>Site Constraints That Affect The Modification</b>	Bushfire Prone Land Category 3, Acid Sulphate Soils Class 5, Koala Habitat – Supplementary, SEPP 71 Coastal Protection, D7 – Nelson Bay, Sea breeze Estate.

**ASSESSMENT SUMMARY**

<b>Designated Development</b>	The application is not designated development.
<b>Integrated Development</b>	The application does not require additional approvals listed under s.91 of the EP&A Act.
<b>Concurrence</b>	The application does not require the concurrence of another body.

**Internal Referrals**

The proposed modification was referred to the following internal specialist staff. The comments of the listed staff listed have been used to carry out the assessment against the s79C Matters for Consideration below.

**Section 94 Analysis Team (SAT)**

The s.94 modification application was referred to the Section 94 Analysis Team (SAT) for review. The SAT did not support the proposed reduction in s.94 contributions for the following reasons:

1. As the site was vacant when the development application was lodged the mere fact that the historical developments had occurred onsite, does not mean that the approved development (16-2014-645-1) would not generate an increase in demand for public amenities and services.



**ITEM 2 - ATTACHMENT 4      ASSESSMENT REPORT.**

16-2014-654-5

2. At the time of the development application and consequent approval, the previous dwellings did not exist and therefore no demand for public services and amenities could be generated by development on the Site.
3. Council believes they have correctly calculated the amount of the s94 contributions set out in Condition 3 as the site was vacant at the time of the development application. Further, the levying of the contributions is not considered unreasonable as the development will generate an increase in demand for public amenities and services "within the area".
4. In relation to Trafalgar Lane, Council is not required to provide a credit as the requirement for the construction of Trafalgar Lane has been imposed under s80A(1) and not a S94 condition.
5. As any material public benefit arising from the construction of Trafalgar Lane arises from a condition of consent, Council is not required to take it into account and provide credits against the contributions.

**External Referrals**

No external referrals were required for the proposed modification.

---

**MODIFICATIONS INVOLVING MINIMAL ENVIRONMENTAL IMPACT – S96(1A)**

---

**S96(1A)(a) – Minimal Environmental Impact**

The proposed modification has a minimal environmental impact. There are no structural or built changes to the approved development under DA 16-2014-654-1. For this reason, the modification does not require any further assessment under local or state planning policies.

**S96(1A)(b) – Substantially The Same Development**

The development as modified is substantially the same as the approved development as no modification is occurring to the approved dwellings, lot layouts or ancillary infrastructure (Trafalgar Lane).

However, the proposed modification for the reduction in s94 fees is not support on its merits when considered in accordance with s.79C matters for consideration as:

- a) A reduction in the s94 levies cannot be justified under Section 94 of the *Environmental Planning and Assessment Act 1979* as the site was vacant at the time of the development application and therefore was subject to applicable fees being imposed at the time under Section 94. A reduction in the levies is therefore not supported in this instance;
- b) An increase of demand for services will occur as a result of the approved development onsite as the site was vacant at the time of the proposal and now results in the construction of 15 dwellings. Subsequently, the s94 levies imposed under DA 16-2014-654-1 are considered to be reasonable, and;
- c) Council is not required to provide a credit as the requirement for the construction of Trafalgar Lane has been imposed under s80A(1) and not a S94 condition.

**S96(1A)(c) – Notification**

The application was not required to be notified in accordance with Councils Development Control Plan.

**S96(1A)(d) – Submissions**

There were no submissions received relating to the proposed modification.

---

**MODIFIED CONDITIONS**

---

Nil. The proposed modification to condition No.3 is not supported.

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

ITEM NO. 3

FILE NO: 16/319017  
RM8 REF NO: PSC2013-00406

### REVOKE POLICY - LOCAL APPROVALS POLICY CONVERSION OF SEPTIC TANK FOR RAINWATER USE (IRRIGATION PURPOSES)

REPORT OF: MATTHEW BROWN - DEVELOPMENT ASSESSMENT AND COMPLIANCE SECTION MANAGER  
GROUP: DEVELOPMENT SERVICES

---

#### RECOMMENDATION IS THAT COUNCIL:

- 1) Revoke Local Approvals Policy for the Conversion of Septic Tanks for Rainwater Use (Irrigation Purposes) adopted on 19 October 2004, Minute number 375.

---

#### ORDINARY COUNCIL MEETING - 24 MAY 2016 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor John Nell</b> <b>Mayor Bruce MacKenzie</b>  That the recommendation be adopted.
--	--

#### ORDINARY COUNCIL MEETING - 24 MAY 2016 MOTION

<b>134</b>	<b>Councillor Ken Jordan</b> <b>Councillor Steve Tucker</b>  It was resolved that Council revoke Local Approvals Policy for the Conversion of Septic Tanks for Rainwater Use (Irrigation Purposes) adopted on 19 October 2004, Minute number 375.
------------	--

#### BACKGROUND

The purpose of this report is to forward to Council a report to revoke the current policy entitled Local Approvals Policy for the Conversion of Septic Tanks for Rainwater Use (Irrigation Purposes).

Council has a program of systematically reviewing and updating its existing policies.

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

The current policy – Local Approvals Policy for the Conversion of Septic Tanks for Rainwater Use (Irrigation Purposes) was originally adopted on 14 June 1994. This original policy is provided in **(ATTACHMENT 1)**.

The policy was developed in response to a number of factors including; the provision of sewer to a number of previously un-sewered localities (e.g Karuah, Medowie and Fern Bay); the desire by property owners to implement water conservation principles; the re-use of an asset that normally would be demolished; and the lack of alternative statutory provisions for Councils or other regulatory authorities to regulate this situation.

As a result of changes since the policy's adoption the policy is no longer warranted, nor appropriate in the context of our policy framework. Sufficient legislative mechanisms now exist for Councils to adequately manage On-site Sewage Management Systems, in addition, the rainwater industry has grown significantly making rainwater tanks more affordable and available and the number of sewer connections has significantly reduced. NSW Health has an Advisory Note (Number 3, dated May 2006) that provides technical guidance on the re-use septic tanks. While the exact number of applications made to Council is not known since adoption of the policy there have been no applications submitted to Council since 2006. Based on the number of applications received to date and the very low number of future applications revoking the policy will not have any budget implications.

It is proposed that the policy will be replaced with a fact sheet that will include the necessary technical information and with reference to the NSW Health Advisory Note. The fact sheet will be made available on Councils website and at Councils Administration building.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2013-2017
Port Stephens is a community where people feel safe.	Use Council's regulatory powers and Government legislation to enhance public safety.

### FINANCIAL/RESOURCE IMPLICATIONS

There are minimal direct financial / resource implications.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		Policy update and implementation within existing budget.
Reserve Funds	No		
Section 94	No		
External Grants	No		

Other	No		
-------	----	--	--

## **LEGAL, POLICY AND RISK IMPLICATIONS**

There are positive legal, policy and risk implications in reviewing existing policies and determining whether a policy, or in this instance a fact sheet is considered more appropriate to assist Council staff in facilitating more accurate and robust decision making.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk of making poor decisions as a result of outdated policies.	Medium	Revoke current policy and replace with technical and comprehensive fact sheet.	Yes

## **SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

Council accepts that the inappropriate decommissioning and reuse of septic tanks, collection wells and (AWTS) although being a necessity following the connection of existing properties to the sewer, may have negative social implications on neighbouring properties.

The proposed fact sheet aims to provide property owners and Council staff sufficient information to enable the decommissioning and reuse of septic tanks, collection wells and (AWTS) with minimal social impact.

There are no perceived social implications related to this policy.

There are no perceived economic implications associated with this policy.

Council enforcement resource implications are not expected to increase as a result of revoking this policy.

## **MERGER PROPOSAL IMPLICATIONS**

There are considered to be no implications on the proposed merger by revoking this policy.

## **CONSULTATION**

Consultation has been undertaken with the Environmental Health Team which directly implements this policy within the Section.

**OPTIONS**

- 1) Accept the recommendation.
- 2) Amend the recommendation.
- 3) Reject the recommendation.

**ATTACHMENTS**

- 1) Local Approvals Policy for the Conversion of Septic Tanks for Rainwater Use (Irrigation Purposes).

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

ITEM 3 - ATTACHMENT 1 LOCAL APPROVALS POLICY FOR THE  
CONVERSION OF SEPTIC TANKS FOR RAINWATER USE (IRRIGATION  
PURPOSES).

# Port Stephens

## C·O·U·N·C·I·L

### POLICY

Adopted :14/06/94  
Minute No. 292  
Amended: 24/10/2000  
Minute No. 572  
Amended: 19/10/2004  
Minute No. 375

**TITLE: LOCAL APPROVALS POLICY FOR THE CONVERSION OF SEPTIC TANKS FOR  
RAINWATER STORAGE (FOR IRRIGATION PURPOSES)**

**POLICY OBJECTIVE:**

To provide for the safe, hygienic and environmentally sound decommissioning and conversion of existing septic tanks to rain water tanks for the purpose of rainwater storage, after premises are connected to the sewerage system.

The objective will be achieved if at the time of inspection:-

- a) The approved decommissioned septic tanks were converted in a manner as to not become the subject of any health risk, cause a reason for complaint or any environmental degradation.
- b) Any person wishing to re-use their decommissioned septic tanks for storage of rainwater is able to do so within the parameters of the policy statement.

**PRINCIPLES:**

1. When the sewer is available, all premises must be connected to the system with septic systems decommissioned.
2. Property owners should be permitted to utilise an existing resource (septic tanks).
3. Use of the septic tanks for rainwater storage and then irrigation purposes is consistent with water conservation principles.
4. The method of conversion of septic tanks to water storage vessels should be carried out so as not to cause any nuisance, pollution or environmental concern.

1. **Policy Statement - Local Approvals Policy for the conversion of Septic Tanks for  
Rainwater Storage and Irrigation Purposes**

The property owner is to make written application to Council for approval of the conversion, and all work is to be done in a tradesmanlike manner and may be subject to inspection by Council's Environmental Health Officers at any time.

2. **Circumstances for Exemption from Obtaining Approval:-**

**ITEM 3 - ATTACHMENT 1 LOCAL APPROVALS POLICY FOR THE CONVERSION OF SEPTIC TANKS FOR RAINWATER USE (IRRIGATION PURPOSES).**

There are no circumstances under which a person would be exempt from the necessity to obtain an approval from the Council.

3. **Criteria to be Considered when Determining the Approval:-**

- a) The septic tanks are to be completely emptied by Council's Effluent Removal Contractor. The owner will be required to produce a receipt from Council's Contractor as proof that the tanks have been emptied and that the effluent and sludge has been properly disposed.
- b) The tanks must be cleaned and disinfected in an approved manner such as super chlorination. Super chlorination is best achieved using standard pool chemicals such as calcium hypochlorite or sodium hypochlorite. Recommended doses are 100mg per litre of water. Recommended dosages for standard sized septic tanks and holding wells are detailed below.

---

TANK VOLUME	AMOUNT OF CHLORINE REQUIRED
2050 litres	205 grams
4600 litres	460 grams

---

- c) The tanks must be protected to prevent access by insects, particularly mosquitoes and the lid must be adequately sealed and fixed to prevent child access.
- d) The water stored in the tanks must be used solely for irrigation purposes and all taps and lines that are associated with the irrigation system must be provided with clearly legible signs stating that "Water is not for Drinking Purposes".
- e) All irrigation pumps and associated electrical works are to comply with the requirements of Shortland Electricity.
- f) Cross connection with the town water supply is not permitted under any circumstances.
- g) The connection of sullage wastes (laundry and kitchen waste waters) to the tanks **is not permitted**.
- h) The tanks are to be provided with adequate overflow provisions so as no nuisance is caused to neighbouring properties. The overflow from the system is to be directed via a sealed PVC pipeline in such a manner as to convey water to:
  - a) The existing rainwater system;



**ITEM 3 - ATTACHMENT 1 LOCAL APPROVALS POLICY FOR THE  
CONVERSION OF SEPTIC TANKS FOR RAINWATER USE (IRRIGATION  
PURPOSES).**

- b) Disposal trenches situated at least 3 metres from any building;
- c) Council's kerb and gutter;
- d) an interallotment drainage system.

**4. Other Matters Relating to Approvals**

**Fees**

A fee is to be charged for receiving the application for approval and considering the application and inspecting the works. This fee will take into account the administrative time required to register the application and inspection time required to ensure that all work is done in accordance with the requirements of this Local Approvals Policy. The amount of the fee will be determined on an annual basis.

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

ITEM NO. 4

FILE NO: 16/292264  
RM8 REF NO: PSC2016-00770

### PLANNING PROPOSAL - FLOOD PLANNING

REPORT OF: DAVID ROWLAND - STRATEGY AND ENVIRONMENT SECTION  
MANAGER

GROUP: DEVELOPMENT SERVICES

---

#### RECOMMENDATION IS THAT COUNCIL:

- 1) Adopt the Planning Proposal – Flood Planning (**ATTACHMENT 1**) to amend the *Port Stephens Local Environmental Plan 2013* by removing the "Flood Planning Map", together with consequential amendments.
- 2) Forward the planning proposal to the NSW Department of Planning and Environment under section 56 of the *Environmental Planning and Assessment Act 1979* with a request for a Gateway Determination.

---

Councillor Paul Le Mottee returned to the meeting at 06:44pm, prior to Item 4, in Committee of the Whole.

#### ORDINARY COUNCIL MEETING - 24 MAY 2016 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor Ken Jordan</b> <b>Councillor Steve Tucker</b>  That the recommendation be adopted.
--	---

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Nell and Steve Tucker.

Those against the Motion: Nil.

#### ORDINARY COUNCIL MEETING - 24 MAY 2016 MOTION

135	<b>Councillor Ken Jordan</b> <b>Councillor Steve Tucker</b>  It was resolved that Council:  1) Adopt the Planning Proposal – Flood Planning ( <b>ATTACHMENT 1</b> ) to amend the <i>Port Stephens Local Environmental Plan 2013</i> by
-----	---

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

	removing the "Flood Planning Map", together with consequential amendments.
2)	Forward the planning proposal to the NSW Department of Planning and Environment under section 56 of the <i>Environmental Planning and Assessment Act 1979</i> with a request for a Gateway Determination.

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Nell and Steve Tucker.

Those against the Motion: Nil.

### BACKGROUND

The purpose of this report is to obtain Council's endorsement of the Planning Proposal – Flood Planning (**ATTACHMENT 1**) to forward it to the Department of Planning & Environment requesting a gateway determination. The planning proposal seeks to amend the *Port Stephens Local Environmental Plan 2013 (PSLEP 2013)* by:

- Removing reference to the "Flood Planning Map" in Clause 7.3 Flood planning;
- Deleting the Flood Planning Map from the suite of LEP maps; and
- Deleting the Definition of Flood Planning Map from the LEP Dictionary.

On 8 March 2016, Council adopted the Floodplain Risk Management Policy and associated Flood Hazard Maps. The Policy and maps have been prepared in accordance with the State Government's Floodplain Development Manual 2005 and were developed using data from a number of flood studies undertaken throughout the LGA. The maps are under constant review and amendments will be made when any new information is available. The new Flood Hazard Map more accurately reflects the flood planning level than the current 'Flood Planning Map' contained in the *PSLEP 2013*.

Clause 7.3 Flood planning in *PSLEP 2013* currently applies to:

- (a) land identified as "Flood Planning Area" on the Flood Planning Map; and
- (b) other land at or below the flood planning level.

The planning proposal seeks to remove the Flood Planning Map from the LEP, amend Clause 7.3(2) to remove reference to the 'Flood Planning Map'. In practice the amendment will mean Clause 7.3 will continue to apply to land at or below the flood planning level, which is identified on the Council endorsed Flood Hazard Map. This will avoid any potential inconsistency about the flood planning level between the LEP and Flood Hazard Map that may arise from updated flood mapping by providing a single reference point to identify flood prone land.

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

Development on land at or below the flood planning level will still need to satisfy the provisions of Clause 7.3 Flood planning of the *PSLEP 2013*.

Removing the flooding map from the LEP will assist in the consistent use of the most up to date flood mapping, without the need for a lengthy LEP amendment process every time the Flood Hazard Maps are updated. Council will instead rely on the flood planning level identified by the Flood Hazard Maps to satisfy Clause 7.3, the Floodplain Risk Management Policy and Flood Hazard Maps.

The Flood Hazard Maps will be available for viewing by the community on Council's website, ensuring that the most accurate and up to date mapping is readily accessible and used in the assessment of development applications.

Future updates to the Flood Hazard Maps will be made through the adoption of a flood study/ floodplain risk management plan by Council (these are studies commissioned by Council and OEH) or annually to take into account submissions that have been made by owners/developers to amend the flood hazard data.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2013-2017
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

### FINANCIAL/RESOURCE IMPLICATIONS

The planning proposal has been progressed within Strategic Planning budget allocation.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		The planning proposal will be progressed under existing resources in accordance with Council's resolution.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

## **LEGAL, POLICY AND RISK IMPLICATIONS**

### Environmental Planning and Assessment Act 1979 (EP&A Act)

Council is the relevant planning authority for preparing the Planning Proposal under the *Environmental Planning and Assessment Act 1979* (NSW). If Council resolves to adopt the Planning Proposal it will be forwarded to the NSW Department of Planning and Environment for a Gateway Determination.

### Port Stephens Local Environmental Plan 2013

The planning proposal seeks to achieve the following amendments to the *Port Stephens Local Environmental Plan 2013*:

- Remove reference to the "Flood Planning Map";
- Delete the Flood Planning Map from the suite of LEP maps; and
- Delete the Definition of Flood Planning Map.

Development on land at or below the flood planning level must satisfy the provisions of Clause 7.3 Flood planning of the *PSLEP 2013*. This clause will continue to be satisfied for development on land at or below the flood planning level.

Under Clause 7.3 of the *PSLEP 2013* Council must not approve development at or below the flood planning level unless consistent with the standards set within sections (a) to (e) of that Clause which state:

- (3) *Development consent must not be granted to development on land to which this clause applies unless the consent authority is satisfied that the development:*
- (a) *is compatible with the flood hazard of the land, and*
  - (b) *will not significantly adversely affect flood behaviour resulting in detrimental increases in the potential flood affectation of other development or properties, and*
  - (c) *incorporates appropriate measures to manage risk to life from flood, and*
  - (d) *will not significantly adversely affect the environment or cause avoidable erosion, siltation, destruction of riparian vegetation or a reduction in the stability of river banks or watercourses, and*
  - (e) *is not likely to result in unsustainable social and economic costs to the community as a consequence of flooding.*

### Port Stephens Development Control Plan 2014

It is proposed to amend Chapter B5 Flooding of Development Control Plan 2014 to align with the new Floodplain Risk Management Policy and Flood and Flood Hazard Maps. This amendment is currently being prepared and will be reported to Council as a separate matter.

Floodplain Risk Management Policy and Flood Hazard Maps

On 8 March 2016, Council adopted the Floodplain Risk Management Policy and Flood Hazard Maps. The Policy and maps have been prepared in accordance with the State Government's Floodplain Development Manual 2005 and were developed using data from a number of flood studies undertaken throughout the LGA. The maps are under constant review and amendments will be made when new information is available. The Flood Hazard Map more accurately reflects the flood planning level than the current 'Flood Panning Map' contained in the *PSLEP 2013*. Removing the flood maps from the LEP will ensure reliance on most up to date flood mapping, without the need for a lengthy LEP amendment process every time the Flood Hazard Maps are updated.

Section 117 Direction No. 4.3 – Flood Prone Land

Section 117 Direction No. 4.3 aims to:

- (a) *to ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005; and*
- (b) *to ensure that the provisions of an LEP on flood prone land is commensurate with flood hazard and includes consideration of the potential flood impacts both on and off the subject land.*

The Floodplain Risk Management Policy and Flood Hazard Maps, adopted by Council on 8 March 2016, were prepared in accordance with the Floodplain Development Manual 2005.

Development on land at or below the flood planning level must satisfy the provisions of Clause 7.3 Flood planning of the *PSLEP 2013*.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the <i>PSLEP 2013</i> is not consistent with the Floodplain Risk Management Policy and Flood Hazard Maps.	Low	Adopt recommendations to prepare the planning proposal to amend the <i>PSLEP 2013</i> .	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

The Floodplain Risk Management Policy aims to systematically reduce the impact of flooding and flood liability on individual owners and reduce the private and public

losses resulting from floods. It also recognises that flood prone land is a valuable resource to the community, land holders and the economy and these lands should not be sterilised by unnecessarily restricting its development.

The planning proposal will ensure that the *PSLEP 2013* is consistent with the Floodplain Risk Management Policy and Flood Hazard Maps, which will have positive social, economic and environmental implications.

## **MERGER PROPOSAL IMPLICATIONS**

The Port Stephens Floodplain Risk Management Policy is consistent with the approach taken by Newcastle City Council and the State Government's Flood Prone Land Policy and Floodplain Development Manual 2005.

The *Newcastle Local Environmental Plan 2012* does not include a flood-related clause.

## **CONSULTATION**

### Internal

The planning proposal has been prepared by the Strategic Planning Team in collaboration with Council's Flooding Engineers.

### External

External consultation on the planning proposal will be undertaken following the gateway determination. The gateway will specify the terms of the consultation.

### *Government Agency consultation*

It is envisaged that the following Government agencies will be consulted with:

- Office of Environment and Heritage.
- NSW State Emergency Services.

### *Community consultation*

Community consultation will be undertaken in accordance with the gateway determination. It is anticipated that the planning proposal will be exhibited for a period of 14 days as it is likely to be categorised as a 'low impact proposal'.

## **OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Planning Proposal - Flood Prone Land Map. (Provided under separate cover)

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.



**ITEM NO. 5**

**FILE NO: 16/282888  
RM8 REF NO: PSC2015-02333**

**PLANNING PROPOSAL 374 TO 394 HINTON ROAD HINTON (LOT 328 DP 633032, LOT 8 DP 1038606 & LOT 325 DP 590644)**

REPORT OF: DAVID ROWLAND - STRATEGY AND ENVIRONMENT SECTION  
MANAGER  
GROUP: DEVELOPMENT SERVICES

---

**RECOMMENDATION IS THAT COUNCIL:**

- 1) Adopt the Planning Proposal (**ATTACHMENT 1**) for Lot 325 DP 590644, Lot 8 DP 1038606 and Lot 328 DP 633032 (**ATTACHMENT 2**) for the purposes of Section 55 of the *Environmental Planning and Assessment Act 1979* (NSW) and seek amendment to the *Port Stephens Local Environmental Plan 2013* to:
  - a) Rezone the subject land from RU1 Primary Production to RU5 Village; and
  - b) Amend minimum lot size provisions from 40 hectares (400,000m<sup>2</sup>) to 0.4 hectares (4,000m<sup>2</sup>).
- 2) Submit the Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination.
- 3) Request authorisation to exercise delegation of plan making functions for the Planning Proposal.

---

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Ken Jordan Councillor John Nell</b>  That the recommendation be adopted.
--	--

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Nell and Steve Tucker.

Those against the Motion: Nil.

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>136</b>	<p><b>Councillor Ken Jordan</b> <b>Councillor Steve Tucker</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"> <li>1) Adopt the Planning Proposal <b>(ATTACHMENT 1)</b> for Lot 325 DP 590644, Lot 8 DP 1038606 and Lot 328 DP 633032 <b>(ATTACHMENT 2)</b> for the purposes of Section 55 of the <i>Environmental Planning and Assessment Act 1979</i> (NSW) and seek amendment to the <i>Port Stephens Local Environmental Plan 2013</i> to: <ol style="list-style-type: none"> <li>a) Rezone the subject land from RU1 Primary Production to RU5 Village; and</li> <li>b) Amend minimum lot size provisions from 40 hectares (400,000m<sup>2</sup>) to 0.4 hectares (4,000m<sup>2</sup>).</li> </ol> </li> <li>2) Submit the Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination.</li> <li>3) Request authorisation to exercise delegation of plan making functions for the Planning Proposal.</li> </ol>
------------	--

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Nell and Steve Tucker.

Those against the Motion: Nil.

**BACKGROUND**

The purpose of this report is to present a Planning Proposal seeking to amend the provisions of the *Port Stephens Local Environmental Plan 2013* to facilitate 'infill' rural residential development on the subject land at Hinton.

Planning Proposal:	<b>(ATTACHMENT 1)</b>
Subject Land and Area:	374 Hinton Road (Lot 325 DP 590644) (0.82 ha) 382 Hinton Road (Lot 8 DP 1038606) (1.54 ha) 394 Hinton Road (Lot 328 DP 633032) (1.32 ha) <b>(ATTACHMENT 2)</b>
Current Zoning & Minimum Lot Size:	RU1 Primary Production and 40 ha

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

Proposed Zoning & Minimum Lot Size: RU5 Village and 0.4 ha  
Proponent Planning Proposal: **(ATTACHMENT 3)**  
Hill Top Planners (c/o landowners)

Council has received a request from the Proponent to prepare a planning proposal to rezone the subject land from RU1 Primary Production to RU5 Village and amend the applicable minimum lot size provisions from 40 hectares to 4,000m<sup>2</sup>. The purpose is to facilitate its future subdivision for an estimated five (5) additional allotments (with development consent).

The subject land is located at the eastern entrance to Hinton. It adjoins the existing RU5 Village zone boundary at Bounty Close. The character of the immediate area at the site is rural residential with agricultural lands also adjoining. It is elevated and flood-free however the subject site and village of Hinton become isolated during major flood events. Vegetation is largely composed of managed gardens and lawns with some native eucalypt trees. The combined total area of the subject land is 3.7 hectares.

The Planning Proposal is being considered in accordance with the *Port Stephens Planning Strategy* provision for rural residential development as a limited, relatively minor extension of existing rural residential development where there is no adverse impact on either future land use capabilities or infrastructure. Development of the land is considered to be 'infill' within Hinton. The land is already fragmented and unsuitable for agricultural pursuits. The lot sizes proposed are consistent with the existing character of the area.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2013-2017
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

### FINANCIAL/RESOURCE IMPLICATIONS

There are no financial/resource implications if Council resolves to proceed with the recommendation of this report.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	No		
Reserve Funds	No		
Section 94	Yes		Future subdivision would be subject to local infrastructure contributions.

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

External Grants	No		
Other	Yes	10,500	Stage 1 Rezoning Fee.

### LEGAL, POLICY AND RISK IMPLICATIONS

#### Environmental Planning and Assessment Act 1979 (NSW)

Council is the relevant planning authority for preparing the Planning Proposal under the *Environmental Planning and Assessment Act 1979 (NSW)*. If Council resolves to adopt the Planning Proposal it will be forwarded to the NSW Department of Planning and Environment for a Gateway Determination.

#### Lower Hunter Regional Strategy

The *Lower Hunter Regional Strategy* adopts the position that rural residential development is adequately catered for in the Region within existing zones and planning strategies. The relevant Action for rural residential development is that any future rezoning proposal, beyond areas already available or identified, should be:

- Consistent with the Strategy's sustainability criteria (the Planning Proposal is generally consistent with the criteria);
- Consistent with an endorsed local council strategy (the Planning Proposal is inconsistent with this provision because the *Port Stephens Planning Strategy* and the *Draft Port Stephens Rural Residential Strategy* have not been endorsed by the Department of Planning and Environment); and
- Maintain the character and role of the existing village centre (response: the proposal is consistent with the character of Hinton and any impacts are unlikely to be significant).

Any inconsistency of the Planning Proposal with the Lower Hunter Regional Strategy is of minor significance or can be addressed and investigated in further detail through the planning proposal process.

#### Draft Hunter Regional Plan and Draft Plan for Growing Hunter City

The NSW Department of Planning and Environment has released the *Draft Hunter Regional Plan* and *Draft Plan for Growing Hunter City* to replace the Lower Hunter Regional Strategy. The site is shown within the 'Rural Hinterland'. Because development on the site is 'infill and limited in extent it will have negligible impacts and relevance to the directions and objectives of the *Draft Hunter Regional Plan* for both agriculture and the provision of housing.

The relevant Direction is to focus housing and service growth towards Hunter City and the regions existing towns and villages. The Planning Proposal is consistent with this Direction because it is of minor local planning significance and relates to land within the village of Hinton. The related Action is to manage the supply of housing in rural areas to protect social, environmental and economic values including: grow an

established rural community (the site is located within Hinton village); not affect the production of rural land (the site is currently zoned RU1 Primary Production however is fragmented, small in area, and used only for rural residential purposes); have little or no impact on environmental values, service infrastructure and networks (the site is primarily cleared and there are no sewer and water services available).

Flooding is identified as a significant factor when locating and managing regional growth under the Draft Plan. The relevant Direction is to integrate risk management frameworks for floodplains into local strategies and planning controls, prioritising areas to support regional growth. A broader increase in the number of people that would become isolated in a flood in Hinton event requires a strategic position. However in this instance the increase in population is relatively minor and unlikely to draw on additional emergency service requirements beyond existing demands within the locality.

#### Port Stephens Planning Strategy

The Planning Proposal is being considered in accordance with the *Port Stephens Planning Strategy* as a limited, relatively minor extension of existing rural residential development where there is no adverse impact on either future land use capabilities or infrastructure. The Planning Proposal satisfies this provision because development of the site can be limited and is 'infill'.

#### Port Stephens Rural Strategy

The *Port Stephens Rural Strategy* provides for the growth and future development of towns and villages in the LGA and gives recognition to Hinton as a 'village'. Hinton is described as having a special character which needs to be preserved. Heritage impacts are able to be assessed in detail at the development application stage.

Development of the site under the Planning Proposal is able to sufficiently address the principles of the Strategy, including for growth management and land use planning. It will not compromise current and future agricultural opportunities. The existing RU1 Primary Production Zone is not appropriate because the land is already fragmented and used for residential purposes.

#### Draft Port Stephens Rural Residential Strategy

Council has exhibited the *Draft Port Stephens Rural Residential Strategy*. The site falls outside the scope of the draft rural residential strategy because it is within the existing village of Hinton. Its current zone does not reflect the current land use or strategic intent.

The subject land is not affected by the Strategy's proposed Exclusionary Criteria. Preliminary assessment is that the Planning Proposal generally meets the proposed Management Criteria (or could address them during the Planning Proposal process) with the potential exception of isolation without adequate warning time during flood

events and being below the threshold for the creation of no less than 10 potential allotments.

### Port Stephens Local Environmental Plan 2013

The Planning Proposal will be implemented through the amendment to the *Port Stephens Local Environmental Plan 2013* by changing the zoning of the site from RU1 Primary Production to RU5 Village and amending minimum lot size provisions from 40 hectares to 4,000m<sup>2</sup>. The current small lot size, current use and location within Hinton do not serve the objectives of the current RU1 Primary Production Zone that currently applies as follows:

- *To encourage sustainable primary industry production by maintaining and enhancing the natural resource base".*

The Planning Proposal has no effect on the opportunity to maintain and enhance the site's contribution to sustainable primary industry.

- *To encourage diversity in primary industry enterprises and systems appropriate for the area.*

The site has no existing or future opportunity to encourage diversity in primary industry and its systems.

- *To minimise the fragmentation and alienation of resource lands.*

The site is already fragmented and the Planning Proposal will have no practical effect to alienate any land.

- *To minimise conflict between land uses within this zone and land uses within adjoining zones.*

Because of existing rural residential development within and adjacent to the site, and the containment of any further rural residential development within the site, the risk of any land use conflict is minimised).

The use of the RU5 Village Zone for the site reflects a logical extension of the adjoining RU5 Village Zone and better reflects the strategic intent for the site. The objective of the zone is *"To provide for a range of land uses, services and facilities that are associated with a rural village"*. The site is fragmented and the size of the lots is too small for primary production and it adjoins existing rural residential development in the RU5 Village Zone.

**MINUTES ORDINARY COUNCIL - 24 MAY 2016**

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the Planning proposal will not receive a Gateway Determination allowing investigations to continue.	Low	Adopt the Planning Proposal and submit it to the NSW Department of Planning and Environment for a Gateway Determination.	Yes
There is a risk that the Planning Proposal will establish a precedent for other planning proposals on land zoned RU1 Primary Production.	Medium	Consider the Planning proposal under the provisions of the <i>Port Stephens Planning Strategy</i> as limited 'infill' development.	

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

There is some risk that proceeding with the Planning Proposal may set a precedent for encouraging other similar planning proposals for land zoned RU1 primary Production. There is also no planning strategy endorsed by the NSW Department of Planning and Environment. However the Planning Proposal is being assessed on the basis that it is consistent with provisions of the *Port Stephens Planning Strategy* as a proposal for limited 'infill' development. The size of the existing allotments is not sufficient to support any current or future primary production activities and it is already developed for rural residential purposes, and adjoins land zoned RU5 Village. Under this circumstance the Planning Proposal will not affect the objectives of the RU1 Primary Production Zone at an immediate site or broader scale.

There are minimal direct social, economic or environmental implications for Council if it commences the planning proposal process. Vegetation on the site is largely composed of managed gardens and lawns, with some native eucalypt trees present particularly on the northern section of 374 Hinton Road. The site itself is not prone to flooding however it does become isolated during large flood events along with Hinton generally. This raises broader issues about the capacity of Hinton to accommodate future growth. The additional population at risk of flood isolation under the Planning Proposal would be limited.

Drainage issues need to be further investigated and resolved as part of any subsequent planning proposal. The majority of the site drains towards Hinton Road as sheet flow, and the majority of the broader area is draining in a westerly direction. There is no drainage system along the road to collect and convey stormwater. With additional development, more water could flow towards Hinton Road.

## **MERGER PROPOSAL IMPLICATIONS**

There are no merger implications.

## **CONSULTATION**

Further consultation is to be undertaken by the Strategy and Environment Section following a Gateway Determination.

### Internal

Preparation of the Planning Proposal has been informed by consultation with the relevant sections of Council. Further internal consultation is to be undertaken following a Gateway Determination.

### External

Formal consultation requirements will be set by a Gateway Determination. It is proposed to exhibit the Planning Proposal for 28 days because the Planning Proposal is not directly identified for rezoning in a planning strategy endorsed by the NSW Department of Planning and Environment. It is proposed to consult with the following authorities or bodies: Office of Environment and Heritage; Rural Fire Service; Roads and Maritime Services; Department of Primary Industries (Resources and Energy); Department of Primary Industries (Agriculture); and the relevant Local Aboriginal Land Council. Adjoining landowners will also be notified.

## **OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

## **ATTACHMENTS**

- 1) 374 to 394 Hinton Road, Hinton - Planning Proposal. (Provided under separate cover)
- 2) 374 to 394 Hinton Road, Hinton - Site Location.
- 3) 374 to 394 Hinton Road, Hinton - Proponent Planning Proposal. (Provided under separate cover)

## **COUNCILLORS ROOM**

Nil.

## **TABLED DOCUMENTS**

Nil.



[illegible]

**ITEM NO. 6**

**FILE NO: 16/319816  
RM8 REF NO: PSC2012-03912**

**REVISED PLANNING PROPOSAL FOR LAND AT THE CORNER OF FERODALE ROAD AND FAIRLANDS ROAD MEDOWIE LOT 100 AND LOT 101 DP 583216**

REPORT OF: DAVID ROWLAND - STRATEGY AND ENVIRONMENT SECTION  
MANAGER  
GROUP: DEVELOPMENT SERVICES

---

**RECOMMENDATION IS THAT COUNCIL:**

- 1) Adopt the Planning Proposal at (**ATTACHMENT 1**) for Lot 100 and Lot 101 DP 583216 (**ATTACHMENT 2**) for the purposes of Section 55 of the *Environmental Planning and Assessment Act 1979* (NSW) and seek amendment to the *Port Stephens Local Environmental Plan 2013* to:
  - a) Rezone the subject land from RU2 Rural Landscape to R5 Large Lot Residential; and
  - b) Amend minimum lot size provisions from 20 hectares (200,000m<sup>2</sup>) to 1.0 hectare (10,000m<sup>2</sup>).
- 2) Submit the Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination.
- 3) Request Authorisation to exercise delegation of plan-making functions for the Planning Proposal.

---

Councillor Paul Le Mottee left the meeting at 06:45pm, prior to Item 6 in Committee of the Whole.

Councillor Peter Kafer left the meeting at 06:47pm, during Item 6 in Committee of the Whole.

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Geoff Dingle Councillor Steve Tucker</b>  That the recommendation be adopted.
--	---

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Crs Geoff Dingle, Ken Jordan, John Nell and Steve Tucker.

Those against the Motion: Mayor Bruce MacKenzie and Crs Sally Dover.

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>137</b>	<p><b>Councillor John Nell</b> <b>Councillor Ken Jordan</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Adopt the Planning Proposal at <b>(ATTACHMENT 1)</b> for Lot 100 and Lot 101 DP 583216 <b>(ATTACHMENT 2)</b> for the purposes of Section 55 of the <i>Environmental Planning and Assessment Act 1979</i> (NSW) and seek amendment to the <i>Port Stephens Local Environmental Plan 2013</i> to:<ol style="list-style-type: none"><li>a) Rezone the subject land from RU2 Rural Landscape to R5 Large Lot Residential; and</li><li>b) Amend minimum lot size provisions from 20 hectares (200,000m<sup>2</sup>) to 1.0 hectare (10,000m<sup>2</sup>).</li></ol></li><li>2) Submit the Planning Proposal to the NSW Department of Planning and Environment for a Gateway Determination.</li><li>3) Request Authorisation to exercise delegation of plan-making functions for the Planning Proposal.</li></ol>
------------	---

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Crs Geoff Dingle, Ken Jordan, John Nell and Steve Tucker.

Those against the Motion: Mayor Bruce MacKenzie and Crs Sally Dover.

Councillor Paul Le Mottee returned to the meeting at 06.54pm, in Open Council following the vote on Items 2 and 6.

**BACKGROUND**

The purpose of this report is to recommend the adoption a revised Planning Proposal for the site following the rejection of a previous planning proposal for the site at Gateway Determination by the NSW Department of Planning and Environment.

Recommended Planning Proposal:

Subject Land and Area:

**(ATTACHMENT 1)**

17 Fairlands Road (Lot 100 DP 583216)  
(7.5 ha)

2 Fairlands Road (Lot 101 DP 583216)  
(0.8 ha)

**(ATTACHMENT 2)**

Current Zoning and Minimum Lot Size:

Proposed Zoning and Minimum Lot Size:

Potential Lot Yield:

RU2 Rural Landscape and 20 hectares

R5 Large Lot Residential 1.0 hectare

6 (subject to development consent)

### Site Description

The site is located at the western end of Ferodale Road Medowie. It consists of two allotments under separate private ownership each with an existing dwelling. Lot 100 DP 583216 has an area of 7.5 ha and is under agricultural production. Lot 101 DP 583216 has an area of 0.8 ha and is used for residential purposes.

The site has very gentle topography and is effectively cleared of native vegetation. It is within the Grahamstown Dam Drinking Water Catchment. A large part of the site drains to the west directly to Grahamstown Dam. Hunter Water Corporation is concerned this significantly increases the risk of any potential development impacting negatively on the regional drinking water supply. Alternatively, there is a portion of the site that fronts Fairlands Road and drains in the opposite direction and indirectly to Grahamstown Dam via the Campvale Drain.

### Recommended Planning Proposal

The purpose of the Planning Proposal is to permit the potential subdivision of the site for rural residential development consistent with the *Draft Revised Medowie Planning Strategy*. It seeks to amend the Port Stephens Local Environmental Plan 2013 by: rezoning the site from RU2 Rural Landscape to R5 Large Lot Residential; and amending minimum lot size provisions from 20 hectares (200,000m<sup>2</sup>) to 1.0 hectare (10,000m<sup>2</sup>). The proposed minimum lot size of 1.0 hectare will reduce drainage, sewer, water and road infrastructure requirements associated with any future subdivision compared to the previous planning proposal submitted for the site which allowed for approximately 50 lots. Future buildings are to be within a defined building envelope fronting Fairlands Road that does not drain directly to Grahamstown Dam to address potential risk to water quality. The estimated yield is 6 additional allotments (subject to development consent). The approach set out in the revised recommended Planning Proposal is to require the detailed resolution of these matters as part of a conditional Gateway Determination.

### Previous Planning Proposal

In February 2014 Council resolved to prepare a Planning Proposal to rezone the site to facilitate approximately 50 lots with a minimum area of 0.1 ha (1,000m<sup>2</sup>) consistent with the *Medowie Strategy* adopted in 2009. It was rejected at Gateway Determination due to potential risk to drinking water quality and the review of the *Medowie Strategy*. The Proponent provided additional information to address the issues raised in the Gateway Determination. This information was provided to Hunter Water Corporation for their review however it was not supported. It is not recommended to continue with the planning proposal as originally intended because it is unlikely to receive support from Hunter Water Corporation or a 'positive' Gateway Determination from the NSW Department of Planning and Environment.

The key difference between the previous planning proposal and the recommended planning proposal (above) is a proposed increase in the min lot size from 1,000sqm to 1.0 hectare (10,000sqm). The recommended proposal providing a significant

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

reduction in potential lot yield from 50 lots under the former proposal to a potential 6 lots. The proposed rezoning from the existing RU2 Rural Landscape zone to R5 Large Lot Residential zone remains the same under both the former and recommended planning proposal.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2013-2017
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

### FINANCIAL/RESOURCE IMPLICATIONS

There are no financial/resource implications if Council resolves to proceed with the recommendation of this report.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	No		
Reserve Funds	No		
Section 94	Yes		Future subdivision will be subject to Section 94 local infrastructure contributions.
External Grants	No		
Other	Yes	10,500	Stage 1 Rezoning Fee.

### LEGAL, POLICY AND RISK IMPLICATIONS

#### Environmental Planning and Assessment Act 1979 (NSW)

Council is the relevant planning authority for preparing the Planning Proposal under the *Environmental Planning and Assessment Act 1979 (NSW)*. If Council resolves to adopt the Planning Proposal it will be forwarded to the NSW Department of Planning and Environment for a Gateway Determination.

#### Restrictive Covenant

Hunter Water Corporation advised the site is subject to a restrictive covenant to their benefit. It effectively provides that Hunter Water Corporation must be satisfied with any development intended for the site to safeguard drinking water quality.

### Medowie Strategy

The *Medowie Strategy* was adopted by Council in 2009 and identifies the site for allotments with a minimum area of 0.1 hectare (1,000m<sup>2</sup>). This concept was tested through the previous planning proposal and is not supported by the Department of Planning and Environment or Hunter Water Corporation. It is now apparent that the original development density envisioned for the site under the *Medowie Strategy* is not attainable.

### Draft Revised Medowie Planning Strategy

The Planning Proposal is consistent with the *Draft Revised Medowie Planning Strategy*. The draft places a much higher emphasis on improving or maintaining water quality which is critical to delivering the development of land in many parts of Medowie. It recommends a minimum lot size of 1.0 hectare (10,000m<sup>2</sup>) for the site. The purpose is to: balance water quality concerns; reduce infrastructure requirements; maintain rural residential character; and achieve a satisfactory development outcome. The *Draft Revised Medowie Planning Strategy* was endorsed for exhibition purposes by Council in November 2015 and placed on public exhibition from February 2016 to April 2016. At the time of writing it has not been considered for adoption.

### Lower Hunter Regional Strategy

The *Lower Hunter Regional Strategy* identifies Medowie as a proposed urban area with boundaries to be defined through local planning. The revised Planning Proposal is consistent with the objectives and actions of the Strategy with particular reference to the delivery of additional housing in suitable locations.

### Draft Plan for Growing Hunter City

The *Draft Plan for Growing Hunter City* locates Medowie in the Northern Gateways District. The Planning Proposal is consistent with Direction 7.2 *Manage growth to protect strategic assets* and the relevant Action 7.2.1 *Investigate long term opportunities for housing growth in the Northern Gateways District* including to identify opportunities for sustainable development in Medowie that do not affect water quality.

### Port Stephens Planning Strategy

The Planning Proposal is consistent with the *Port Stephens Planning Strategy* which identifies Medowie as a Priority 1 Infill and New Release Area and includes the site for potential development.



## MINUTES ORDINARY COUNCIL - 24 MAY 2016

### Port Stephens Local Environmental Plan 2013

The Planning Proposal will be implemented by amendment to the *Port Stephens Local Environmental Plan 2013* including rezoning the site from RU2 Rural Landscape to R5 Large Lot Residential Zone and amending the applicable minimum lot size provision from 20 hectares (200,000m<sup>2</sup>) to 1.0 hectare (10,000m<sup>2</sup>).

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the planning proposal will not receive a Gateway Determination to allow it to proceed.	Low	Adopt the revised planning proposal and seek a revised Gateway Determination from the NSW Department of Planning and Infrastructure.	Yes

### **SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

There are minimal social, economic or environmental implications for Council if it proceeds with the recommendation of this report. The approach set out in the revised recommended Planning Proposal is to confirm the resolution of detailed matters as part of a conditional Gateway Determination. This primarily refers to the resolution of water quality concerns with Hunter Water Corporation.

### **MERGER PROPOSAL IMPLICATIONS**

There are no merger implications.

### **CONSULTATION**

Further consultation with key stakeholders is to be undertaken by the Strategy and Environment Section following a Gateway Determination.

#### Internal

Further internal consultation is to be undertaken following the provision of further following a Gateway Determination including the provision of further information from the Proponent.

#### External

Formal consultation requirements will be set by a Gateway Determination issued by the NSW Department of Planning and Environment. It is proposed to consult with: Hunter Water Corporation; Worimi Local Aboriginal Land Council; NSW Office of Environment and Heritage; NSW Rural Fire Service; NSW Roads and Maritime Services; Department of Defence; and to undertake formal consultation with the owners of the relevant lots following a Gateway Determination.

## **MINUTES ORDINARY COUNCIL - 24 MAY 2016**

There has been ongoing preliminary consultation with Hunter Water Corporation during the preparation of the *Draft Revised Medowie Planning Strategy* and following the rejection of the previous Planning Proposal for the site. Hunter Water Corporation maintains concern about development that drains directly to Grahamstown Dam however may be more amenable to considering the revised Planning Proposal.

### **OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

### **ATTACHMENTS**

- 1) Ferodale and Fairlands Road Medowie - Planning Proposal. (Provided under separate cover)
- 2) Site Location.

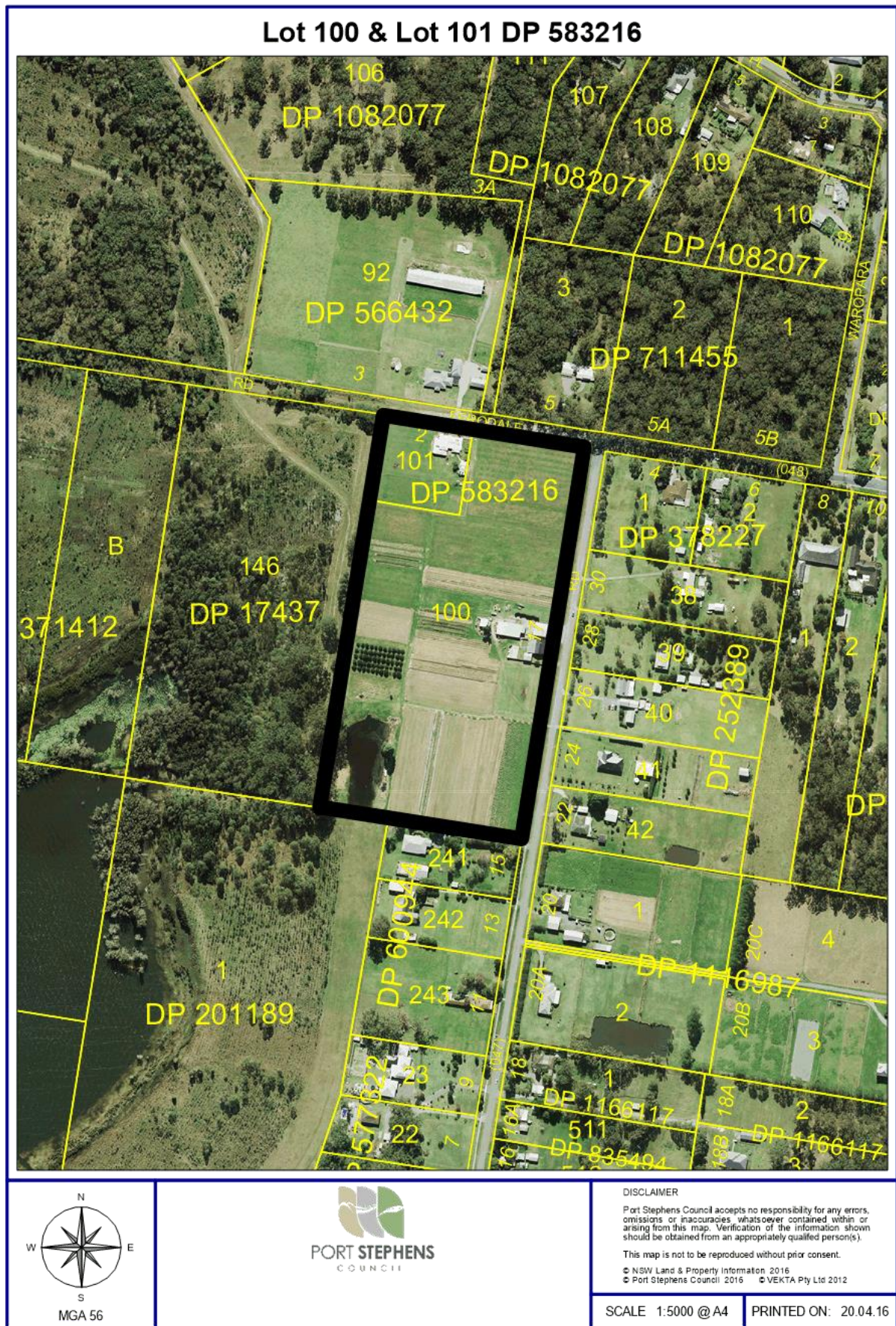
### **COUNCILLORS ROOM**

Nil.

### **TABLED DOCUMENTS**

Nil.





## MINUTES ORDINARY COUNCIL - 24 MAY 2016

Councillor Peter Kafer returned to the meeting at 06:51pm, in Committee of the Whole.

Councillor Paul Le Mottee returned to the meeting at 06:51pm, in Committee of the Whole.

**ITEM NO. 7**

**FILE NO: 16/304593**  
**RM8 REF NO: PSC2007-3076**

### RATE DONATIONS FOR COMMUNITY GROUPS POLICY

REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

---

#### RECOMMENDATION IS THAT COUNCIL:

- 1) Endorses the amendments to the Rate Donations for Community Groups Policy shown at **(ATTACHMENT 1)**.
  - 2) Places the Rate Donations for Community Groups Policy, as amended, on public exhibition for a period of 28 days and should no submissions be received, the policy be adopted as amended, without a further report to Council.
  - 3) Revokes the Rate Donations for Community Groups Policy dated 12 August 2014 (Minute No. 210), shown at **(ATTACHMENT 2)**, should no submissions be received.
- 

#### ORDINARY COUNCIL MEETING - 24 MAY 2016 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor John Nell</b> <b>Councillor Ken Jordan</b>  That the recommendation be adopted.
--	--

#### ORDINARY COUNCIL MEETING - 24 MAY 2016 MOTION

<b>138</b>	<b>Councillor Ken Jordan</b> <b>Councillor Steve Tucker</b>  It was resolved that Council: <ol style="list-style-type: none"><li>1) Endorses the amendments to the Rate Donations for Community Groups Policy shown at <b>(ATTACHMENT 1)</b>.</li><li>2) Places the Rate Donations for Community Groups Policy, as amended, on public exhibition for a period of 28 days and should no submissions be received, the policy be adopted as amended, without a further report to Council.</li></ol>
------------	---

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

	3) Revokes the Rate Donations for Community Groups Policy dated 12 August 2014 (Minute No. 210), shown at <b>(ATTACHMENT 2)</b> , should no submissions be received.
--	--

### BACKGROUND

The purpose of this report is to seek Council's endorsement of the revised Rate Donations for Community Groups Policy.

The current policy has been effective in providing a modest amount of financial assistance to the Nelson Bay Masonic Lodge. The annual cost is approximately \$3,500 per annum. No other community groups have approached Council seeking a rate exemption, possibly because most community groups that own real estate have the benefit of a rate exemption due to a charitable or Public Benevolent Institution legal status. For this reason there is no proposal to specify any additional organisations in the policy to receive a rate donation.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2013-2017
Port Stephens Council's services and assets are sustainable in the longer term.	Council will maintain its underlying financial performance to budget at break even or better. Council will increase its revenue from non-rates sources. Manage risks across Council. Attract, retain and develop staff to meet current and future workforce needs. Provide enabling business support services for Council's operations.

### FINANCIAL/RESOURCE IMPLICATIONS

Adoption of the policy will be within existing budget allocations.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		Within existing resources.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

The policy provides for consistency in applying rate donations to community organisations that are not exempt from rates.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that discontinuing financial assistance to Nelson Bay Masonic Lodge may reduce the organisations ability to carry out works in the community.	High	Accept the recommendations.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

The policy empowers Council to financially support community organisations faced with paying annual rates that are ineligible for a rate exemption.

**MERGER PROPOSAL IMPLICATIONS**

There are no anticipated implications with the review of this policy.

**CONSULTATION**

Consultation with key stakeholders has been undertaken by the Financial Services Section to gain feedback relating to the revised policy.

**Internal**

- The draft policy was submitted to the Executive Leadership Team (ELT) in March 2016. The ELT accepted the recommendation to submit the revised policy to Council for formal adoption.

**External**

In accordance with local government legislation the draft policy will go on public exhibition from 2 June 2016 to 29 June 2016 for 28 days.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.



**ATTACHMENTS**

- 1) Rate Donations for Community Groups Policy.
- 2) Existing Rate Donations for Community Groups Policy.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

**ITEM 7 - ATTACHMENT 1      RATE DONATIONS FOR COMMUNITY GROUPS  
POLICY.****Policy****FILE NO:** PSC2007-3076**TITLE:** RATE DONATIONS FOR COMMUNITY GROUPS**POLICY OWNER:** FINANCIAL SERVICES SECTION MANAGER**PURPOSE:**

To provide clear guidelines for donation of rates and charges to rateable community groups and to provide financial assistance for community groups that are unable to meet the cost of rates and charges.

**CONTEXT/BACKGROUND:**

This policy identifies those community groups in Port Stephens that are subject to rates and charges to which Council will annually make a donation. Council may donate funds in accordance with section 356 of the *Local Government Act 1993* for the purpose of exercising its functions.

The provision of financial assistance for rates and charges assists community groups to survive financially and direct their financial resources towards their aims and objectives. Community groups act as a social binder for communities providing social opportunities, leadership, positive role models and structure within a community.

There are very few community groups that are both liable for rates and are not a public charity or public benevolent institution. The cost of providing this annual assistance is not significant and has no economic implications for Council or Port Stephens.

**SCOPE:**

- 1) Council's policy towards making donations to rateable community groups for rates and charges will be documented and transparent.
- 2) Council will recognise potential financial hardship in considering which community groups are to receive rates and charges donations.
- 3) Groups seeking to access assistance under this policy must have a community service objective similar to Council's as their predominant aim or objective under their charter.

**DEFINITIONS:**

An outline of the key definitions of terms included in the policy.

**Policy**

WARNING: This is a controlled document. Hardcopies of this document may not be the latest version. Before using this document, check it is the latest version; refer to Council's website [www.portstephens.nsw.gov.au](http://www.portstephens.nsw.gov.au)



Issue Date: 27/11/2007

Printed: 29/05/2015

Review Date: xx/xx/xxxx

Page: 1 of 3

ITEM 7 - ATTACHMENT 1 RATE DONATIONS FOR COMMUNITY GROUPS POLICY.

## Policy



Public Charity	A public charity in accordance with sections 556 and 559 of the <i>Local Government Act 1993</i> .
Public Benevolent Institution	A public benevolent institution in accordance with sections 556 and 559 of the <i>Local Government Act 1993</i> .

### POLICY STATEMENT:

Organisations that are public charities or public benevolent institutions receive a rate exemption while other organisations that do good works to benefit the community do not enjoy an exemption.

Council will annually donate the rates and Hunter Local Land Services Catchment Contribution for the organisations and properties specified in this policy. The organisations are still required to pay waste management charges, waste service charges and on-site sewerage management fees if applicable.

The organisations are not required to make an annual application and this donation will be on-going, subject to normal policy reviews. Donations made under this policy will apply from the commencement of the rating year in which Council resolves to include the organisation in the list of specified organisations.

Should an organisation wish to be included on the list, contact is to be made with Council's Finance Revenue Coordinator who will request the necessary information and make arrangements for a report to be submitted to Council for consideration.

Specified organisations:

- 1) Masonic Holdings Limited (Nelson Bay Masonic Centre).

### POLICY RESPONSIBILITIES:

- 1) Finance Officer – Revenue Team Leader.
- 2) Finance Revenue Coordinator.
- 3) Financial Services Section Manager.

### RELATED DOCUMENTS:

- 1) Debt Recovery and Hardship Policy.
- 2) Ss.356,556 *Local Government Act 1993*.

## Policy

WARNING: This is a controlled document. Hardcopies of this document may not be the latest version. Before using this document, check it is the latest version; refer to Council's website [www.portstephens.nsw.gov.au](http://www.portstephens.nsw.gov.au)



Issue Date: 27/11/2007

Printed: 29/05/2015

Review Date: xx/xx/xxxx

Page: 2 of 3

**ITEM 7 - ATTACHMENT 1 RATE DONATIONS FOR COMMUNITY GROUPS POLICY.**

Policy



**CONTROLLED DOCUMENT INFORMATION:**

This is a controlled document. Hardcopies of this document may not be the latest version. Before using this document, check it is the latest version; refer to Council's website <a href="http://www.portstephens.nsw.gov.au">www.portstephens.nsw.gov.au</a>			
<b>RM8 container No</b>	PSC2007-3076	<b>RM8 record No</b>	16/271849
<b>Audience</b>	Council Staff and Community		
<b>Process owner</b>	Financial Services Section Manager		
<b>Author</b>	Financial Services Section Manager		
<b>Review timeframe</b>	Two years	<b>Next review date</b>	
<b>Adoption date</b>	27/11/2007		

**VERSION HISTORY:**

Version	Date	Author	Details	Minute No.
1.0	27/11/2007	Financial Services Section Manager	Policy adopted.	330
2.0	26/06/2012	Financial Services Section Manger	Revised policy adopted.	154
3.0	12/08/2014	Financial Services Section Manager	Revised policy adopted.	210
4.0	15/02/2016	Financial Services Section Manager	Policy reviewed and formatted into the new template. Table of definitions added. Position titles updated to reflect current organisational chart.	

Policy

WARNING: This is a controlled document. Hardcopies of this document may not be the latest version. Before using this document, check it is the latest version; refer to Council's website [www.portstephens.nsw.gov.au](http://www.portstephens.nsw.gov.au)



Issue Date: 27/11/2007

Printed: 29/05/2015

Review Date: xx/xx/xxxx

Page: 3 of 3



**ITEM 7 - ATTACHMENT 2      EXISTING RATE DONATIONS FOR COMMUNITY GROUPS POLICY.**

*Port Stephens*  
C·O·U·N·C·I·L  
**POLICY**

Adopted: 27/11/2007  
Minute No: 330  
Amended: 26/6/2012  
Minute No: 154  
Amended: 12/08/2014  
Minute No. 210

**FILE NO:** PSC2007-3076  
**TITLE:** RATE DONATIONS FOR COMMUNITY GROUPS  
**REPORT OF:** FINANCIAL SERVICES MANAGER

**BACKGROUND**

This policy identifies those community groups in Port Stephens that are subject to rates and charges to which Council will annually make a donation. Council may donate funds in accordance with section 356 of the Local Government Act, 1993 for the purpose of exercising its functions.

**OBJECTIVE**

- 1) To provide clear guidelines for donation of rates and charges to rateable community groups. To provide financial assistance for community groups that are unable to meet the cost of rates and charges.

**PRINCIPLES**

- 1) Council's policy towards making donations to rateable community groups for rates and charges will be documented and transparent.
- 2) Council will recognise potential financial hardship in considering which community groups are to receive rates and charges donations.
- 3) Groups seeking to access assistance under this Policy must have a community service objective similar to Council's as their predominant aim or objective under their charter.

**POLICY STATEMENT**

Organisations that are public charities or public benevolent institutions receive a rate exemption while other organisations that do good works to benefit the community do not enjoy an exemption.

**ITEM 7 - ATTACHMENT 2      EXISTING RATE DONATIONS FOR COMMUNITY GROUPS POLICY.**

Council will annually donate the rates and Hunter Local Land Services Catchment Contribution for the organisations and properties specified in this Policy. The organisations are still required to pay waste management charges, waste service charges and on-site sewage management fees if applicable.

The organisations are not required to make an annual application and this donation will be on-going, subject to normal policy reviews. Donations made under this Policy will apply from the commencement of the rating year in which Council resolves to include the organisation in the list of specified organisations.

Should an organisation wish to be included on the list, contact is to be made with Council's Accounting and Revenue Coordinator who will request the necessary information and make arrangements for a report to be submitted to Council for consideration.

Specified organisations:

- 1) Masonic Holdings Limited (Nelson Bay Masonic Centre).

**RELATED POLICIES**

- 1) Debt Recovery and Hardship Policy.

**SUSTAINABILITY IMPLICATIONS****SOCIAL IMPLICATIONS**

The provision of financial assistance for rates and charges assists community groups to survive financially and direct their financial resources towards their aims and objectives. Community groups act as a social binder for communities providing social opportunities, leadership, positive role models and structure within a community.

**ECONOMIC IMPLICATIONS**

There are very few community groups that are both liable for rates and are not a public charity or public benevolent institution. The cost of providing this annual assistance is not significant and has no economic implications for Council or Port Stephens.

**ENVIRONMENTAL IMPLICATIONS**

Nil.

**RELEVANT LEGISLATIVE PROVISIONS**

- 1) ss.356, 556 Local Government Act, 1993.

**ITEM 7 - ATTACHMENT 2      EXISTING RATE DONATIONS FOR COMMUNITY GROUPS POLICY.**

**IMPLEMENTATION RESPONSIBILITY**

- 1) Financial Services Section.

**PROCESS OWNER**

- 1) Financial Services Manager.

**REVIEW DATE**

- 1) 30 May 2016 or due to receipt of application from community groups.

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

ITEM NO. 8

FILE NO: 16/309792  
TRIM REF NO: A2004-0242

### QUARTERLY BUDGET REVIEW AS AT 31 MARCH 2016

REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

---

#### RECOMMENDATION IS THAT COUNCIL:

- 1) Approves the discretionary changes to the adopted budget as detailed in **(ATTACHMENT 1)** presented as the 2015-2016 Quarterly Budget Review Statement - March 2016.

---

#### ORDINARY COUNCIL MEETING - 24 MAY 2016 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor Peter Kafer</b> <b>Councillor Steve Tucker</b>  That the recommendation be adopted.
--	--

#### ORDINARY COUNCIL MEETING - 24 MAY 2016 MOTION

139	<b>Councillor Ken Jordan</b> <b>Councillor Steve Tucker</b>  It was resolved that Council approve the discretionary changes to the adopted budget as detailed in <b>(ATTACHMENT 1)</b> presented as the 2015-2016 Quarterly Budget Review Statement - March 2016.
-----	--

#### BACKGROUND

The purpose of this report is to amend the budget by bringing to Council's attention the proposals and issues that have an impact on the 2015-2016 budget that are detailed in the Quarterly Budget Review Statement - March 2016. This statement sets out the details of variations between Council's original budget and the proposed budget as part of the March Quarterly Budget Review.

Council considered its Integrated Strategic Plans on 26 May 2015 (Minute No. 135) and these plans include the budget estimates for the 2015-2016 financial year.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens Council's services and assets are sustainable in the longer term.	<p>Council will maintain its underlying financial performance to budget at break even or better.</p> <p>Council will increase its revenue from non-rates sources.</p> <p>Manage risks across Council.</p> <p>Attract, retain and develop staff to meet current and future workforce needs.</p> <p>Provide enabling business support services for Council's operations.</p>

**FINANCIAL/RESOURCE IMPLICATIONS**

Council's anticipated underlying result is as follows:

	<b>Surplus (\$)</b>	<b>Deficit</b>
Budget 2015-2016	1.29M	
September Review	1.47M	
December Review	1.26M	
March Review	1.28M	

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes		
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the underlying operating result may return to a deficit.	Medium	Long Term Financial Plan established to reach break-even point.	Yes

## **SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

Council's budget is fundamental for operational sustainability and to the provision of facilities and services to the community.

## **CONSULTATION**

Consultation with key stakeholders has been undertaken by the Finance Section to discuss the overall financial result for the quarter.

### Internal

- Group Managers via email in April 2016 to provide an update on the overall financial result for the quarter.
- Executive Leadership Team and Executive Team during formal meetings in April 2016 to discuss the overall financial result for the quarter.

Formal communication and meetings have been held and the recommendation to submit to Council for formal adoption was accepted.

### External

Nil.

## **OPTIONS**

- 1) Accept the recommendation.
- 2) Amend the recommendation.
- 3) Reject the recommendation.

## **ATTACHMENTS**

- 1) 2015-2016 Quarterly Budget Review Statement - March 2016.

## **COUNCILLORS ROOM**

Nil.

## **TABLED DOCUMENTS**

Nil.



"A great lifestyle in a  
treasured environment"

**2015 – 2016**  
**Quarterly Budget Review Statement**  
**March 2016**

**ITEM 8 - ATTACHMENT 1      2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.****TABLE OF CONTENTS**

1. EXECUTIVE SUMMARY	1
2. INTRODUCTION	3
3. RESPONSIBLE ACCOUNTING OFFICER'S STATEMENT	4
4. INCOME & EXPENSES BUDGET REVIEW STATEMENT	5
5. CAPITAL BUDGET REVIEW STATEMENT	9
6. CASH FLOW STATEMENT & ANALYSIS	13
7. BUDGET REVIEW CONTRACTS AND OTHER EXPENSES	16



ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

## 1. Executive Summary

Categorising the changes by Group:

### Corporate Services:

The operating budget changes in this group were netted out overall. Income was increased to account for insurance proceeds from repair work performed on community buildings damaged in the April 2015 as well as additional income private works program. The capital budget changes were \$105K (Unfavourable) in relation to works being brought forward for 155 Salamander Way less \$15k for software purchases not required anymore.

### Development Services:

The net changes within this group amounted to \$5k (Unfavourable). The changes in this Group centred on expenditure for community engagement activities (\$27k) as well as art work repair (\$13k). Additional income has been raised in relation to the Bio Banking program (\$35k).

### Facilities & Services:

The operating budget changes in this group were \$30K (Favourable). Changes in the operating expenditure budget included the following net changes.

- Income and expenditure has been increased in relation to additional projects Council has been engaged to deliver on the state roads program by RMS.
- Additional expenditure has been recognised in relation to engineering inspections required to be performed. Income for these inspections has been collected in prior years and therefore this change is funded by a restricted cash reserve.

The capital budget changes were \$823K (Unfavourable). These changes related to

- Recognition of \$602k for a property purchase and associated costs at Shoal Bay. This purchase is funded by the drainage reserve.
- Recognition of \$80K for land development work on the Soldiers Point midden. This is funded by a restricted cash reserve.
- Additional \$99K in the fleet purchases program. This is funded by the fleet reserve.
- Additional \$40K on building improvements to Birubi Surf Club.

### General Managers Office:

No changes have been made to the operating budget.

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

Page 1 of 15

ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

Operating Budget	2016 Original Budget \$000	Budget revotes & carry forwards	Budget Revision Sept Qtr \$000	Budget Revision Dec Qtr \$000	Budget Revision Mar Qtr \$000	2016 Revised Budget Full Year \$000
Corporate Services	41,106	-	274	2	-	41,383
Development Services	(7,318)	(26)	102	4	(5)	7,243
General Managers Office	(2,738)	(106)	-	(200)	-	(3,044)
Facilities & Services	(27,762)	-	(64)	(22)	30	(27,818)
<b>Total</b>	<b>3,288</b>	<b>(133)</b>	<b>313</b>	<b>(216)</b>	<b>25</b>	<b>3,278</b>
Newcastle Airport	3,279	-	-	-	-	3,279
<b>Total</b>	<b>6,567</b>	<b>(133)</b>	<b>313</b>	<b>(216)</b>	<b>25</b>	<b>6,557</b>

Capital Budget	2016 Original Budget \$000	Budget revotes & carry forwards	Budget Revision Sept Qtr \$000	Budget Revision Dec Qtr \$000	Budget Revision Mar Qtr \$000	2016 Revised Budget Full Year \$000
Corporate Services	(5,479)	(3,817)	55	(165)	(90)	(9,496)
Development Services	2,618	-	-	-	-	2,618
General Managers Office	-	-	-	-	-	0
Facilities & Services	(9,251)	(1,838)	(3,309)	(4,861)	(823)	(20,083)
<b>Total</b>	<b>(12,112)</b>	<b>(5,655)</b>	<b>(3,254)</b>	<b>(5,026)</b>	<b>(913)</b>	<b>(26,961)</b>

Note - + = inflow () = outflow

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

Page 2 of 15

**ITEM 8 - ATTACHMENT 1      2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.****2. Introduction**

Clause 203(1) of the *Local Government (General) Regulation 2005* requires Council's Responsible Accounting Officer (RAO) to prepare and submit a Quarterly Budget Review Statement (QBRs) to Council. The QBRs must show, by reference to the estimated income & expenditure that is set out in the operational plan, a revised estimate of income and expenditure for the year.

It also requires the QBRs to include a report by the responsible accounting officer as to whether or not the statement indicates Council to be in a satisfactory financial position, with regard to Council's original budget.

Council's operational plan sets out the achievements, goals and revenue policy, including estimates of income and expenditure. The QBRs plays an important role in monitoring Council's progress against the plan and ongoing management of the annual budget.

The QBRs is the mechanism whereby Councillors and the community are informed of Council's progress against the operational plan (original budget) and the recommended changes and reasons for major variances.

The QBRs is composed of the following components:

- Responsible Accounting Officer Statement.
- Income & Expenses Budget Review Statement.
- Capital Budget Review Statement.
- Cash Flow Statement Review.
- Budget Review Contracts and Other Expenses.

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

Page 3 of 15

ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

**3. Responsible Accounting Officer's Statement**

The Regulations require that a budget review statement must include or be accompanied by a report as to whether or not the RAO believes that the QBRS indicates that Council's financial position is satisfactory, having regard to the original estimate of income and expenditure. If Council's financial position is considered by the RAO to be unsatisfactory, then recommendations for remedial action must be included.

The following statement is made in accordance with clause 203(2) of the *Local Government (General) Regulations 2005*.

It is my opinion that the Quarterly Budget Review Statement for Port Stephens Council for the quarter end 31/3/2016 indicates that Council's projected financial position at 31/3/2016 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Name: Tim Hazell

Responsible Accounting Officer, Port Stephens Council

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRS.

Page 4 of 15

ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

4. Income & Expenses Budget Review Statement

Consolidated	2016 Original Budget \$000	Budget revotes & carry forwards	Budget Revision Sept Qtr \$000	Budget Revision Dec Qtr \$000	Budget Revision Mar Qtr \$000	2016 Revised Budget Full Year \$000	2016 YTD Actuals \$000
Rates & Annual Charges	51,389	-	62	102	-	51,553	51,713
User Charges & Fees Income	37,471	-	152	1,213	1,147	39,983	21,861
Interest & Investment Income	1,785	-	-	-	-	1,785	632
Other Income	7,991	-	113	26	1,070	9,200	5,999
Grants and Cont.	12,892	-	78	35	22	13,027	10,471
Grants and Cont (Capital)	8,288	-	364	224	-	8,876	5,670
Gain on Sale	1,750	-	-	-	-	1,750	35
<b>Total Revenue</b>	<b>121,566</b>	-	<b>769</b>	<b>1,600</b>	<b>2,239</b>	<b>126,174</b>	<b>96,381</b>
Employee Costs	37,394	-	(217)	(109)	34	37,102	29,343
Borrowing Costs	915	-	-	-	-	915	458
Materials & Contracts	39,532	26	510	3,171	2,180	45,419	35,532
Other Expenses	12,297	106	(201)	-	-	12,202	5,676
Depreciation	16,573	-	-	(1,470)	-	15,103	10,105
<b>Total Expenditure</b>	<b>106,711</b>	<b>132</b>	<b>92</b>	<b>1,592</b>	<b>2,214</b>	<b>110,741</b>	<b>81,114</b>
<b>Operating Surplus/(Deficit) after capital grants</b>	<b>14,855</b>	<b>(132)</b>	<b>677</b>	<b>8</b>	<b>25</b>	<b>15,433</b>	<b>15,267</b>
<b>Operating Surplus/(Deficit) before capital grants</b>	<b>6,567</b>	<b>(132)</b>	<b>313</b>	<b>(216)</b>	<b>25</b>	<b>6,557</b>	<b>9,597</b>
Less: NAL Surplus	(3,278)	-	-	-	-	(3,278)	0
Less: LIRS principal repayment 1	(87)	-	-	-	-	(87)	0
Less: LIRS principal repayment 2	(161)	-	-	-	-	(161)	0
Less: Gain on sale	(1,750)	-	-	-	-	(1,750)	(35)
<b>Underlying Operating Surplus/(Deficit)</b>	<b>1,291</b>	<b>(132)</b>	<b>313</b>	<b>(216)</b>	<b>25</b>	<b>1,281</b>	<b>9,562</b>

Notes:  
1. Revised Budget = Original Budget +/- approved budget changes in previous quarters. 2. Proposed Budget = Revised Budget +/- recommended changes this quarter.  
Council's original operating budget for 2015-2016 was incorporated as part of the Integrated Plans and was adopted by Council on 26 May 2015.

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

This statement sets out the details of variations between Council's original operating budget and the revised budget as part of the September Quarterly Budget Review. There are a number of budgetary changes proposed across the Council budget which have delivered Council's Underlying Operating result. This has altered from an original projected surplus of \$1.290M to a projected surplus of \$1.280M.

Note that for budgetary changes: **F** = favourable budget change, **U** = unfavourable budget change.

<b>REVENUE</b>	<b>\$'000</b>	<b>Budget Change F/U</b>
<b>Rates and Annual Charges</b>	-	-
No Change		
<b>User Charges and Fees</b>	1,147	F
Fees have been increased as a result of additional state road projects that RMS have engaged Council for.		
<b>Grants and Contributions provided for Operating Purposes</b>	22	F
Contributions have been increased to account for recurrent income under the Bio Banking program.		
<b>Interest and Investment Revenue</b>	-	-
No Change		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

Page 6 of 15

ITEM 8 - ATTACHMENT 1      2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

REVENUE	\$'000	Budget Change F/U
<b>Other Revenues</b>	<b>1,070</b>	<b>F</b>
Other revenue has been increased for:		
1) Insurance proceeds expected to be received for repair works performed on Community buildings damaged during the April 2015 storm (\$845).		
2) Increase in revenue under Council's private works program (\$200K).		
<b>Grants and Contributions provided for Capital Purposes</b>	<b>-</b>	<b>-</b>
No Change		
<b>Net Gains from the Disposal of Assets</b>	<b>-</b>	<b>-</b>
No Change		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBR.

Page 7 of 15

ITEM 8 - ATTACHMENT 1      2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

EXPENDITURE	\$'000	Budget Change F/U
<b>Borrowing Costs</b>	-	-
No Change		
<b>Depreciation and Amortisation</b>	-	-
No Change		
<b>Employee Benefits and On-Costs</b>	34	U
Reallocation of costs from materials & contractor to employee benefits to match expenditure incurred in the natural resources section.		
<b>Materials and Contracts</b>	2,180	U
Increased expenditure on Contractor & Materials is mainly due to the following areas:		
1) Additional expenditure has been raised in relation to the state roads program that RMS have engaged Council to work on (\$899K).		
2) Repair costs incurred fixing community buildings damaged from the April 2015 storm. This has been funded by an increase to insurance proceeds (\$845K).		
3) Engagement of consultants to assist in engineering assessments (\$178K). This increase is funded by a restricted cash reserve within grants and contributions.		
4) Increase in expenditure for the private works program (\$200K).		
5) Increase in expenditure for community engagement costs and repair of community artwork (\$40K).		
<b>Other Expenses</b>	-	-
No change		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

Page 8 of 15



ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

5. Capital Budget Review Statement

Consolidated	2016 Original Budget \$'000	Budget revotes and carry forwards \$'000	Budget Revision Sept Qtr \$'000	Budget Revision Dec Qtr \$'000	Budget Revision Mar Qtr \$'000	2016 Revised Budget Full Year \$'000	2016 YTD Actuals \$'000
Grants and Cont (Capital)	8,289	-	364	224	-	8,877	5,670
<b>Total Receipts</b>	<b>8,289</b>	-	<b>364</b>	<b>224</b>	-	<b>8,877</b>	<b>5,670</b>
Capital Acquisition & Development	8,184	3,817	449	210	846	13,506	9,421
Capital Materials & Contracts	12,217	1,839	3,169	5,040	67	22,332	11,418
<b>Total Payments</b>	<b>20,401</b>	<b>5,656</b>	<b>3,618</b>	<b>5,250</b>	<b>913</b>	<b>35,838</b>	<b>20,839</b>
<b>Capital Surplus/(Deficit)</b>	<b>(12,112)</b>	<b>(5,656)</b>	<b>(3,254)</b>	<b>(5,026)</b>	<b>(913)</b>	<b>(26,961)</b>	<b>(15,169)</b>

INCOME	\$'000	Budget Change F/U
<b>Capital Grants and Contributions</b>	-	-
No additional capital income has been recognised		
<b>EXPENDITURE</b>	<b>\$'000</b>	<b>Budget Change F/U</b>
<b>Capital Acquisition and Development</b>	<b>846</b>	<b>U</b>
Capital acquisitions predominately relate to		
1) An additional three vehicles which are funded by the fleet reserve (\$99K).		
2) Property purchase and associated costs at Shoal Bay which is funded by the drainage reserve (\$602k).		
3) Land improvements in relation to the Soldiers Point midden which is funded by restricted cash reserve within grants and contributions (\$80K).		
4) Works have been brought forward in relation to the development 155 Salamander Way (\$105K).		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

EXPENDITURE	\$'000	Budget Change F/U
<b>Capital Materials and Contracts</b>	<b>67</b>	<b>U</b>
Capital Materials and contractors have been increased in relation to:		
1) Capital improvements required to Birubi surf club (\$43K). These are being funded by insurance proceeds.		
2) Miscellaneous capital improvements (\$24K).		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

Page 10 of 15

ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

The capital works program by section is as follows:

	Original Budget \$'000	Budget Revotes & carry forwards \$'000	Budget Revision Sept \$'000	Budget Revision Dec \$'000	Budget Revision Mar \$'000	Revised Budget \$'000	Actual Mar \$'000
<b>Capital Funding</b>							
Capital Grants & Contributions	8,288	0	364	225	0	8,878	5,670
<b>Total Capital Funding</b>	<b>8,288</b>	<b>0</b>	<b>364</b>	<b>225</b>	<b>0</b>	<b>8,878</b>	<b>5,670</b>
<b>Capital Expenditure</b>							
<b>Corporate Services Group</b>							
<b>Commercial Property</b>							
Fingal Bay Holiday Park	968	2,055	0	0	0	3,023	1,621
Halifax Holiday Park	350	457	0	0	0	806	81
Shoal Bay Holiday Park	575	219	0	0	0	794	230
Thou Walla Sunset Retreat	0	75	0	0	0	75	445
TreEscape	155	155	(155)	0	0	155	212
Office and Chambers	394	0	0	0	0	394	50
Property Development	2,615	784	0	0	105	3,504	2,941
Property Services Section Manager	0	0	100	0	0	100	9
Property Investments	27	0	0	0	0	27	248
<b>Commercial Property Total</b>	<b>5,084</b>	<b>3,746</b>	<b>(55)</b>	<b>0</b>	<b>105</b>	<b>8,878</b>	<b>5,837</b>
<b>Business System Support</b>							
Business Improvement Technology	395	74	0	165	(14)	621	214
<b>Business System Support Total</b>	<b>395</b>	<b>74</b>	<b>0</b>	<b>165</b>	<b>(14)</b>	<b>621</b>	<b>214</b>
<b>Corporate Services Total</b>	<b>5,479</b>	<b>3,817</b>	<b>(55)</b>	<b>165</b>	<b>91</b>	<b>9,499</b>	<b>6,051</b>

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

	Original Budget \$'000	Budget Revotes & carry forwards \$'000	Budget Revision Sept \$'000	Budget Revision Dec \$'000	Budget Revision Mar \$'000	Revised Budget \$'000	Actual Mar \$'000
<b>Facilities and Services</b>							
<b>Civil Assets</b>							
Civil Projects	0	0	0	0	0	0	1
Community and Recreational Assets	0	184	0	(73)	48	159	65
Drainage	0	0	383	110	808	1,101	192
<b>Civil Assets Total</b>	<b>0</b>	<b>184</b>	<b>383</b>	<b>37</b>	<b>656</b>	<b>1,260</b>	<b>258</b>
<b>Community and Recreation</b>							
Library Services	250	0	0	0	0	250	167
State Emergency Services	0	0	0	0	0	0	0
<b>Community and Recreation Total</b>	<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>	<b>167</b>
<b>Capital Works</b>							
Capital Works Construction	12,217	1,654	2,787	4,819	67	21,544	11,419
<b>Capital Works Total</b>	<b>12,217</b>	<b>1,654</b>	<b>2,787</b>	<b>4,819</b>	<b>67</b>	<b>21,544</b>	<b>11,419</b>
<b>Public Domain and Services</b>							
Building Trades	0	0	0	0	0	0	0
Depots	0	0	0	19	0	19	0
Fleet Maintenance	2,455	0	504	210	100	3,269	2,920
<b>Public Domain and Services total</b>	<b>2,455</b>	<b>0</b>	<b>504</b>	<b>229</b>	<b>100</b>	<b>3,288</b>	<b>2,920</b>
<b>Facilities and Services Total</b>	<b>14,922</b>	<b>1,838</b>	<b>3,674</b>	<b>5,085</b>	<b>823</b>	<b>26,342</b>	<b>14,764</b>
General Managers Office	0	0	0	0	0	0	25
<b>Total Capital Expenditure</b>	<b>20,401</b>	<b>5,655</b>	<b>3,619</b>	<b>5,250</b>	<b>914</b>	<b>35,839</b>	<b>20,839</b>
<b>Net Outlay</b>	<b>12,113</b>	<b>5,655</b>	<b>3,255</b>	<b>5,026</b>	<b>914</b>	<b>26,961</b>	<b>(15,169)</b>

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.

6. Cash Flow Statement		Original Budget	Revotes Carried Forward	Budget Revision Sept	Budget Revision Dec	Budget Revision Mar	Revised Budget
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>							
<b>Receipts:</b>							
Rates & Annual Charges		49,350	-	62	102	-	49,514
User Charges & Fees		35,759	-	152	1,213	1,147	38,271
Interest & Investment Revenue Received		1,642	-	-	-	-	1,642
Grants & Contributions		21,383	-	1,442	259	22	23,106
Other		6,090	-	-	26	1,070	7,186
<b>Payments:</b>							
Employee Benefits & On-Costs		(35,946)	-	217	109	(34)	(35,654)
Materials & Contracts		(34,734)	(106)	(510)	(3,171)	(2,180)	(40,701)
Borrowing Costs		(915)	-	-	-	-	(915)
Other		(15,294)	(26)	201	-	-	(15,119)
<b>Net Cash provided (or used in) Operating Activities</b>		<b>27,335</b>	<b>(133)</b>	<b>1,564</b>	<b>(1,462)</b>	<b>25</b>	<b>27,330</b>
<b>Cash Flows from Investing Activities</b>							
<b>Receipts:</b>							
Proceeds from disposal of Property Plant & Equipment		1,750	-	-	-	-	1,750
<b>Payments:</b>							
Purchase of Infrastructure, Property, Plant & Equipment		(20,401)	(5,655)	(3,618)	(5,250)	(913)	(35,837)
<b>Net Cash provided (or used in) Investing Activities</b>		<b>(18,651)</b>	<b>(5,655)</b>	<b>(3,618)</b>	<b>(5,250)</b>	<b>(913)</b>	<b>(34,087)</b>
<b>Cash Flows from Financing Activities</b>							
Receipt of new borrowings		-	-	-	2,367	-	2,367
Repayment of Borrowings & Advances		(4,335)	-	-	-	-	(4,335)
<b>Net Cash Flow provided (used in) Financing Activities</b>		<b>(4,335)</b>	<b>-</b>	<b>-</b>	<b>2,367</b>	<b>-</b>	<b>(1,968)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>4,349</b>	<b>(5,788)</b>	<b>(2,054)</b>	<b>(4,345)</b>	<b>(888)</b>	<b>(8,726)</b>
<b>plus: Cash &amp; Investments - beginning of year</b>		<b>*37,168</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,168</b>
<b>Cash &amp; Investments - end of the year</b>		<b>***41,517</b>	<b>(5,788)</b>	<b>(2,054)</b>	<b>(4,345)</b>	<b>(888)</b>	<b>28,442</b>

\* - Affected by the April storm by approx. \$5M \*\* - Includes cash from NAL of \$9,765 \*\*\* - Proceeds from the sale of residential lots at Tarrant Road Salamander Bay will be received shortly at approx \$6M.

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

# ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - MARCH 2016.

## Cash Flow Statement Funding Reconciliation

The 'Recommended Changes to Budget' in the March QBRs constitute a gross cash outflow of \$888K which is made up of a net gain in operating activities of \$25K and loss in Investing Activities of \$913K. These changes are being funded from increased income streams, and existing cash reserves.

Sourced from current year cash result:	(77)	Externally funded portion (net) of the capital and operating changes
Transfer from externally restricted cash:	965	Drainage, fleet and contributions
	<u>888</u>	

PSC is clearly solvent based on the current and estimated cash position from the September review changes. PSC's current cash position at the end of March was \$19.06M.

## 7. Budget Review Contracts and Other Expenses

Councillors are currently made aware of tenders of \$150,000 or more in accordance with legislation. However, Councillors should be made aware of other material contracts entered into by Council and details of other expenses that are of particular interest. To this end a contract listing and details of legal fees and consultancy expenses are included in the QBRs.

Part A lists contracts (other than employment contracts and contracts entered into from Council's preferred suppliers list) that:

- Were entered into during the quarter ending 31 March 2016; and
- Have a value equal to or more than \$50,000.

Part B of the report shows expenditure as at 31 March 2016 for:

- Consultancies.
- Legal fees.

For the purposes of this report, a consultancy is defined as a person or organisation engaged under contract on a temporary basis to provide recommendation or high level specialist or professional advice to assist decision-making by management.

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

Page 14 of 15

**ITEM 8 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - MARCH 2016.**

Part A: Contracts listing							
No.	Contractor	Contract details and purpose	Contract value (\$)	Date commenced	Duration of contract (weeks)	Contract end date	Budgeted (Y/N)
T28-2015	Royal HaskoningDHV	Little Beach Coastal Processes Study and Concept Plans	84,815	21/03/2016	15	30/06/2016	Y
145028	D & P Fencing Contractors	Wire rope installation	112,347	9/03/2016	N/A	9/03/2016	Y
144515	The Trustee for Ozz Projects Unit Trust	Insurance repairs - Halifax Holiday Park - April storms	96,117	8/02/2016	N/A	8/02/2016	Y
144442	Jackson Teece Architecture	Cnr/William & Adelaide - architectural services quoted	92,020	3/02/2016	N/A	3/02/2016	Y
144924	Suite Design Australia Pty Ltd	Insurance repairs - Tents contents - Thou Walla	73,272	2/03/2016	N/A	2/03/2016	Y
145412	Mr R S Sams	Inv 00100 - Halifax Holiday Park - Fence replacement - q9109051	59,886	4/04/2016	N/A	4/04/2016	Y
144514	The Trustee for Ozz Projects Unit Trust	Insurance repairs - Shoal Bay Holiday Park - April storm	53,153	8/02/2016	N/A	8/02/2016	Y
Part B: Consultancy & legal expenses							
Expense		Annual Budget (\$)	Expenditure YTD (\$)		Budgeted (Y/N)		
Consultancies		526,745	491,016		Y		
Legal Fees		572,105	181,587		Y		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 31/3/2016 and should be read in conjunction with other documents in the QBRs.

Page 15 of 15

**MINUTES ORDINARY COUNCIL - 24 MAY 2016****ITEM NO. 9****FILE NO: 16/313956  
RM8 REF NO: PSC2015-03671****MAKING OF RATES AND CHARGES 2016-2017****REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES**

---

**9RECOMMENDATION IS THAT COUNCIL:**

- 1) Makes rates and charges for 2016-2017 in accordance with **(ATTACHMENT 1)**.
- 

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Ken Jordan Councillor Sally Dover</b>  That the recommendation be adopted.
--	--

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>140</b>	<b>Councillor Ken Jordan Councillor Steve Tucker</b>  It was resolved that Council makes rates and charges for 2016-2017 in accordance with <b>(ATTACHMENT 1)</b> .
------------	---

**BACKGROUND**

The purpose of this report is to make rates and charges for 2016-2017. The proposed rates and charges reflect those included in the Statement of Revenue Policy contained in the Operational Plan 2016-2017. Legislation requires 2016-2017 rates to be calculated using 1 July 2013 base date land values.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens Council's services and assets are sustainable in the longer term.	Council will maintain its underlying financial performance to budget at break even or better. Council will increase its revenue from



**MINUTES ORDINARY COUNCIL - 24 MAY 2016**

	non-rates sources. Manage risks across Council. Attract, retain and develop staff to meet current and future workforce needs. Provide enabling business support services for Council's operations.
--	---

**FINANCIAL/RESOURCE IMPLICATIONS**

The Independent Pricing and Regulatory Tribunal (IPART) has set the rate peg for 2016-2017 at 1.8%. Rate and charge income must be collected in a timely manner to ensure cash flow to fund Council operations.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		Levy and collection functions are within existing operational budget.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

Legislation requires rates and charges to be made annually by Council resolution and served by 1 August. Council must obtain IPART approval to exceed the rate pegging limit.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
There is a risk that failure to make and serve rate notices by 1 August will defer the due date of the first instalment payment to 30 November adversely affecting cash flow.	High	Make rates and charges and serve notices before 1 August.	Yes
There is a risk that income may exceed the rate pegging limit.	Low	Calculate notional income prior to levy.	Yes

## **SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

Rate and charge income is necessary for Council to deliver the services outlined in the Integrated Plans.

## **MERGER PROPOSAL IMPLICATIONS**

There are no anticipated merger proposal implications.

## **CONSULTATION**

Consultation with key stakeholders has been undertaken by the Office of the General Manager with the Integrated Planning and Reporting (IP&R) regime for the year.

### Internal

- Council two-way conversation conducted in February 2016 where it was accepted to place the Long Term Financial Plan on public exhibition for the statutory period.

### External

- In conjunction with the IP&R proposal the Long Term Financial Plan was submitted for public exhibition and public submissions were invited.

## **OPTIONS**

- 1) Accept the recommendation.
- 2) Amend the recommendation.
- 3) Reject the recommendation.

## **ATTACHMENTS**

- 1) Schedule of rates and charges 2016-2017.

## **COUNCILLORS ROOM**

Nil.

## **TABLED DOCUMENTS**

Nil.

**SCHEDULE OF RATES AND CHARGES 2016-2017**

- 1) Make ordinary rates in accordance with the following schedule for 2016-2017 using 2013 land values.

Type of rate	Name of rate	Category rate applies to	Ad Valorem Rate c in \$	Base Amount \$	% of yield from base amount
Ordinary	Residential	Residential	0.3444c	\$355.00	35%
Ordinary	Farmland	Farmland	0.3444c	\$355.00	20%
Ordinary	Business	Business	0.819c	\$1,498.00	35%
Ordinary	Mining	Mining	0.819c	\$0.00	

- 2) Levy on behalf of Hunter Local Land Services a catchment contribution at the rate determined by the Service for 2016-2017 on all rateable land with a land value of \$300 or more in the defined catchment area. The defined catchment area is shown on the Hunter Local Land Services Contribution Area map.
- 3) Fix the interest rate to apply to overdue rates and charges in 2016-2017 at the maximum rate as determined by the Minister for Local Government.
- 4) Make the following annual Domestic Waste Management Charges and Waste Management Charges for 2016-2017. All rateable assessments that are undeveloped (ie. have no buildings erected upon them) will be levied either a Domestic Waste Management Charge or a Waste Management Charge. All developed rateable assessments (ie. have a building/s erected upon them) will be levied either a Domestic Waste Management Service Charge or a Waste Management Service Charge in addition to the Domestic Waste Management Charge/Waste Management Charge.

Charge type	Charge code	Charge name	Land category charge applies to	Amount of charge
Domestic Waste Management (s496 Local Government Act, 1993)	6-63	Domestic Waste Management Charge	All rateable land categorised as Residential except land that is levied a s496 Domestic Waste Management Service Charge (7-73).	\$57.00 per assessment
Waste Management Charge (s501 Local Government Act, 1993)	6-64	Waste Management Charge	All rateable land categorised as Mining or Business. All rateable land categorised as Farmland except land that is levied a s501 Additional Farm Waste Management Charge (6-65). All rateable land categorised as Residential except land that is levied a s496 Domestic Waste Management Charge (6-63). All non-rateable land that uses the Domestic Waste Management Service.	\$57.00 per assessment

Charge type	Charge code	Charge name	Land category charge applies to	Amount of charge
Waste Management Charge (s501 Local Government Act, 1993)	6-65	Additional Farm Waste Management Charge	All rateable land categorised as Farmland where more than one assessment is held in the same ownership and those assessments are operated as a single farming entity, then the Waste Management Charge (6-64) is to be levied on the first assessment and this Additional Farm Waste Management Charge (6-65) is to be levied on the second and subsequent assessments.	\$1.00 per assessment
Domestic Waste Management (s496 Local Government Act, 1993)	7-73	Domestic Waste Management Service Charge	All developed rateable land categorised as Residential or Farmland, whether occupied or unoccupied. All non-rateable land that uses the Domestic Waste Management Service.	\$401.00 per dual 240 or 360 litre bin service
Waste Management Charge (s501 Local Government Act, 1993)	7-74	Waste Management Service Charge	All developed rateable land categorised as Mining or Business, whether occupied or unoccupied.	\$401.00 per dual 240 or 360 litre bin service
Waste Management Charge (s501 Local Government Act, 1993)	3-74	Waste Service Charge – Additional Red Bin	All rateable land categorised as Farmland, Residential, Mining or Business where the ratepayer requests provision of the additional service. All non-rateable land where provision of the additional service is requested.	\$230.00 per additional waste (red lid) bin
Waste Management Charge (s501 Local Government Act, 1993)	4-74	Waste Service Charge – Additional Yellow Bin	All rateable land categorised as Farmland, Residential, Mining or Business where the ratepayer requests provision of the additional service. All non-rateable land where provision of the additional service is requested.	\$115.00 per additional recycling (Yellow lid) bin

**ITEM NO. 10****FILE NO: 16/318989  
RM8 REF NO: T01-2016****TENDER: T01-FY1516 LEMON TREE PASSAGE FORESHORE REVETMENT****REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES**

---

**RECOMMENDATION IS THAT COUNCIL:**

- 1) That pursuant to section 10A(2)(d) of the *Local Government Act, 1993*, the Council resolve to close to the public that part of its meetings to discuss Item 10 on the Ordinary Council agenda namely Tender: T01-FY1516 Lemon Tree Passage Foreshore Revetment.
  - 2) That the reasons for closing the meeting to the public to consider this item be that:
    - a) The report and discussion will include details of commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the tenderers; and
    - b) In particular, the report includes confidential pricing information in respect of the Tender: T01-FY1516 Lemon Tree Passage Foreshore Revetment.
  - 3) That on balance, it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as disclosure of the confidential commercial information could compromise the commercial position of the tenderers and adversely affect Council's ability to attract competitive tenders for other contracts.
  - 4) That the report of the closed part of the meeting is to remain confidential and that Council makes public its decision including the name and amount of the successful tenderer in accordance with Clause 179 of the *Local Government (General) Regulation 2005*.
  - 5) That Council accept the tender submitted from Soil Conservation Service for \$128,825 for the installation of a revetment wall to replace an existing failing structure at Henderson Park, Lemon Tree Passage.
  - 6) That the contract will commence from the acceptance of the Letter of Agreement, with a project timeframe of approximately five weeks.
- 

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Mayor Bruce MacKenzie Councillor Steve Tucker</b>  That Council: <ol style="list-style-type: none"><li>1) accept the tender submitted from Soil Conservation Service for \$128,825 for the installation of a revetment wall to replace an existing failing structure at Henderson Park, Lemon Tree Passage.</li><li>2) That the contract will commence from the acceptance of the Letter of Agreement, with a project timeframe of approximately five weeks.</li></ol>
--	---

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>141</b>	<b>Councillor Ken Jordan Councillor Steve Tucker</b>  It was resolved that Council:  1) Accept the tender submitted from Soil Conservation Service for \$128,825 for the installation of a revetment wall to replace an existing failing structure at Henderson Park, Lemon Tree Passage.  2) That the contract will commence from the acceptance of the Letter of Agreement, with a project timeframe of approximately five weeks.
------------	---

**BACKGROUND**

The purpose of this report is to recommend the acceptance of a tender received from Soil Conservation Service for \$128,825 for the provision of the installation of a revetment wall to replace an existing, failing structure at Henderson Park, Lemon Tree Passage.

The tender was advertised and closed on 8 April 2016 with a total of two submissions received at the close of the tender period, a summary which is included as **(ATTACHMENT 1)**.

The existing revetment wall structure is approximately 170 metres in length and averages approximately one metre in height.

The works are located adjacent to the Port Stephens Great Lakes Marine Park and will be constructed using proven engineering methods consisting of a geo-synthetic cloth lined secondary rock armour, overlain by a larger primary rock armour layer.

The Scope of Work of the principal items under this contract will include the following:

- Preparation of a Construction Environmental Management Plan
- Site survey
- Site preparation
- Excavation in potentially acid sulfate soils
- Treatment of potentially acid sulfate soils
- Geotextile placement
- Placement of rock revetment armouring

Soil Conservation Service (SCS) is a subsidiary of the Department Industry Skills & Regional Development. The Soil Conservation Service is a commercial entity within the Department of Primary Industries (DPI). The Soil Conservation Service is an environmental consulting and soil conservation business specialising in land rehabilitation, erosion control, project management and resource protection.

For over 70 years, the Soil Conservation Service has built a strong reputation as providers of reliable, practical solutions to natural resource management issues. Operating from 26 centres across the state, providing technical and operational

expertise and experience where sound understanding of effective and practical land management techniques is required in developing and implementing natural resource management solutions.

The weightings agreed for this tender were:

<b>Criteria</b>	<b>Weighting (%)</b>
Price	35
Commercial terms	5
Capability	15
Contract management	15
Referees	10
Relevant experience / staff expertise	20
<b>Total</b>	<b>100</b>

## **COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens Council's services and assets are sustainable in the longer term.	<p>Council will maintain its underlying financial performance to budget at break even or better.</p> <p>Council will increase its revenue from non-rates sources.</p> <p>Manage risks across Council.</p> <p>Attract, retain and develop staff to meet current and future workforce needs.</p> <p>Provide enabling business support services for Council's operations.</p>

## **FINANCIAL/RESOURCE IMPLICATIONS**

There are no significant financial or resource implications.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes		Within existing budget.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

## **LEGAL, POLICY AND RISK IMPLICATIONS**

There are no significant legal or policy implications. The risks are listed in the table below.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the asset will continue to fail causing environmental damage.	Medium	Implement contract in accordance to the scope proposal within tender documents.	Yes
There is a risk that the asset will continue to fail causing public safety risk.	High	Implement contract in accordance to the scope proposal within tender documents.	Yes
There is a risk that the asset will continue to fail causing adverse Council reputation.	High	Implement contract in accordance to the scope proposal within tender documents.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

There are no significant social or economic implications.

The environmental implications have been reviewed and construction will be undertaken in accordance with recommendations of the Review of Environmental Factors (REF) and the conditions of the Marine Parks Permit.

The existing revetment is considered past its useful life and could pose potential risk to the environment, public safety and Council reputation.

**MERGER PROPOSAL IMPLICATIONS**

This tender was called after the proposed merger was announced. The body of work is considered necessary to maintain the asset of Council.

**CONSULTATION**

Consultation for the replacement of the revetment wall was undertaken as part of the consultation for the Lemon Tree Passage Aquatic Infrastructure Upgrade project. Consultation commenced in 2014 and has been ongoing.

Internal

- Community & Recreation Coordinator: Ongoing dialogue regarding procurement, project outcomes, project reporting and community expectations.
- Co-ordinator Natural Resources: Dialogue regarding the compilation of a REF.

External

- Marine Parks Authority (MPA): Notified MPA of intended project. MPA is supportive of the project. MPA requires a permit application to be lodged upon completion of the REF.



- Lemon Tree Passage Community: Public consultation session carried out on 29 October 2014. No issues were raised regarding the rock revetment replacement proposal.

#### **OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

#### **ATTACHMENTS**

- 1) CONFIDENTIAL Weighted criteria methodology summary.

#### **COUNCILLORS ROOM**

Nil.

#### **TABLED DOCUMENTS**

Nil.

**ITEM NO. 12****FILE NO: 16/325584  
RM8 REF NO: PSC2015-03141 and  
PSC2015-02145****PORT STEPHENS COUNCIL INTEGRATED PLANS 2013-2023 AND FEES AND CHARGES 2016-2017****REPORT OF: FRAN FLAVEL - CORPORATE STRATEGY AND PLANNING  
MANAGER****GROUP: GENERAL MANAGER'S OFFICE**

---

**RECOMMENDATION IS THAT COUNCIL:**

- 1) Considers the submissions received and recommendations in **(ATTACHMENT 1)** related to the Integrated Plans 2013-2023;
  - 2) Adopt the Integrated Plans 2013-2023 as amended;
  - 3) Consider the submissions received and recommendations in **(ATTACHMENT 2)** related to the Fees and Charges for 2016-2017;
  - 4) Adopt the Fees and Charges 2016-2017 as amended.
- 

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Paul Le Mottee Councillor Geoff Dingle</b>  That the recommendation be adopted.
--	---

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>142</b>	<b>Councillor Ken Jordan Councillor Steve Tucker</b>  It was resolved that Council: <ol style="list-style-type: none"><li>1) Considers the submissions received and recommendations in <b>(ATTACHMENT 1)</b> related to the Integrated Plans 2013-2023;</li><li>2) Adopt the Integrated Plans 2013-2023 as amended;</li><li>3) Consider the submissions received and recommendations in <b>(ATTACHMENT 2)</b> related to the Fees and Charges for 2016-2017;</li><li>4) Adopt the Fees and Charges 2016-2017 as amended.</li></ol>
------------	--

**BACKGROUND**

The purpose of this report is to provide to Council a report on submissions received concerning the Integrated Plans 2013-2023 and Fees and Charges 2016-2017 that Council determined at its meeting of 22 March 2016 to place on public exhibition for the period 1 to 30 April 2016 in accordance with Section 405(3) and Section 610F of the *Local Government Act 1993*.

For the Integrated Plans, a total of three submissions were received; two submissions relate to capital works proposed for 2016-2017 and are documented in **(ATTACHMENT 1)**. The other submission relates to reclassification of some revenue and expenditure which has technical significance but does in no way affect the Long Term Financial Plan outcomes.

For the Fees and Charges proposed for 2016-2017 a total of three submissions were received: two are minor wording changes; the other one is from the operator of the Tomaree Markets seeking to have the normal increase not apply. Details and recommendations are documented in **(ATTACHMENT 2)**.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens Council's services and assets are sustainable in the longer term.	Council will maintain its underlying financial performance to budget at break even or better. Council will increase its revenue from non-rates sources. Manage risks across Council. Attract, retain and develop staff to meet current and future workforce needs. Provide enabling business support services for Council's operations.

**FINANCIAL/RESOURCE IMPLICATIONS**Integrated Plan Submissions

The recommendation to bring forward and/or add works in the Capital Works Plan 2016-2026 do not affect the overall results forecast in the Long Term Financial Plan 2016-2026 as one is not a material expense (\$15,000) to pave the carpark adjacent to Sunset Park; the other (Shoal Bay Holiday Park boundary fence) is funded from the Property Reserve and involves expenditure scheduled for one year being brought forward. The third submission involves technical definitions of revenue and expenditure that have no impact on projected outcomes but more accurately reflect expenditure by enhanced categorisation.

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

### Fees and Charges Submissions

Two submissions relate to changes in wording in the clarification of fees. One is shown in the draft as a 'per week' fee for Nelson Bay Community Hall and should be 'per month', another is related to the use of floodlights and should read 'per annum' and not 'per use'. The third submission relates to event fees for Tomaree Markets where the Operators of the event are seeking lower event fees. The fees are recommended to Council by the Tomaree Sports Council and there has been no submission from the Sports Council to either maintain or reduce the proposed fee.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes	15,000	General revenue
Reserve Funds	Yes	335,000	Crown Reserve Trust
Section 94	No		
External Grants	No		
Other	No		

### LEGAL, POLICY AND RISK IMPLICATIONS

Under Section 405(3) of the *Local Government Act 1993* Council is required to place its Operational Plan annually on exhibition for 28 days and consider submissions received during that period. It is also required under Section 403 to review its Resource Strategy annually. The Integrated Plans must be adopted by Council prior to 30 June in any given year.

Under Section 610F of the *Local Government Act 1993* Council is required to place on public exhibition its proposed fees and charges for a period of 28 days and consider any submissions received. The Fees and Charges must be adopted by 30 June in any given year.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
There is a risk that the Integrated Plans are not adopted in the timeframe required by legislation, leading to breach of legislation and loss of reputation.	Low	Council will adopt the Integrated Plans.	Yes
There is a risk that the Fees and Charges are not adopted in the timeframe required by	Low	Council will adopt the Fees and Charges.	Yes

## MINUTES ORDINARY COUNCIL - 24 MAY 2016

legislation, leading to a breach of legislation, loss of reputation and loss of revenue.			
--	--	--	--

### SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

As required by the *Local Government Act 1993* the Integrated Plans including the Resource Strategy and the Fees and Charges 2016-2017 were developed and reviewed in accordance with the principles of equity and social justice. They contain themes which expand the social, economic and environmental sections of the Community Strategic Plan 2013-2023.

### MERGER PROPOSAL IMPLICATIONS

In the event that a merger is realised it is understood that, similarly to rates, the plans, fees and charges will continue to pertain to the pre-merger geographical area until such time as/if they are amended by a new Council.

### CONSULTATION

The draft Integrated Plans and draft Fees and Charges 2016-2017 were placed on public exhibition for a period from 1 to 30 April 2016 and submissions invited from members of the public of Port Stephens through advertisement in the Council page of the Port Stephens Examiner newspaper; on Council's web site; on social media; and copies were made available at Council's Administration Building and through its libraries.

Councillors were consulted at a workshop on 16 February 2016.

Submissions received are contained in **(ATTACHMENT 1)** and **(ATTACHMENT 2)** respectively.

### OPTIONS

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

### ATTACHMENTS

- 1) Submissions related to Integrated Plans.
- 2) Schedule of Submissions Fees and Charges 2016-2017.

### COUNCILLORS ROOM

Nil.

### TABLED DOCUMENTS

Nil.

**ITEM 12 - ATTACHMENT 1 SUBMISSIONS RELATED TO INTEGRATED PLANS.**

**Attachment 1 Submissions related to Integrated Plans,  
Strategic Asset Management Plan and Long  
Term Financial Plan**

<b>No.</b>	<b>From</b>	<b>Details</b>	<b>Recommendation</b>
1	Councillor Tucker	Seal existing car park, western end of Caswell Crescent, adjacent to Sunset Park. Cost \$15,000 (no drainage works included).	That Council adds this project to the list of capital works for 2016-2017, funded from general revenue.
2	General Manager, Port Stephens Council	Financial Services Section requests that some income and expenditure be reclassified for scenario 2 in the Long Term Financial Plan 2016-2026. <i>The amendment is simply to reclassify budgeted income and expenditure into a more appropriate classification given the nature of the transaction. The underlying surplus has not changed and remains at \$1,017 million. Because some classifications grow at different rates this has changed some of the future underlying surplus being forecasted. These changes in future years are not material and do not change the Fit for Future outcomes.</i>	That Council agrees to amend the Long Term Financial Plan 2016-2026 to reflect the reclassification of some income and expenditure.
3	General Manager, Port Stephens Council	Property Services Section requests that works associated with a new boundary fence and landscaping for Shoal Bay Holiday Park which was originally scheduled for 2017-2018 are brought into the capital works list for 2016-2017.	That Council agrees to amend the Works Plan attached to the Strategic Asset Management Plan Summary document to move the works on the boundary fence and landscaping at Shoal Bay Holiday Park from 2017-2018 to 2016-2017.

**MINUTES ORDINARY COUNCIL - 24 MAY 2016****ITEM 12 - ATTACHMENT 2 SCHEDULE OF SUBMISSIONS FEES AND CHARGES 2016-2017.****Attachment 2: Submissions and Recommendations Draft Fees & Charges 2016-2017**

No.	Submission from:	Details	Recommendation
1	N & T Hocking, Operators, Tomaree Markets	<p>Requesting a new fee structure for Tomaree Markets for the next five years to render the markets viable, which under the exhibited fees the Operators contend will render the Markets unviable.</p> <p><i>Fees for the use of community facilities are recommended to Council for adoption by the relevant 355c Committee, in this case the Tomaree Sports Council. Following representations from Mr &amp; Mrs Hocking, the Tomaree Sports Council met during April to consider the fees for the Tomaree Markets; staff have been advised that no decision was reached on whether or not to reduce the fee previously recommended along with other Tomaree Sports Council-related fees. It appears that initially the fee charged was reported by Mrs Hocking to be \$634 excluding GST. Correspondence from the Sports Council appears to confirm that; and in October 2015 the Sports Council advised the Operators of the Markets that the fee they had been charged was incorrect and should be \$755 including GST. The proposed new fee from 1 July 2016 would be \$790.20 including GST. Mr &amp; Mrs Hocking are seeking to reduce this on the basis of their perceived threat to the ongoing viability of the markets. Included in their representation is the fact that the amenity provided does not warrant this increase however that is not the subject of this submission. In almost all cases in the past Council has followed the recommendation of its relevant 355c Committee; in the absence of a new recommendation from Tomaree Sports Council that which was exhibited – namely \$790.20 including GST – is recommended to be adopted.</i></p>	That Council notes the correspondence from the Operators of the Tomaree Markets and retains the fee of \$790.20 including GST as recommended initially by the Tomaree Sports Council.
2	Chair, Nelson Bay Community Hall	Fee for hall hire for indoor activity group should be "per month" not "per week".	That Council agrees to change wording associated with this fee.
3	General Manager, Port Stephens Council	Change the wording on the fee for sports facility floodlights from "per use" to "per annum".	That Council agrees to change wording associated with this fee.

**ITEM NO. 13****FILE NO: 16/329626  
RM8 REF NO: PSC2016-00015****INFORMATION PAPERS****REPORT OF: WAYNE WALLIS - GENERAL MANAGER  
GROUP: GENERAL MANAGER'S OFFICE**

---

**RECOMMENDATION IS THAT THAT COUNCIL:**

Receives and notes the Information Papers listed below being presented to Council on 24 May 2016.

---

<b>No:</b>	<b>Report Title</b>	<b>Page:</b>
1	Cash and Investments held as at 30 April 2016	115
2	Ward Funds - Tarrant Road, Salamander Bay	119
3	Annual Designated Persons - Pecuniary Interest Returns 2015-2016	121

---

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Steve Tucker Councillor Paul Le Mottee</b>  That the recommendation be adopted.
<b>143</b>	<b>Mayor Bruce MacKenzie Councillor Steve Tucker</b>  It was resolved that Council move out of Committee of the Whole.



**ORDINARY COUNCIL MEETING - 24 MAY 2016**  
**MOTION**

<b>144</b>	<b>Councillor Ken Jordan</b> <b>Councillor Steve Tucker</b>							
	<p>It was resolved that Council receive and notes the Information Papers listed below being presented to Council on 24 May 2016.</p> <hr/> <table><tr><th><b>No:</b></th><th><b>Report Title</b></th></tr><tr><td>1</td><td>Cash and Investments held as at 30 April 2016</td></tr><tr><td>2</td><td>Ward Funds - Tarrant Road, Salamander Bay</td></tr><tr><td>3</td><td>Annual Designated Persons - Pecuniary Interest Returns 2015-2016</td></tr></table>	<b>No:</b>	<b>Report Title</b>	1	Cash and Investments held as at 30 April 2016	2	Ward Funds - Tarrant Road, Salamander Bay	3
<b>No:</b>	<b>Report Title</b>							
1	Cash and Investments held as at 30 April 2016							
2	Ward Funds - Tarrant Road, Salamander Bay							
3	Annual Designated Persons - Pecuniary Interest Returns 2015-2016							

# INFORMATION PAPERS

**ITEM NO. 1**

**FILE NO: 16/313016  
RM8 REF NO: PSC2006-6531**

**CASH AND INVESTMENTS HELD AS AT 30 APRIL 2016**

REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

**BACKGROUND**

The purpose of this report is to present Council's schedule of cash and investments held at 30 April 2016.

**NCC AND PSC MERGER PROPOSAL IMPLICATIONS**

There are no merger proposal implications as this is a legislative requirement.

**ATTACHMENTS**

- 1) Cash and investments held at 30 April 2016.
- 2) Monthly cash and investments balance April 2015 to April 2016.
- 3) Monthly Australian term deposit index April 2015 to April 2016.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

# MINUTES ORDINARY COUNCIL - 24 MAY 2016

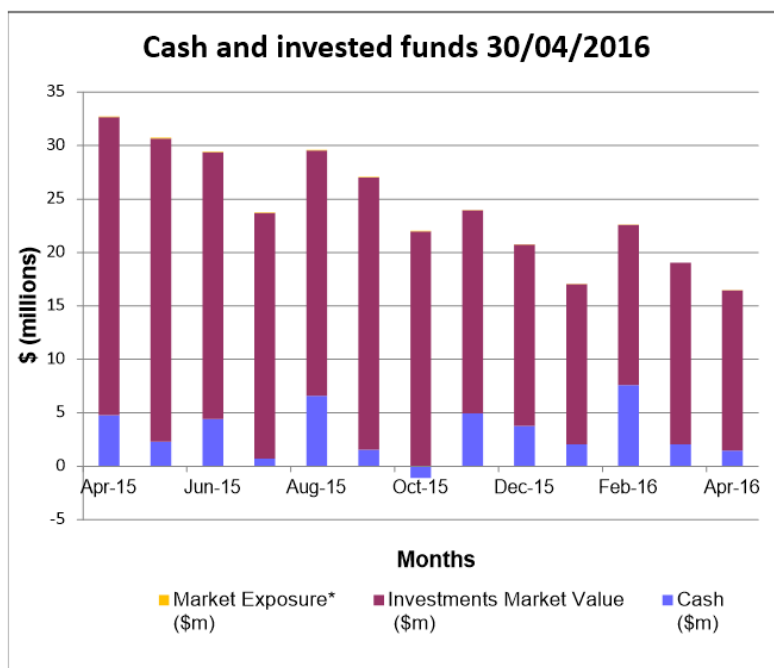
## ITEM 1 - ATTACHMENT 1 CASH AND INVESTMENTS HELD AT 30 APRIL 2016.

### CASH AND INVESTMENTS HELD AS AT 30 APRIL 2016

ISSUER	BROKER	RATING*	DESC.	YIELD %	TERM DAYS	MATURITY	AMOUNT INVESTED	MARKET VALUE
TERM DEPOSITS								
ANZ	ANZ	AA-	TD	3.00%	119	4-May-16	2,000,000	2,000,000
ANZ	ANZ	AA-	TD	3.00%	126	18-May-16	2,000,000	2,000,000
BANKWEST	BANKWEST	A-	TD	3.00%	111	15-Jun-16	2,000,000	2,000,000
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	3.08%	98	29-Jun-16	2,000,000	2,000,000
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	3.07%	98	13-Jul-16	2,000,000	2,000,000
SUNCORP BANK	SUNCORP	A+	TD	3.10%	196	21-Sep-16	2,000,000	2,000,000
BANK OF SYDNEY	CURVE	NR	TD	3.15%	259	16-Nov-16	2,000,000	2,000,000
SUB TOTAL (\$)							14,000,000	14,000,000
OTHER INVESTMENTS								
ANZ ZERO COUPON BOND	ANZ	AA-	BOND	0.00%	9yrs	1-Jun-17	1,017,877	989,682
SUB TOTAL (\$)							1,017,877	989,682
INVESTMENTS TOTAL (\$)							15,017,877	14,989,682
CASH AT BANK (\$)							1,469,064	1,469,064
TOTAL CASH AND INVESTMENTS (\$)							16,486,941	16,458,746
CASH AT BANK INTEREST RATE				2.40%				
BBSW FOR PREVIOUS 3 MONTHS				2.33%				
AVG. INVESTMENT RATE OF RETURN				2.85%				
TD = TERM DEPOSIT								
*STANDARD AND POORS LONG TERM RATING								
CERTIFICATE OF RESPONSIBLE ACCOUNTING OFFICER								
I HEREBY CERTIFY THAT THE INVESTMENTS LISTED ABOVE HAVE BEEN MADE IN ACCORDANCE WITH SECTION 625 OF THE LOCAL GOVERNMENT ACT 1993, CLAUSE 212 OF THE LOCAL GOVERNMENT (GENERAL) REGULATION 2005 AND COUNCIL'S CASH INVESTMENT POLICY								
T HAZELL								

**ITEM 1 - ATTACHMENT 2 MONTHLY CASH AND INVESTMENTS BALANCE  
APRIL 2015 TO APRIL 2016.**
**CASH AND INVESTMENTS BALANCE**

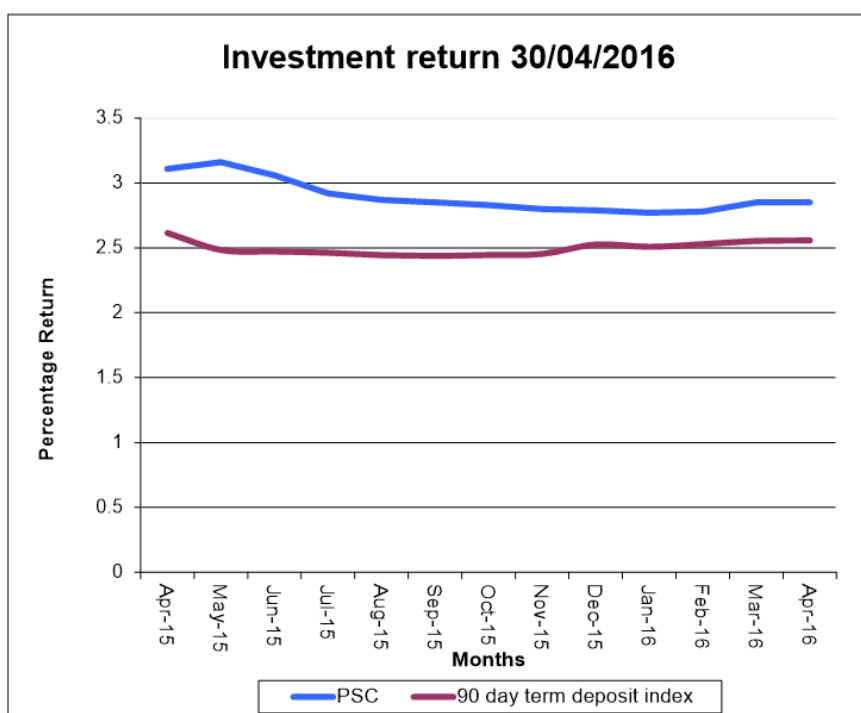
Date	Cash (\$m)	Investments Market Value (\$m)	Market Exposure* (\$m)	Total Funds (\$m)
Apr-15	4.793	27.867	0.064	32.723
May-15	2.301	28.375	0.056	30.732
Jun-15	4.422	24.967	0.051	29.440
Jul-15	0.727	22.968	0.050	23.745
Aug-15	6.590	22.968	0.050	29.608
Sep-15	1.542	25.468	0.050	27.060
Oct-15 -	1.092	21.968	0.050	20.926
Nov-15	4.959	18.989	0.029	23.977
Dec-15	3.759	16.989	0.029	20.776
Jan-16	2.043	14.989	0.029	17.061
Feb-16	7.589	14.989	0.029	22.607
Mar-16	2.038	16.984	0.034	19.055
Apr-16	1.469	14.990	0.028	16.487



\*Market exposure is the difference between the face value of an investment and its current market value

**ITEM 1 - ATTACHMENT 3 MONTHLY AUSTRALIAN TERM DEPOSIT INDEX  
APRIL 2015 TO APRIL 2016.**
**AUSTRALIAN TERM DEPOSIT ACCUMULATION INDEX**

<b>Date</b>	<b>90 day term deposit index</b>	<b>PSC</b>
Apr-15	2.6157	3.11
May-15	2.4841	3.16
Jun-15	2.4727	3.06
Jul-15	2.4632	2.92
Aug-15	2.4447	2.87
Sep-15	2.4384	2.85
Oct-15	2.4458	2.83
Nov-15	2.4535	2.80
Dec-15	2.5259	2.79
Jan-16	2.5089	2.77
Feb-16	2.5293	2.78
Mar-16	2.5539	2.85
Apr-16	2.5578	2.85



**ITEM NO. 2**

**FILE NO: 16/315673  
RM8 REF NO: A2004-0846V2**

**WARD FUNDS - TARRANT ROAD, SALAMANDER BAY**

REPORT OF: CARMEL FOSTER - GROUP MANAGER CORPORATE SERVICES  
GROUP: CORPORATE SERVICES

**BACKGROUND**

The purpose of this report is to advise Councillors that the Deposited Plan for the 33 residential allotments located at Tarrant Road, Salamander Bay has now been registered with Land & Property Information, Certificates of Title issued and settlement of sales to occur within a month.

The gross realisation of the development excluding GST was \$6,145,000. Total costs associated with the development, including holding costs, were \$3,948,044 leaving a net profit of \$2,196,956. A full breakdown of the costs is provided in **(ATTACHMENT 1)**.

Under the Acquisition and Divestment of Land Policy 30% of land development profits is allocated to Ward Funds and the remaining 70% is allocated to the Property Reserve. The funds that are allocated to Ward Funds must be spent in accordance with the Integrated Strategic Plans. If the Councillors elect to expend funds on any other project, a Council resolution and public exhibition will be required.

The Ward allocation will be \$659,086.80 with each Ward receiving \$219,695.60.

**MERGER PROPOSAL IMPLICATIONS**

There are no implications of allocation of land development profits to Ward Funds on a proposed merger.

**ATTACHMENTS**

- 1) Breakdown of Costs.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

3 Tarrant Road, Salamander Bay		
Description	Amount	Comments
Total Sales excl GST	6,145,000	
Less:		
Book Value of land developed as at 30/6/2015	596,191	Total value of land was \$1.1M. Less \$596,191 which leaves the remaining undeveloped block valued at \$500k.
Development Cost as at 15/04/2016	2,430,706	As per the general ledger excluding rates and S94 contributions costs.
Corporate Overhead	146,062	Overhead allocation based on indirect involvement from GMCS, Property Section Manager, Finance, OD and IT.
Accrual costs	321,403	Costs not incurred yet but will be in the next few months. Also includes \$150K reallocation of wage costs to the project for Sean, Norm and Jackie.
Profit on Sale	2,650,639	This is the accounting net profit which excludes internal costs such as S94 and rates.
Less:		
Rates	12,048	
S94	415,635	These costs won't show in the general ledger as they are internal and need to be eliminated or future costs.
Maintenance cost for next 2 years	26,000	
Profit on sale - after above costs	2,196,956	
<b>Workings:</b>		
1. Corporate Overhead - Wages		
Salaries for:	% of OH (a)	Total wage costs for that unit (b)
Financial Services Section	1%	1,562,631
CS Manager Section	15%	309,473
Organisation Development	1%	1,086,335
IT Costs	1%	1,955,418
Property Service Section Manager	20%	267,984
		53,597
		146,062
2. Accrual costs consists of:		
Agent's Commission	150,000	
Wages	141,703	Sean, Norm and Jackie
Legals	29,700	
	321,403	



**ITEM NO. 3**

**FILE NO: 16/327883  
RM8 REF NO: PSC2015-03968**

**ANNUAL DESIGNATED PERSONS - PECUNIARY INTEREST RETURNS 2015-2016**

REPORT OF: WAYNE WALLIS - GENERAL MANAGER  
GROUP: GENERAL MANAGER'S OFFICE

**BACKGROUND**

The purpose of this report is to advise Council of the persons designated for the submission of Pecuniary Interest Returns for the period 2015-2016.

**MERGER PROPOSAL IMPLICATIONS**

There are no merger proposal implications associated with the submission of Pecuniary Interest Returns.

Councillors

Mayor Bruce MacKenzie  
Cr Geoffrey Dingle  
Cr Christopher Doohan  
Cr Sally Dover  
Cr Kenneth Jordan  
Cr Peter Kafer  
Cr Paul Le Mottee  
Cr John Morello  
Cr John Nell  
Cr Steve Tucker

General Manager's Office

General Manager  
Governance Manager  
Legal Services Manager

Corporate Services Group

Business Development Manager  
Business Systems Support Section Manager  
Facilities Coordinator  
Financial Services Section Manager  
Group Manager Corporate Services  
Investment and Asset Manager  
Land Acquisition and Development Manager  
Organisation Development Manager  
Property Development Coordinator  
Property Officer

Property Services Section Manager  
Beachside Holiday Park Manager

Development Services

Building and Developer Relations Coordinator  
Cadet Planner  
Cadet Environmental Health Officer  
Cadet Building Surveyor  
Communicate Port Stephens Coordinator  
Communications Section Manager  
Development Assessment and Compliance Section Manager  
Development Compliance Officer  
Development Contributions Officer  
Development Planner x 3  
Economic Development Coordinator  
Economic Development Project Officer  
Environment Health and Compliance Project Officer  
Environmental Health and Compliance Coordinator  
Environmental Health Officer x 2  
Environmental Health Team Leader  
Group Manager Development Services  
Health and Building Surveyor x 4  
Natural Resources Coordinator x 2  
Planning and Developer Relations Coordinator  
Principal Strategic Planner  
Ranger x 3  
Ranger Team Leader and Compliance  
Senior Building Surveyor x 3  
Senior Development Planner  
Senior Executive Planner  
Senior Development Planner  
Senior Environmental Health Officer  
Senior Environmental Planner  
Senior Health and Building Surveyor Fire Safety  
Senior Health and Building Surveyor Swim  
Senior Ranger  
Senior Social Planning Officer  
Senior Strategic Planner x 2  
Social Planning Officer  
Strategic Planner x 4  
Strategic Planning Coordinator  
Strategy and Environment Section Manager  
Tourism and Events Coordinator  
Vegetation Management Officer  
Waste Compliance and Strategy Coordinator

Facilities & Services

Assets Section Manager  
Building Trades Coordinator  
Building Trades Team Leader Carpentry  
Building Trades Team Leader Electrical  
Building Trades Team Leader Painting  
Building Trades Team Leader Plumbing  
Capital Works Section Manager  
Children's Services Coordinator  
Civil Assets Planning Manager  
Civil Assets Planning Engineer  
Civil Projects Engineer  
Community and Recreation Asset Officer  
Community and Recreation Coordinator  
Community and Recreation Liaison Officer  
Community Services Section Manager  
Coordinator - Roadside and Drainage  
Development Engineer x 2  
Drainage and Flooding Engineer x 2  
Engineering Services Manager  
Facilities and Services Officer x 4  
Fleet and Depot Services Coordinator  
Fleet Management Supervisor  
Group Manager Facilities and Services  
Library Services Manager  
Parks Programs Coordinator  
Project Manager - Construction  
Project Manager – Design  
Project Manager - RMS/Reseals  
Project Manager – Survey  
Project Manager Civil/Landscape  
Public Domain and Services Manager  
Roads Maintenance Supervisor  
Senior Community and Recreation Planning Officer  
Senior Development Engineer  
Senior Drainage and Flooding Engineer  
Traffic Engineer  
Waste Management Coordinator

**ATTACHMENTS**

Nil.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

# NOTICES OF MOTION

**NOTICE OF MOTION****ITEM NO. 1****FILE NO: 16/333436  
RM8 REF NO: PSC2016-01386****SALE OF PRIME KOALA HABITAT****COUNCILLOR: JOHN NELL**

---

**THAT COUNCIL:**

- 1) Write to the NSW Minister for Education the Hon. Adrian Piccoli MP, asking him to postpone the sale of the Department of Education's land at Salamander Bay, best known by the locals as "the old School Site" until after an Archaeological Survey has been carried out and a flora and fauna study has been completed, to determine any environmental constraints and inform the best future use of the site).

---

**ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>145</b>	<b>Councillor John Nell Councillor Steve Tucker</b>  It was resolved that Port Stephens Council calls on the NSW Minister for Education the Hon. Adrian Piccolo, MP not to sell "the old School Site" at Salamander Bay but to include it instead in Council's Mambo Wetland Reserve, in order to protect the environmental and archaeological integrity of this Reserve.
------------	---

**BACKGROUND REPORT OF: DAVID ROWLAND – MANAGER STRATEGY & ENVIRONMENT****BACKGROUND**

A number of Department of Education sites have recently been listed for sale in the Newcastle Herald on 7 May 2016. Council staff have received a number of queries in relation to these sites, as have Councillors.

Of primary concern to the community is the site at 182 and 246-248 Port Stephens Drive and 10-14 Short Rd, Salamander Bay, known to locals as "the old school site".

This land includes seven lots, with six of the lots between 657m<sup>2</sup> and 680m<sup>2</sup> in size and one lot being 5.6ha in size (182 Port Stephens Drive). The sites are all zoned E2-Environmental Conservation and are currently heavily vegetated. Port Stephens

## **MINUTES ORDINARY COUNCIL - 24 MAY 2016**

Council owns the sites to the east and west of 182 Port Stephens Drive - refer **(ATTACHMENT 1)**. The minimum lot size for subdivision of these lots is 40ha, with all of the lots being under this requirement.

The constraints on the site include bushfire, acid sulphate soils, Koala habitat (supplementary) and flooding. The site is also subject to the provisions of SEPP 71 – Coastal Protection.

Council officers have not received any planning proposal to rezone the land and have not held any meetings regarding the future development of these sites. The site is noted by the Office of Environmental Heritage as having high environmental value.

Under the current environmental zoning, any future development is limited and must be in accordance with the Local Environmental Plan.

### **MERGER PROPOSAL IMPLICATIONS**

There are no implications associated with the merger proposal.

### **ATTACHMENTS**

- 1) Site Plan.



# CONFIDENTIAL ITEMS

In accordance with Section 10A, of the Local Government Act 1993, Council can close part of a meeting to the public to consider matters involving personnel, personal ratepayer hardship, commercial information, nature and location of a place or item of Aboriginal significance on community land, matters affecting the security of council, councillors, staff or council property and matters that could be prejudice to the maintenance of law.

Further information on any item that is listed for consideration as a confidential item can be sought by contacting Council.

## ORDINARY COUNCIL MEETING – 24 MAY 2016 MOTION

146	<b>Councillor Steve Tucker</b> <b>Councillor Sally Dover</b>  It was resolved that Council Move into confidential session.
-----	---

The following Council officers were present for the Confidential Session:

Communications Section Manager  
Asset Section Manager  
Planning and Developer Relations Coordinator



**MINUTES ORDINARY COUNCIL - 24 MAY 2016****CONFIDENTIAL****ITEM NO. 1****FILE NO: 16/295573  
RM8 REF NO: PSC2010-02986****PROPOSED SUBDIVISION AND SALE OF 112 ADELAIDE STREET, RAYMOND TERRACE****REPORT OF: GLENN BUNNY - PROPERTY SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES****ORDINARY COUNCIL MEETING - 24 MAY 2016  
MOTION**

<b>147</b>	<b>Councillor Sally Dover Councillor Peter Kafer</b>  It was resolved that Council:  <ol style="list-style-type: none"><li>1) Receive and notes the Supplementary Information.</li><li>2) Agrees to the sale of proposed Lot A to Bunnings Properties Pty Ltd and proposed Lot B to Coles Group Property Developments Ltd.</li><li>3) Authorises the Mayor and General Manager to sign and affix the Seal of Council to all relevant documents relating to any Purchase Option Agreements, Development Applications and Contracts of Sale for the land.</li></ol>
------------	---

**ORDINARY COUNCIL MEETING – 24 MAY 2016  
MOTION**

	<b>RECOMMENDATION:</b>  It was resolved that Council Move out of confidential session.
--	--

There being no further business the meeting closed at 7.07pm.