



Hawkesbury City Council

ordinary
meeting
business
paper

date of meeting: 08 November 2016

location: council chambers

time: 6:30 p.m.



mission statement

***“To create opportunities
for a variety of work
and lifestyle choices
in a healthy, natural
environment”***

How Council Operates

Hawkesbury City Council supports and encourages the involvement and participation of local residents in issues that affect the City.

The 12 Councillors who represent Hawkesbury City Council are elected at Local Government elections, held every four years. Voting at these elections is compulsory for residents who are aged 18 years and over and who reside permanently in the City.

Ordinary Meetings of Council are generally held on the second Tuesday of each month (except January), and the last Tuesday of each month (except December), meeting dates are listed on Council's website. The meetings start at 6:30pm and are scheduled to conclude by 11pm. These meetings are open to the public.

When an Extraordinary Meeting of Council is held, it will usually also be held on a Tuesday and start at 6:30pm. These meetings are also open to the public.

Meeting Procedure

The Mayor is Chairperson of the meeting.

The business paper contains the agenda and information on the items to be dealt with at the meeting. Matters before the Council will be dealt with by an exception process. This involves Councillors advising the General Manager by 3pm on the day of the meeting, of those items they wish to discuss. A list of items for discussion will be displayed at the meeting for the public to view.

At the appropriate stage of the meeting, the Chairperson will move for all those items which have not been listed for discussion (or have registered speakers from the public) to be adopted on block. The meeting then will proceed to deal with each item listed for discussion and decision.

Public Participation

Members of the public can register to speak on any items in the business paper other than the Confirmation of Minutes; Mayoral Minutes; Responses to Questions from Previous Meeting; Notices of Motion (including Rescission Motions); Mayoral Elections; Deputy Mayoral Elections; Committee Elections and Annual Committee Reports. To register, you must lodge an application form with Council prior to 3pm on the day of the meeting. The application form is available on Council's website, from the Customer Service Unit or by contacting the Manager - Corporate Services and Governance on (02) 4560 4444 or by email at council@hawkesbury.nsw.gov.au

The Mayor will invite registered persons to address the Council when the relevant item is being considered. Speakers have a maximum of three minutes to present their views. The Code of Meeting Practice allows for three speakers 'For' a recommendation (i.e. in support), and three speakers 'Against' a recommendation (i.e. in opposition).

Speakers representing an organisation or group must provide written consent from the identified organisation or group (to speak on its behalf) when registering to speak, specifically by way of letter to the General Manager within the registration timeframe.

All speakers must state their name, organisation if applicable (after producing written authorisation from that organisation) and their interest in the matter before speaking.

Voting

The motion for each item listed for discussion will be displayed for Councillors and public viewing, if it is different to the recommendation in the Business Paper. The Chair will then ask the Councillors to vote, generally by a show of hands or voices. Depending on the vote, a motion will be Carried (passed) or Lost.

Planning Decision

Under Section 375A of the Local Government Act 1993, voting for all Planning decisions must be recorded individually. Hence, the Chairperson will ask Councillors to vote with their electronic controls on planning items and the result will be displayed on a board located above the Minute Clerk. This will enable the names of those Councillors voting For or Against the motion to be recorded in the minutes of the meeting and subsequently included in the required register. This electronic voting system was an innovation in Australian Local Government pioneered by Hawkesbury City Council.

Business Papers

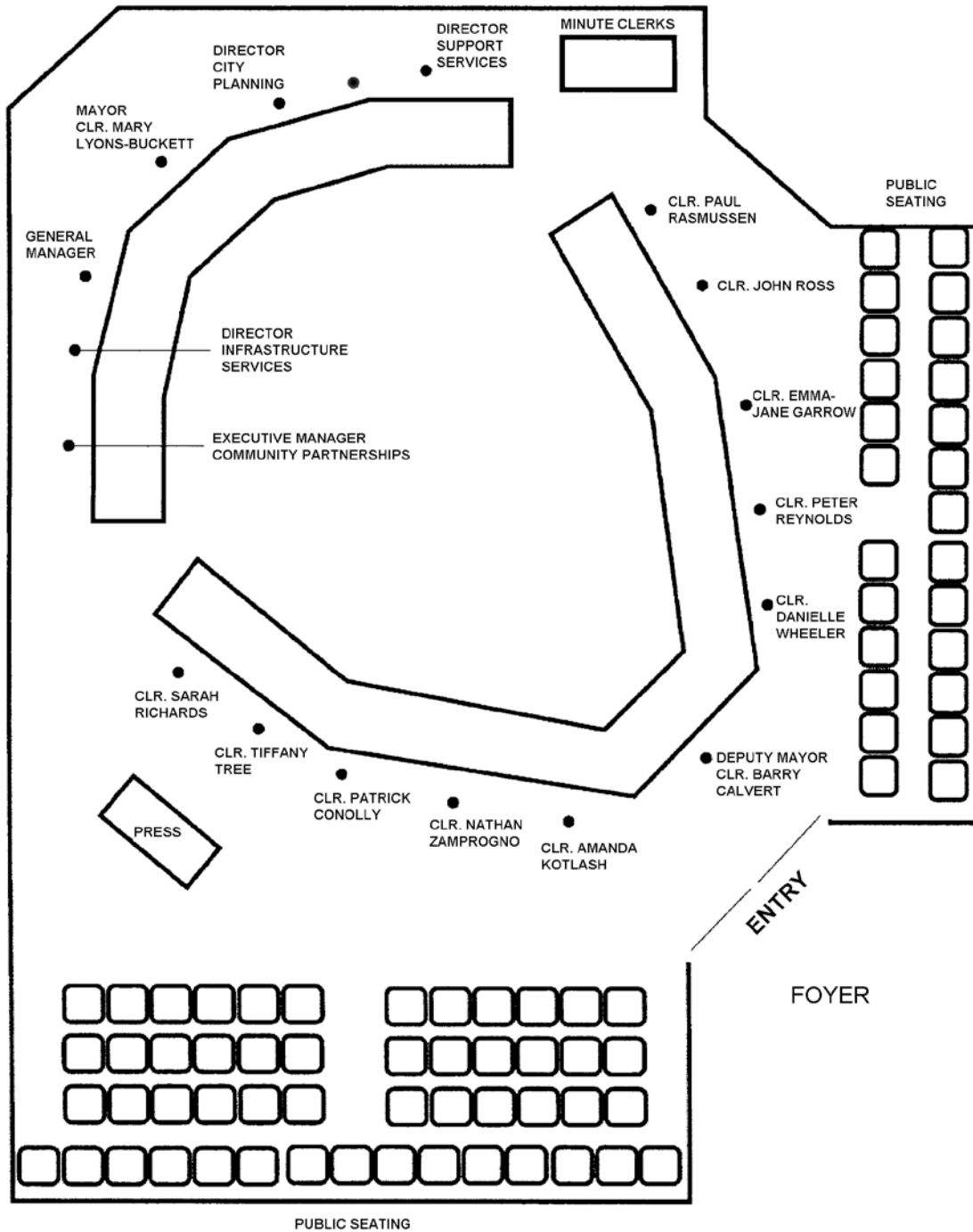
Business papers can be viewed online from noon on the Friday before the meeting on Council's website: <http://www.hawkesbury.nsw.gov.au>

Hard copies of the business paper can be viewed at Council's Administration Building and Libraries after 12 noon on the Friday before the meeting, and electronic copies are available on CD to the public after 12 noon from Council's Customer Service Unit. The business paper can also be viewed on the public computers in the foyer of Council's Administration Building.

Further Information

A guide to Council Meetings is available on the Council's website. If you require further information about meetings of Council, please contact the Manager, Corporate Services and Governance on, telephone (02) 4560 4444.

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 - Acknowledgement of Indigenous Heritage**
- **APOLOGIES AND LEAVE OF ABSENCE**
- **DECLARATION OF INTERESTS**
- **PRESENTATION BY COUNCIL'S AUDITOR, MR DENNIS BENICEVIC OF PRICEWATERHOUSECOOPERS, IN RESPECT OF COUNCIL'S AUDITED 2015/2016 FINANCIAL REPORTS**
- **SECTION 1 - Confirmation of Minutes**
- **ACKNOWLEDGEMENT OF OFFICIAL VISITORS TO THE COUNCIL**
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SECTION 3 - Reports for Determination

PLANNING DECISIONS

Item: 240 CP - LEP004/15 - Planning Proposal to Amend Hawkesbury Local Environmental Plan 2012 - 22, 39 and 41 Windsor Street, Richmond - (95498, 124414)

Previous Item: 135, Ordinary (25 August 2015)

Applicant Name:	Montgomery Planning Solutions
Planning Proposal No:	LEP004/15
Property Address:	22, 39 and 41 Windsor Street, Richmond
Owner(s):	John Charlton Superannuation Pty Limited, Mr RSC Kennard and Ms M J St Clair
Date Received:	30 June 2015
Public Exhibition:	22 July 2016 - 22 August 2016
Community Submissions:	Nil
Government Agency Responses:	Four responses (with no objections)
Recommendation:	Council proceed with the making of the LEP amendment.

REPORT:

Executive Summary

On 25 August 2015, Council considered a report regarding a planning proposal submitted by Montgomery Planning Solutions (the applicant), seeking to amend the *Hawkesbury Local Environmental Plan 2012* (the LEP) to rezone Lot 12 DP 752032, 22 Windsor Street, Lot 10 DP 23504, 39 Windsor Street and Lot 9 DP 23504, 41 Windsor Street, Richmond (the subject site) from R2 Low Density Residential to IN2 Light Industrial under the LEP to allow development of the subject site for light industrial purposes. Council resolved to support the preparation of a planning proposal for the subject site to amend the Land Zoning Map of the LEP to allow development of the subject site for light industrial purposes.

In September 2015, the planning proposal was forwarded to the Department of Planning and Environment (DP & E) in accordance with Council's resolution. In October 2015 Council received "Gateway" determination from the DP & E advising to proceed with the planning proposal.

The purpose of this report is to advise Council of the outcome of the public authority and community consultation on the planning proposal.

Based on the outcome of consultation and further consideration of the matter, it is recommended that Council proceed with the making of an LEP that gives effect to the planning proposal.

Consultation

The consultation with the relevant public authorities and the community on the planning proposal was completed in accordance with the relevant statutory and "Gateway" determination requirements. The outcome of the consultation is discussed in a subsequent section of this report.

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Background

By way of background, the following timeline provides an outline.

- | | |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 30 June 2015 | Council received a planning proposal from the applicant seeking to amend the LEP in order to allow development of the subject site for light industrial purposes. |
| 25 August 2015 | Council considered a report regarding the planning proposal and resolved to support the preparation of a planning proposal for the subject site to amend the LEP to allow development of the subject site for light industrial purposes. |
| 2 September 2015 | The planning proposal seeking a "Gateway" determination was forwarded to the DP&E. |
| 15 October 2015 | Council received a "Gateway" determination from the DP&E advising to proceed with the planning proposal. |
| 7 January 2016 | Council commenced consultation on the planning proposal with the relevant public agencies identified in the "Gateway" determination, including Transport for NSW - Roads and Maritime Services and the Environment Protection Authority. |
| 22 July - 22 August 2016 | Public exhibition of the planning proposal. |

The resolution of Council, (in part), at its Meeting on 25 August 2015 was:

"That:

1. *Council support the preparation of a planning proposal to:*
 - a) *Amend the Land Zoning Map of Hawkesbury Local Environmental Plan 2012 to change the current R2 Low Density Residential zoning of the subject site and part of Lukis Avenue to IN2 Light Industrial.*
 - b) *Amend the Height of Buildings Map of Hawkesbury Local Environmental Plan 2012 to remove the current 10m maximum permissible height provision applying to the site and part of Lukis Avenue to ensure consistency with industrial zoned land within Hawkesbury Local Government Area.*
 - c) *Amend the Lot Size Map of Hawkesbury Local Environmental Plan 2012 to remove the current 450m² minimum lot size provision applying to the site and part of Lukis Avenue to ensure consistency with industrial zoned land within Hawkesbury Local Government Area."*

Explanation of Proposed LEP Amendments

An Amendment to Land Zoning Map

The planning proposal as exhibited sought an amendment to the Land Zoning Map of the LEP to change the current R2 Low Density Residential zoning of the subject site and the western end of Lukis Avenue fronting 39-41 Windsor Street to IN2 Light Industrial as shown in Figures 1 and 2 below. Given all industrial zoned properties fronting Lukis Avenue are zoned IN2 Light Industrial, the exhibited planning proposal also sought to rezone the western end of Lukis Avenue fronting 39-41 Windsor Street to IN2 Light Industrial to ensure zoning consistency in the locality.

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An Amendment to Height of Buildings Map

The height of Buildings applying to the subject site and the western end of Lukis Avenue currently zoned R2 Low Density Residential is 10m. However, Height of Buildings provisions do not apply to industrial zoned land, and therefore the planning proposal as exhibited sought an amendment to the Height of Buildings Map of the LEP to remove the current 10m maximum permissible height provision applying to the subject site and that part of Lukis Avenue to ensure consistency with industrial zoned land within the Hawkesbury Local Government Area as shown in Figure 4.

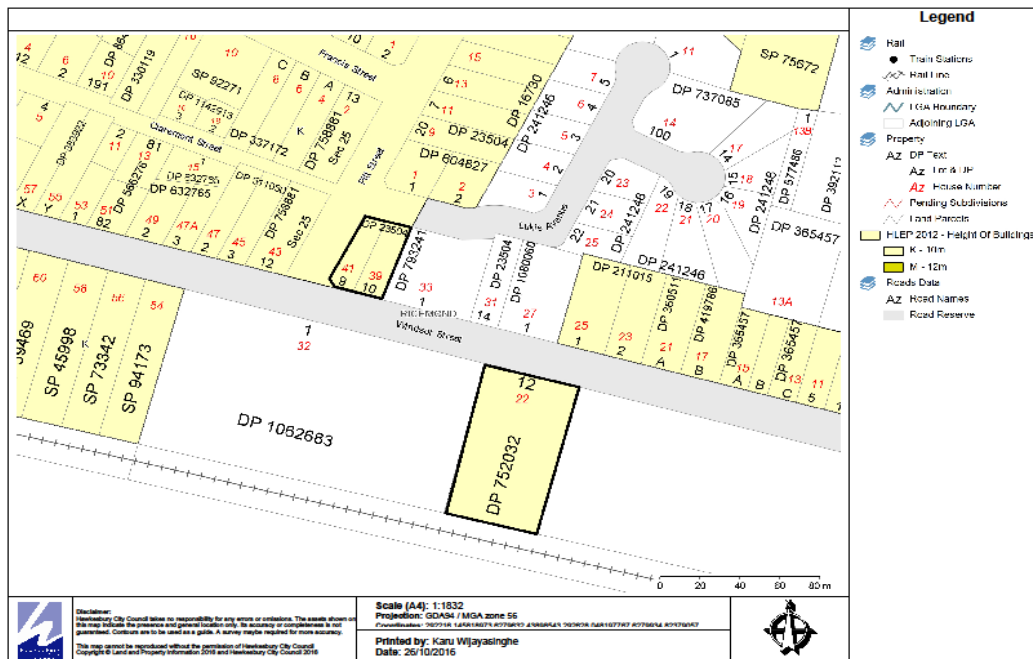


Figure 3: Extract of the Current Height of Buildings Map

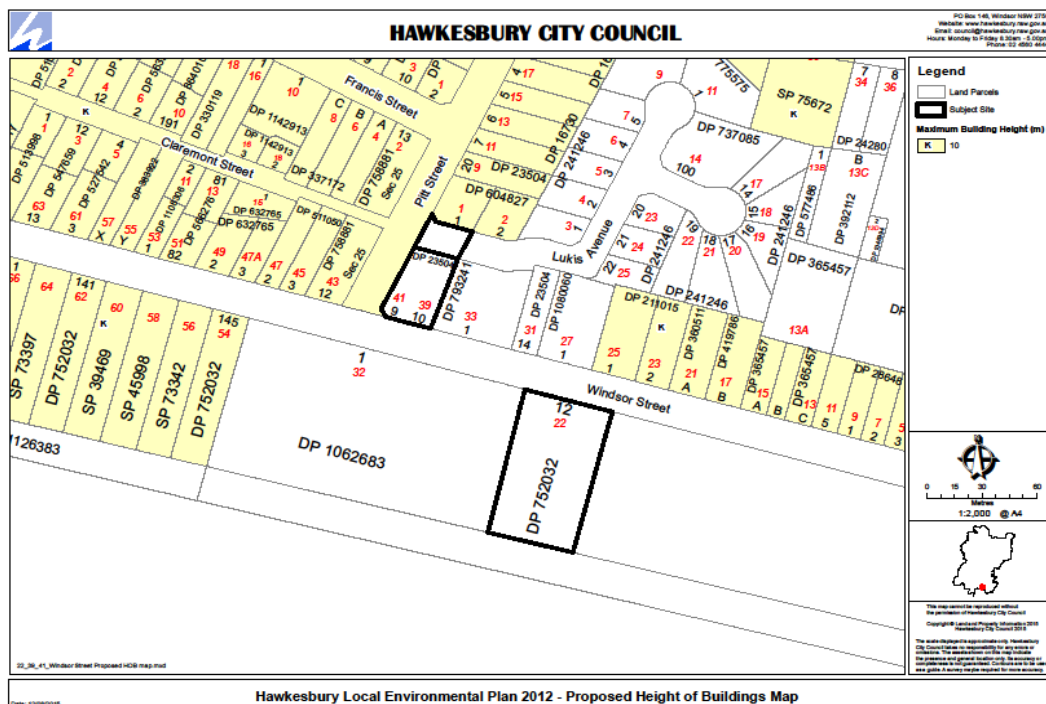


Figure 4: Proposed Height of Buildings Map

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An Amendment to Lot Size Map

The current minimum lot size applying to the subject site and the western end of Lukis Avenue is 450m². However, lot size provisions also do not apply to industrial zoned land, and therefore the planning proposal as exhibited sought an amendment to the Lot Size Map of the LEP to remove the current 450m² minimum lot size provision applying to the subject site and that part of Lukis Avenue to ensure consistency with industrial zoned land within the Hawkesbury Local Government Area as shown in Figure 6 below.

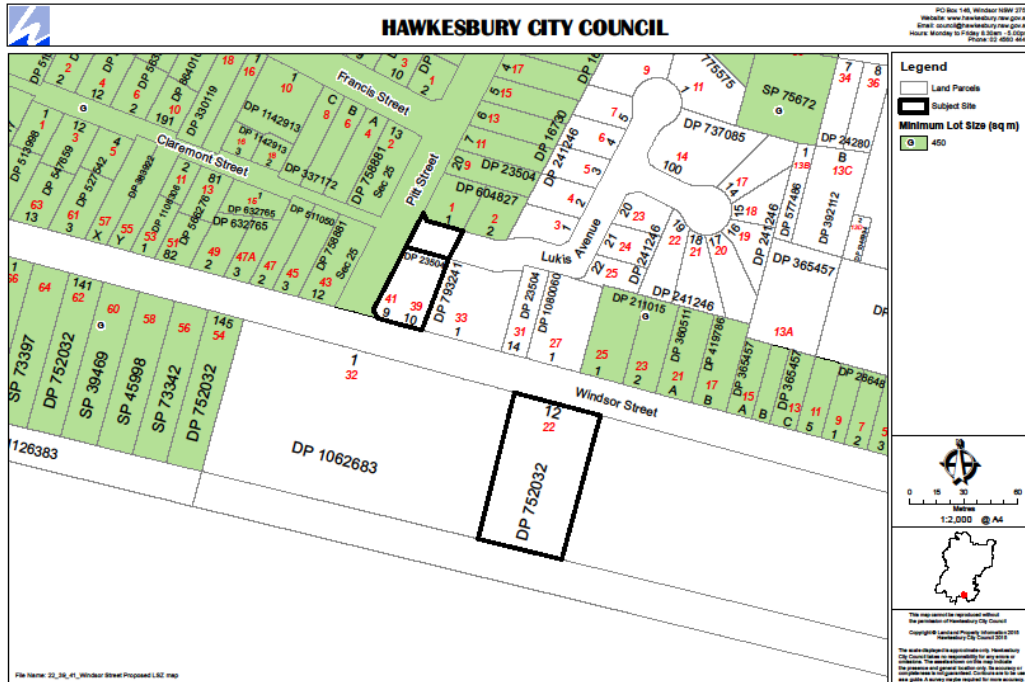


Figure 5: Extract of the Current Lot Size Map

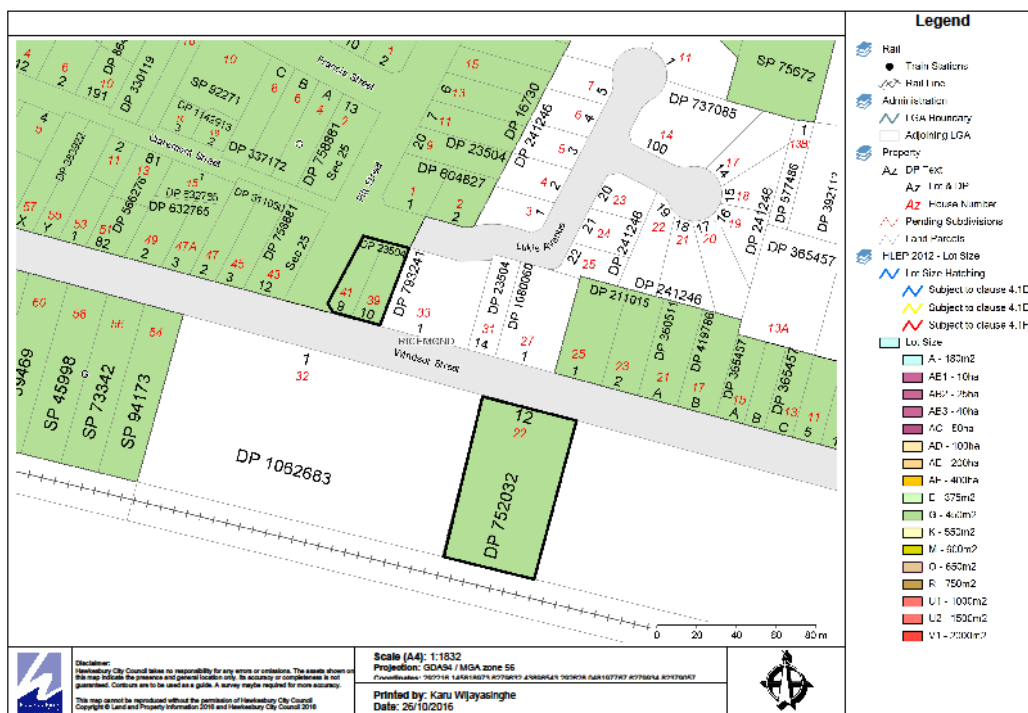


Figure 6: Proposed Lot Size Map

Authorisation for Council to Exercise Delegation

The "Gateway" determination included authorisation for Council to exercise delegation to make this plan. Should Council resolve to proceed with the making of the plan this authorisation will allow Council to make a direct request to the Parliamentary Counsel's Office (PCO) to prepare a draft Local Environmental Plan to give effect to the planning proposal. Following receipt of an opinion from the PCO that the plan can be legally made, Council may then make the plan. Council delegated this plan making function to the General Manager by resolution on 11 December 2012.

Consultation with Public Authorities

In accordance with Section 56(2)(d) of the *Environmental Planning and Assessment Act, 1979* (the EP & A Act) consultation was undertaken with the following public agencies identified in the "Gateway" determination:

- NSW Environment Protection Authority
- NSW Department of Industry
- Department of Defence
- Transport for NSW - Roads and Maritime Services.

Council received submissions from all agencies, but none of them objected to the making of the plan. Whilst the submissions received from NSW Department of Industry and Department of Defence raised no issues, Transport for NSW - Roads and Maritime Services and Environment Protection Authority raised certain issues. These issues and subsequent comments from the Council officer are outlined below.

Transport for NSW - Roads & Maritime Services (RMS)***Summary of Agency's Comment***

The RMS raised no objection to the planning proposal seeking an amendment to the LEP to allow development of the subject site for light industrial purposes provided that a Transport/Traffic Report which examines the likely traffic impacts of the future development of the subject site for light industrial purposes on the surrounding road network is prepared and included as part of the public exhibition materials. In addition, the Transport/Traffic Report may also need to identify local infrastructure upgrades/improvements (including their mechanisms for implementation) to accommodate the future development of the subject site to its full development potential.

Officer Response

In accordance with the RMS requirement, the applicant was advised to prepare a Transport/Traffic Report as part of the public exhibition materials.

In June 2016, a Traffic and Transport Impact Assessment Report prepared by Thompson Stanbury Associates was received from the applicant, and it was forwarded to RMS for comment. In July 2016 Council received comments from the RMS stating that it had no objection to the planning proposal seeking an amendment to the LEP to allow development of the subject site for light industrial purposes.

The Traffic and Transport Impact Assessment Report has concluded that:

- *"The subject rezoning proposal is expected to generate up to 14 peak hour vehicle trips to and from the site based on the rates from RMS's Guide to Traffic Generating Developments and Updated Technical Direction TDT 2013/14.*
- *The subject site currently accommodates bulky goods and retail and industrial developments, which is estimated to be capable of generating up to 46 peak hour trips based on the rates from RMS's Guide to Traffic Generating Developments and Updated Technical Direction TDT 2013/14. In this regard, the rezoning proposal would result in a land use that would generate significantly less traffic, therefore improving the conditions of the surrounding road network.*

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- *No local infrastructure upgrades or improvements are required to accommodate the full development potential of the sites".*

NSW Environment Protection Authority (EPA)

Summary of Agency's Comment

Aircraft Noise

The Australian Noise Exposure Forecast (ANEF) Map indicates the subject site is located within the 25 – 30 ANEF contours.

A range of land uses including Health Consulting Rooms and Hospitals are permitted with consent in the IN2 Light Industrial Zone. However, *AS 2021 - 2000 Acoustics - Aircraft Noise Intrusion - Building Siting and Construction* states that hospitals and nursing homes are unacceptable on land that is located above the 25 ANEF contour. Council should seek advice from the DP & E on whether an IN2 Zoning could be applied to these sites based on the above information.

The EPA supported the recommendation in the previous Council report that the planning proposal should be referred to the Department of Defence for comment. The EPA also recommended that Council determine whether the Section 117 Direction 3.5 - Development Near Licensed Aerodromes applies to the subject site.

Officer Response

The subject site is currently in close proximity to the Richmond RAAF Base, and is located within the 25-30 ANEF Contour. Health consulting rooms and hospitals are permissible with consent in IN2 Light Industrial zones, but Table 2.1 of 'Building Site Acceptability' of *AS 2021 - 2000 Acoustics - Aircraft Noise Intrusion - Building Siting and Construction* (Table 2.1) identifies them as unacceptable land uses on land above the 25 ANEF contour. Therefore Council will likely not approve any future development applications (DAs) for development of the subject site for such sensitive land uses other than light industrial uses and other ancillary and compatible land uses. In addition, any future DAs for the subject site will need to be referred to the Department of Defence for comment if the plan is made, and it will also likely not approve any future DAs for such sensitive land uses on the subject site. Given these circumstances and a "Gateway" determination advising to proceed with the planning proposal, further advice from the DP&E on the proposed rezoning of the subject site to IN2 zone is considered unnecessary.

Given the subject site is located within 25-30 ANEF Contour, the planning proposal was referred to the Department of Defence for comment. The Department of Defence raised no issues regarding the making of the proposed amendment to the LEP.

In June 2013 the Department of Defence advised Council that the RAAF Base is not a licensed aerodrome, and therefore the Section 117 Direction 3.5 - Development Near Licensed Aerodromes does not apply to the subject site.

Prevention of Land Use Conflicts

It is important that adequate planning controls are in place and identified in the Council's Development Control Plan (DCP) to manage any potential noise and air related environmental issues in order to prevent land use conflict. New developments should be planned to avoid noise related land use conflicts upfront through measures including spatial separation, best practice building design, siting and construction, and the use of appropriate air and noise mitigation techniques.

Officer Response

The EPA's comments are matters that are appropriate to the assessment of future DAs for the subject site, and not matters to be incorporated into amendments to a local environmental plan. If this plan is made, any future DAs over the subject site will be referred to the EPA for comment.

Contaminated Land Management

The EPA considered that the investigation of land contamination is an important aspect when rezoning land. The use/development of land for a range of activities can result in land contamination and cause significant environmental and health risks if the land is not appropriately investigated, remediated and validated for its proposed land use. Given the requirements of *State Environmental Planning Policy No 55 - Remediation of Land* (SEPP 55) and the fact that the subject site has previously been used for a service station, the EPA recommended that a Contemporary Contamination Land Assessment be undertaken as part of the rezoning process. The need for such an assessment is further warranted as the proposed IN2 zoning allows for a range of sensitive land uses including health consulting rooms, hospitals and training facilities. The EPA further advised that Council should undertake a review of this assessment to ensure the requirements of SEPP55 have been satisfied.

The EPA also recommended that Council consider the involvement of an EPA accredited Site Auditor during the contamination management process, including the provision of a Site Audit Statement certifying that the subject site is suitable for the proposed uses.

Officer Response

In accordance with the EPA requirement, the applicant was advised to prepare a Contamination Land Assessment Report. In February 2016 Council received an Environmental Site Assessment Report prepared by Envirotech Pty Ltd. This report states that:

"Soil sampling and analysis were undertaken using the National Environment Protection (Assessment of Site Contamination) Measure (NEPM) 2013 guidelines and the NSW EPA technical note investigation of service station sites with a sampling density of 100% of the recommended sampling density. Results were then compared against appropriate guidance values including Health Investigation Levels (HILs) and Ecological Investigation Levels (ELs).

Chemically the results meet the criteria of the Health Investigation Limits for all of the analysed contaminants across the site. In relation to the area of investigation this area is deemed suitable for the proposed rezoning. It appears that the site from a chemical analysis is appropriate for the proposed land use.

In relation to the area of investigation this area is deemed suitable for the proposed rezoning of the site. It should also be noted that the site has ceased being used for a petrol station and commercial identities had inhabited the site. No adverse health effects to the users of the site in relation to the targeted analytes has been recorded".

SEPP55 requires consideration of contamination issues when rezoning land. If a rezoning allows a change of use that may increase the risk to health or the environment from contamination, then the planning authority must be satisfied that the land is suitable for the proposed use or can be remediated to make it suitable.

When preparing a Local Environmental Plan, SEPP55 requires Council to not include in a particular zone any land specified in subclause 6(4) of SEPP55 if the inclusion of the land in that zone would permit a change of use of the land, unless:

- (a) Council has considered whether the land is contaminated; and
- (b) If the land is contaminated, Council is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for all the purposes for which land in the zone concerned is permitted to be used; and
- (c) If the land requires remediation to be made suitable for any purpose for which land in that zone is permitted to be used, Council is satisfied that the land will be so remediated before the land is used for that purpose.

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SEPP55 also requires that before including land of a class identified in subclause 6(4) in a particular zone, Council is to obtain and have regard to a report specifying the findings of a preliminary investigation of the land carried out in accordance with the contaminated planning guidelines.

Land on which development for a purpose referred to in Table 1 of the *Managing Land Contamination: Planning Guidelines 1998* is being, or is known to have been, carried out is classified as a class of land under subclause 6(4) of SEPP55. Given 39-41 Windsor Street, Richmond referred to as the "Northern Site" in the previous Council Report (25 August 2015) has previously been used as a service station, Council needs to be satisfied that the abovementioned SEPP55 requirements have been addressed to ensure consistency with the requirements of SEPP55 and the EPA's advice.

According to the report findings, the area investigated within the subject site is suitable for the proposed rezoning to allow future development of the subject site for light industrial purposes. However, given the intention to develop the entire site for light industrial purposes, a further contamination assessment demonstrating the entire site is suitable for the intended purposes or can effectively be remediated to make it suitable will need to be undertaken during the development application stage.

Council may engage an accredited Contaminated Site Auditor to review any contamination assessment reports prepared by suitably qualified and experienced professionals in support of any future DAs for the subject site to ensure that the investigations have been undertaken in accordance with the *Managing Land Contamination: Planning Guidelines 1998* and confirm that the subject site is suitable for its intended use.

Waste Management

The EPA advised that Council should consult the Waste Not Development Control Plan Guideline (EPA 2008) to assist in guiding the development of provisions in the DCP to inform any development on the subject site if the rezoning is approved. The EPA recommended the following guidelines be included in any DCP in order to guide any new development:

- *The Better Practice Guidelines for Waste Management and Recycling in Commercial and Industrial Facilities* (EPA, December 2012)
- *The Better Practice for Public Place Recycling* (DEC 2005)

Officer Response

The EPA's comments are matters that will need to be taken into consideration if this plan is made, and they are not required to be incorporated into amendments to a Local Environmental Plan.

Community Consultation

The planning proposal and supporting documentation was publically exhibited for the period Friday, 22 July 2016 to Monday, 22 August 2016 in accordance with the relevant statutory and "Gateway" determination requirements. An exhibition notice was placed in the Hawkesbury Courier on 21 July and 4 August 2016 and letters were sent to adjoining and nearby landowners and occupiers advising the public exhibition of the planning proposal. The planning proposal and supporting documentation was made available for public viewing during the exhibition period on Council's website and at Council's Administration Office.

Council received no submissions from the community.

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Conformance to the Hawkesbury Community Strategic Plan

The proposal is consistent with the Supporting Business and Local Jobs Directions statement.

- Plan for a range of industries that build on the strengths of the Hawkesbury to stimulate investment and employment in the region.
- Offer an increased choice and number of local jobs and training opportunities to meet the needs of Hawkesbury residents and to reduce their travel times.
- Help create thriving town centres, each with its own character that attracts residents, visitors and businesses.

Financial Implications

The applicant has paid the planning proposal application fees required by Council's Fees and Charges for the preparation of a Local Environmental Plan.

Conclusion

The consultation undertaken with the community and the relevant public authorities with respect to the planning proposal do not warrant any amendments to the exhibited planning proposal or the abandonment of the proposal.

It is recommended Council can proceed with the making of the LEP under the authorisation for Council to exercise delegation issued by the "Gateway" determination.

Planning Decision

As this matter is covered by the definition of a "planning decision" under Section 375A of the Local Government Act 1993, details of those Councillors supporting or opposing a decision on the matter must be recorded in a register. For this purpose a division must be called when a motion in relation to the matter is put to the meeting. This will enable the names of those Councillors voting for or against the motion to be recorded in the minutes of the meeting and subsequently included in the required register.

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RECOMMENDATION:

That Council:

1. Proceed with the making of the plan to:
 - a) Amend the Land Zoning Map of the *Hawkesbury Local Environmental Plan 2012* to rezone the subject site from R2 Low Density Residential to IN2 Light Industrial under the LEP to allow development of the subject site for light industrial purposes.
 - b) Amend the Height of Buildings Map of the *Hawkesbury Local Environmental Plan 2012* to remove the current 10m maximum permissible height provision applying to the subject site and part of Lukis Avenue to ensure consistency with the industrial zoned land within the Hawkesbury Local Government Area.
 - c) Amend the Lot Size Map of the *Hawkesbury Local Environmental Plan 2012* to remove the current 450m² minimum lot provision applying to the subject site and part of Lukis Avenue to ensure consistency with the industrial zoned land within the Hawkesbury Local Government Area.
2. Request that the Parliamentary Counsel's Office prepare a draft Local Environmental Plan to give effect to the planning proposal in accordance with Section 59(1) of the *Environmental Planning and Assessment Act, 1979*.
3. Adopt and make the draft Local Environmental Plan, under the authorisation for Council to exercise delegation issued by the "Gateway" determination, upon receipt of an opinion from Parliamentary Counsel's Office that the plan can be legally made.
4. Following the making of the plan advise the Department of Planning and Environment that the plan has been made and request to notify the plan on the NSW Legislation website.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF REPORT Oooo

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GENERAL MANAGER

Item: 241 **GM - Draft Amended Revised Fit for the Future Proposal - (79351, 95496)**

Previous Item: 211, Ordinary (11 October 2016)
 146, Ordinary (26 July 2016)
 138, Ordinary (12 July 2016)
 4, Ordinary (2 February 2016)
 MM, Ordinary (27 October 2015)
 RM, Ordinary (30 June 2015)
 85, Extraordinary (23 June 2015)

REPORT:

Executive Summary

This report has been prepared to table the draft amended revised Fit for the Future (FFTF) Proposal for Council's consideration and endorsement. A FFTF proposal was originally endorsed and submitted in June 2015. A revised FFTF Proposal then was adopted by Council on 26 July 2016. Subsequently, at its meeting of 11 October 2016, Council deferred some elements of the revised proposal in light of its resolution to investigate options for reviewing Council's rating structure. Accordingly, the revised FFTF Proposal has been amended to accommodate these further changes.

The report recommends that the draft amended revised FFTF Proposal be endorsed for submission to the Office of Local Government (OLG).

Consultation

At this time the report deals with issues which do not require community consultation under Council's Community Engagement Policy. As Council has been previously advised, the revised FFTF Proposal includes provision for a comprehensive community engagement strategy which commenced in July 2016. The community engagement strategy has and will continue to provide residents with the opportunity to consider and discuss the matters raised in the amended revised FFTF Proposal.

Background

As required under the NSW Government's Local Government Reform Program, Council lodged its original FFTF Proposal on 30 June 2015.

On 20 October 2015, the Independent Pricing and Regulatory Tribunal (IPART) assessed Council's original FFTF Proposal as 'Not Fit' as it did not meet the required FFTF benchmarks in relation to its Operating Performance Ratio (OPR).

Following the determination not to proceed with the proposed merger of Hawkesbury City Council with part of The Hills Shire Council in May 2016, Council has been advised by the OLG that, as a 'Not Fit' Council, it is now required to revise its original FFTF proposal and submit it to the OLG for reassessment.

At its Ordinary Meeting of 12 July 2016, Council considered a report which outlined proposed amendments to Council's original FFTF Proposal which were developed in consultation with Councillors. In considering this report, Council resolved to approve the preparation of a revised FFTF Proposal, based on these amendments, and to commence a FFTF Community Engagement (CE) Strategy to consult with residents about service levels and the issues and challenges impacting on the future sustainability of the Hawkesbury. The revised FFTF Proposal was subsequently reported to Council on 26 July 2016 and adopted.

Current Situation

At its meeting of 11 October 2016, Council considered a report on the outcomes of the Service Level Review consultations undertaken during August 2016 under Stage 1 of the FFTF Community Engagement (CE) Strategy adopted by Council on 26 July 2016. On the basis of the Stage 1 outcomes, the report proposed that Council implement Stage 2 of the CE Strategy to canvass resourcing options with the community to deliver service levels identified by residents. Stage 2 was scheduled to be implemented in October and November 2016.

At its meeting of 11 October 2016, Council also considered a report into the review of the local government rating system in NSW. In considering this report, Council resolved (in part) to investigate options for reviewing Council's current rating structure, and in particular, the current rates distribution across rating categories.

Council was advised that the resolution to review its current rating structure would require elements of Council's revised FFTF Proposal to be amended – in particular the timing of a notional Special Rate Variation (SRV) would need to be deferred, pending the outcome of the rating review. Accordingly, Council resolved to defer the implementation of the Stage 2 CE strategy and prepare an amended revised FFTF Proposal to accommodate the deferral of the SRV.

Amended Revised FFTF Strategy

Amendments to Council's revised FFTF Strategy were discussed at the Councillor Briefing Session held on 1 November 2016. On the basis of these discussions, a draft amended revised FFTF Proposal has been prepared and is appended to this report.

The Fit for the Future Financial Criteria Reassessment Guidelines issued by the OLG requires Council to submit its revised FFTF Proposal by 30 November 2016. The Reassessment Guidelines require Council to submit the following documentation:

- a copy of the Council Resolution endorsing the revised proposal
- a copy (or hyperlink to) Council's original Fit for the Future submission
- a hyperlink to the Long Term Financial Plan
- a statement (two pages maximum) for each criterion not achieved, explaining what actions Council will be taking to address the issues raised by IPART
- a revised Improvement Action Plan demonstrating how Council can now satisfy the three financial criteria.

Documentation in accordance with the above requirements is contained within Attachments 1 and 2 to this report.

Conformance to the Hawkesbury Community Strategic Plan

The proposal is consistent with the Shaping our Future Together CSP Theme:

- The Council be financially sustainable to meet the current and future needs of the community based on a diversified income base, affordable and viable services;
- Have transparent, accountable and respected leadership and an engaged community;
- Maintain its independent identity and voice through strong local government and community institutions;
- Have constructive and productive partnerships with residents, community groups and institutions;

and is also consistent with the nominated strategy in the CSP being:

- Improve financial sustainability;
- Broaden the resources and funding available to our community by working with local and regional partners as well as other levels of government;
- Achieve community respect through good corporate governance and community leadership and engagement;
- Work with the community to determine affordable levels of service and facilities;
- Make decisions in ways that are transparent, fair, balanced and equitable supported by appropriate resource allocations.

Financial Implications

There are no financial implications arising from this report.

RECOMMENDATION:

That the draft Statement of Actions, as appended in Attachment 1 to this report, and the draft Council Reassessment Proposal, as appended in Attachment 2 to this report, be endorsed for submission to the Office of Local Government.

ATTACHMENTS:

- AT - 1** Statement of Actions taken to address IPART assessment of Hawkesbury City Council's original FFTF Proposal.
- AT - 2** Draft Council Reassessment Proposal (*Distributed under separate cover*).

AT - 1 Statement of Actions taken to address IPART assessment of Hawkesbury City Council's original FFTF Proposal

Fit for the Future Reassessment

November 2016

Hawkesbury City Council Reassessment Proposal. Statement of Actions taken to address IPART assessment of original FFTF Proposal

IPART Assessment (Extract from IPART Assessment)

Assessment summary	Scale and capacity	Satisfies
	Financial criteria:	Does not satisfy
	• Sustainability	Does not satisfy
	• Infrastructure and service management	Satisfies
	• Efficiency	Satisfies
Fit for the Future – NOT FIT		
<ul style="list-style-type: none"> The council satisfies the scale and capacity criterion. The council does not satisfy the financial criteria overall. Although it satisfies the infrastructure and service management and efficiency criteria, it does not satisfy the sustainability criterion. The council does not satisfy the sustainability criterion as a result of its forecast for a negative operating performance ratio by 2019-20. We consider the operating performance ratio benchmark is a key measure of financial sustainability that all Fit for the Future (FTFF) councils should meet, therefore the council is not fit. 		

Area of non-conformance

Council's original FFTF Proposal was assessed as 'not fit' by IPART in that it did not meet the required Operating Performance Ratio (OPR) by 2019/2020. Council's original FFTF Proposal projected that Council would achieve the OPR benchmark by 2021/2022. To meet the OPR benchmark by 2019/2020 would have required Council to reduce its projected operating result for the three financial years leading up to 2019/2020 by an average of \$736,334 in each of these years. Based on its original FFTF Proposal, the required reductions were \$1.4M in 2017/2018, \$505,000 in 2018/2019 and \$351,000 in 2019/2020. Council is therefore required to revise its original FFTF Proposal to address this OPR shortfall.

Reassessment Proposal.

Council's original FFTF Proposal incorporated an integrated mix of 20 revenue and expenditure measures and included actions to consolidate its strategic capacity primarily through a Regional Strategic Alliance with the Blue Mountains and Penrith City Councils.

In July 2015, Council commenced the implementation of 8 of the 20 FFTF strategies in its original FFTF Action Plan. Following the Minister's announcement, in December 2015, of a proposed merger of Hawkesbury City Council and part of the Hills Shire Council, the implementation of a number of the strategies within the Action Plan were suspended pending the outcome of the merger proposal. In May 2016, following the decision of the NSW Government not to proceed with the proposed merger, Council recommenced the implementation of its FFTF Action Plan.

Under the Round 2, Fit for the Future Reassessment Guidelines issued by the Office of Local Government, the time frame and methodology for measuring performance against the FFTF benchmarks has been amended. Based on the amended reassessment criteria, Council's original Fit for the Future now meets the FFTF benchmarks.

Council has however taken the opportunity afforded by the reassessment process to revisit the 20 strategies in its original Fit for the Future submission with the aim of identifying additional cost savings to achieve a reduced Special Rate Variation (SRV). Of the 20 strategies in Council's original FFTF Proposal, 12 strategies were amended or adjusted (as outlined in Table 1). These changes were aimed at:

- achieving more substantial expenditure reductions than those outlined in the original FFTF Proposal;
- the inclusion of expenditure/revenue targets for strategies not costed in the original FFTF Proposal;
- the adjustment of expenditure/revenue targets for some of the original FFTF strategies.

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Fit for the Future Reassessment

November 2016

FFTF Strategy (IPART submission)		Description - Original FFTF Proposal	Amendment to Original FFTF Proposal
1.2	Review of Service Delivery Models	Efficiency target for corporate and discretionary spending.	Increase annual efficiency target from 1% to 2.5% for corporate and discretionary spending for 3 years to 2019/2020. Projected annual savings increased from \$101K (original proposal) to \$918K (revised proposal).
1.3	Review of Plant & Fleet Management	Efficiency target applied to savings on leaseback fleet and works plant.	Transition from outright purchase of fleet to leasing arrangement to commence 2017/2018. Projected to increase operating costs by \$198K - offset by \$528K reduction in capital expenditure.
1.4	Property and Asset Review	Identification of under-performing & surplus properties to realise \$1M.	Increase capital income target from \$1M (original proposal) to \$1.5M (revised proposal). Revised proposal also includes additional annual revenue of \$241K which has been achieved through leasing of vacant properties.
1.5	Review Insurance Coverage	Review of self- insurance model & costs against industry benchmarks.	Modest annual expenditure reduction target of \$37K (1.8% of total costs) to be applied to insurance and workers compensation programs commencing in 2016/2017 – based on operational review of program.
2.1	Resourcing Strategy (including SRV options)	Application to IPART for 29.7% rate increase (including rate peg) over five years commencing in 2017/18.	Notional SRV of 14.9% (above the projected rate peg) over 2 years commencing in 2018/2019. To provide indicative benchmark for required additional investment in asset renewal and maintenance – final SRV figure to be determined following community consultation
2.4	Waste Management and Sewer Dividend	6% rate of return on value of assets in Waste Management Facility and Sewer Scheme.	Rate of return increased to 12% in line with industry standards (to be applied to WMF). Dividend increased from 309K (original proposal) to \$621K (revised proposal). Potential dividend from Sewer Scheme to be investigated, not expected to commence prior to 2021.
2.5	Review of Pricing Structures	Review operations of income generating business units to achieve increased cost-recovery.	Modest improvement of \$32K based on updated information.
4.2	Sinking Fund for Community Facilities	Annual building renewal and maintenance charge to be levied on child care centres.	Originally calculated at 25% of annual depreciation of building. Increased to 50% (revised proposal) commencing 2017/2018. Projected annual revenue increased from \$115K to \$231K.
4.3b	Infrastructure Borrowings (Energy Efficiency)	Loan facility to invest in energy efficiency infrastructure.	Revised proposal includes \$336K savings in annual energy costs achieved through energy saving initiatives to date. Additional projected \$46K to be achieved through replacement of residential street lights with LED.
5.1	OPEX expenditure reduction	Operational savings achieved through adoption of new technology	Annual expenditure reduction target of \$200K to be achieved through reduced staffing levels (non-replacement of staff vacancies) commencing 2017/2018.
5.2	Regional Strategic Alliance	Formal partnership with Blue Mountains and Penrith Councils.	Modest efficiency dividend, equivalent to a 0.8% reduction in corporate costs has been factored into proposal - a projected annual saving of \$114K. Commencing in 2017/2018.
5.3	Sustainable Population Growth	Implement Residential Land Strategy to increase net rating revenue.	Based on analysis and trajectory of release of new residential housing lots, \$126K in net rating revenues by 2019/2020 has been factored into revised proposal.

Table 1 – Reassessment Proposal: Summary of Amendments to Original FFTF Proposal

Outcome of Revised FFTF Proposal

The revised FFTF proposal will deliver an improvement of \$6.23M to Council's operating position by 2021. This amount is sufficient to achieve the required FFTF Benchmarks.

The net benefits of the revised FFTF proposal will also offset the negative impact on Council's projected operating result arising from increased depreciation charges, the lower than expected 2016/2017 rate peg of 1.8%, and the further reduction in Council's Financial Assistance Grant (these negative impacts were not accounted for in Council's original FFTF Proposal).

ORDINARY MEETING

Meeting Date: 08 November 2016

Item: 242 GM - Hawkesbury City Council - Annual Report 2015/2016 incorporating Audited Financial Statements, End of Term Report and State of the Environment Report - (79351, 124414)

REPORT:

Executive Summary

The 2015/2016 Annual Report and accompanying audited Financial Statements, End of Term Report and State of the Environment Report have been prepared in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

Council is required to prepare an Annual Report and audited Financial Statements each year. The End of Term Report and the State of the Environment Report is only required to be prepared in the year of a Council election.

These reports and statements are a statutory requirement and must be submitted to the Office of Local Government by 30 November 2016.

It is recommended that these reports and statements be received and noted and that they be forwarded to the Office of Local Government, and be made available on Council's website by 30 November 2016.

Consultation

The issues raised in this report concern matters which do not require community consultation under Council's Community Engagement Policy. The State of the Environment Report was prepared with the assistance of information provided by Council's Sustainability Advisory Committee and in consultation with various environmental groups/networks operating in the Hawkesbury local government area, the Office of Environment and Heritage and the Greater Sydney Local Land Services and the community throughout the previous term of Council.

Background

The Local Government Act 1993 (the Act) requires that by 30 November each year Council must prepare an Annual Report. The main purpose of the Annual Report is for Council to report on its achievements in implementing its four year Delivery Program. To do this, a report on the achievement of the actions identified in Council's Operational Plan for the relevant financial year is used to inform the Annual Report.

The Act also requires that audited Financial Statements accompany the Annual Report. Furthermore, the Act also requires that in the year of a Council election an End of Term Report and State of the Environment Report is to accompany the Annual Report. Council's End of Term Report was previously reported to the last Council meeting of the previous Council on 30 August 2016.

The Annual Report and accompanying statements and reports are a statutory requirement and must be submitted to the Office of Local Government by 30 November 2016. The Annual Report audited Financial Statements, End of Term Report and State of the Environment Report will also be used to inform Council's upcoming review of the Hawkesbury Community Strategic Plan.

Conformance to the Hawkesbury Community Strategic Plan

The proposal is consistent with the Shaping Our Future Together Directions statement:

- Have transparent, accountable and respected leadership and an engaged community.

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Financial Implications

There are no financial implications directly applicable to this report.

RECOMMENDATION:

That:

1. Council's 2015/2016 Annual Report and accompanying audited Financial Statements, End of Term Report and State of the Environment Report be received and noted and copies forwarded to the Office of Local Government by 30 November 2016.
2. The Annual Report and accompanying audited Financial Statements, End of Term Report and State of the Environment Report be made available on Council's website by 30 November 2016.

ATTACHMENTS:

- AT - 1** Annual Report 2015/2016 - *(Distributed Under Separate Cover)*
- AT - 2** General Purpose and Special Purpose Financial Statements and Special Schedules for the period ending 30 June 2016 - *(Distributed Under Separate Cover)*
- AT - 3** End of Term Report - *(Distributed Under Separate Cover)*
- AT - 4** State of the Environment Report - *(Distributed Under Separate Cover)*

oooO END OF REPORT Oooo

ORDINARY MEETING

Meeting Date: 08 November 2016

Item: 243 **GM - Regional Strategic Alliance - Establishment of a Regional Tourism Entity - (79351, 112215)**

Previous Item: 79, Ordinary (10 May 2016)

REPORT:

Executive Summary

Council, at its meeting on 10 May 2016, considered a report in regard to a Regional Strategic Alliance (RSA) initiative to consider the potential formation of a Regional Tourism Organisation between the three Councils (Blue Mountains, Hawkesbury and Penrith Councils), including seeking relevant funding from Destination NSW (DNSW).

The purpose of this report is to update Council on the outcomes of Destination NSW's review of its Regional Tourism Organisation (RTO) model and consequently the business case proposed by the RSA. The report also provides an overview of a proposed alternate regional tourism entity model and associated resourcing.

A report on this matter has been considered by Blue Mountains City Council at their meeting on 25 October 2016, however, a report is yet to be considered by Penrith City Council.

Consultation

The issues raised in this report concern matters which do not require community consultation under Council's Community Engagement Policy. However, the RTO model review and a regional tourism 'alliance' based on the RSA boundary has been raised and discussed with the recently formed Hawkesbury Tourism Working Group.

Background

Council, at its meeting on 10 May 2016, considered a report in regard to an RSA initiative to consider the potential formation of a Regional Tourism Organisation between the three Councils (Blue Mountains, Hawkesbury and Penrith Councils), including seeking relevant funding from DNSW.

The relevant extract of the report submitted at that meeting is reproduced below as background information.

Extract from Item 79, Ordinary Meeting 10 May 2016

"Regional Tourism Organisation

At the Management Committee meeting on 26 February 2016, discussions were also held on the opportunities for a Regional Tourism Organisation for the Blue Mountains, Hawkesbury and Penrith City Council local government areas.

The Management Committee considered the business case developed by The Stafford Group, outlining how a Regional Tourism Entity could operate with the support of the NSW Government through Destination NSW. The business case envisaged formally requesting Destination NSW for funding support for an initial five year period to establish the Regional Tourism Entity.

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The Management Committee subsequently resolved, as follows:

"That the Regional Strategic Alliance Management Committee:

- 1. Note that a technical 'tourism' working group has been established with staff representatives from Blue Mountains, Hawkesbury and Penrith Councils, coordinated by Blue Mountains City Council;*
- 2. Endorse the attached Regional Tourism Organisation (RTO) business case supporting the formation of a RTO for Blue Mountains, Hawkesbury and Penrith City LGAs;*
- 3. Endorse the preparation and lodgement of a written submission to Destination NSW (DNSW) seeking their support for the RTO business case involving Penrith, Hawkesbury and Blue Mountains City Councils and seeking DNSW financial contribution in accordance with the funding structure outlined within the business case (being a 43% contribution for the first 3 years and a 35% contribution for the fourth and fifth year);*
- 4. Note that, should a positive response to the funding request be received from Destination NSW (DNSW), the RSA will write to individual partner Councils asking to formally consider commitment of the matching funding contribution in accordance with the funding structure outlined within the business case;*
- 5. Write to partner Councils providing a copy of the business case, and the submission made to DNSW, for their information;*
- 6. Note that the funding allocated to the business case preparation by 'The Stafford Group' was \$15,600 (excl GST); and*
- 7. Note that the tourism working group will be commissioning legal advice regarding the establishment of the RTO as a business entity under the RSA, as well as a minor contract variation for 'The Stafford Group' to assist with preparation of the final submission to DNSW."*

It is to be noted that at this stage there is no financial commitment being made by any of the Councils, with the process to date having been predominantly focused on making the business case to support an application for funding."

The business case seeking DNSW financial support, based on the approach mentioned above, was submitted to DNSW during its review of its RTO model in March 2016. The outcome of the DNSW RTO review was announced in July 2016. An RTO based on the RSA boundary was not supported. In light of the DNSW decision, an alternate approach is proposed to still achieve a regional tourism entity via the RSA. The approach was endorsed by the RSA Management Committee at their meeting on 2 August 2016. Details on the outcome of the NNSW review are provided below:

- **Destination NSW (DNSW) Destination Networks**

In July 2016, the Hon Stuart Ayers MP, NSW Minister for Trade, Tourism and Major Events, announced the outcome of the RTO review, including the creation of six Destination Networks (DN) to replace the previously existing RTOs across the State. The six DNs cover the entire State, with the exclusion of the Sydney region and have been created "to reflect the consumer's approach to experiences and visitation patterns" within NSW.

The DNs will be established as companies limited by guarantee and will facilitate visitor economy growth at the local level by coordinating the region's tourism industry.

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The Blue Mountains, Hawkesbury and Penrith local government areas have been included in the DN labelled "Sydney Surrounds North" which stretches north to the Hunter Region and east to include the Central Coast and Port Stephens area. As a result of the establishment of the new DN model, the RSA proposal was not supported but it should be considered a positive that the three Councils were included in the same DN.

The announcement and associated documentation stated that there would be \$43 million invested in the next four years to support the DNs and that DNSW will guarantee operational funds for the DNs for a four year period. It also confirmed that the existence of DNs "... will not prohibit other entities within the region from pursuing growth initiatives and applications for funding", leaving open the opportunity for the RSA to pursue the preferred regional tourism entity, albeit in a revised format.

- **New Proposed Regional Tourism Entity**

In response to the State Government Destination Networks approach, the Management Committee of the RSA endorsed the establishment of a new regional tourism entity comprising Blue Mountains, Hawkesbury and Penrith Council areas on 2 August 2016. The new regional tourism entity is recognised as a way of strengthening the local regional tourism position and brand. The DNSW announcement of the RSA region within the Sydney North Surrounds Destination Network, adds further motivation for the RSA to pursue a joint outcome to ensure the RSA region is not lost in competition to other major "hero" destinations within the Sydney North Surrounds Destination Network, such as the Hunter Valley.

In establishing a new regional tourism entity between Blue Mountains, Hawkesbury and Penrith Councils, the following approach would be adopted:

- The entity would be established as a business activity of the RSA, and will include a working group of tourism and marketing managers, or equivalent, of partner Councils to work with the regional tourism entity
- The entity would comprise of one staff member (i.e. Marketing Development Officer, or similar), supported by the Chief Executive Officer of the RSA
- The staff member would be located in the same office / premises as the CEO
- Funding arrangements would be based on previously endorsed Council contributions of \$110,000 per Council (or \$330,000 per annum), with a minimum three years commitment required. It is proposed that each Council would contribute \$55,000 annually and retain the remaining \$55,000 in their own reserves for the purposes of leveraging grants and supporting priority projects as endorsed by the RSA. Member Councils would consider allocation of this additional \$55,000 on a case by case basis, based on proposals from the RSA.

Priority projects would include:

- Liaisons with new Destination Network staff and Board and activity advocating for the RSA region's tourism needs
- Development of a Regional Destination Marketing Plan
- Development of a Regional Brand and Promotional Program for brand roll out
- Development of Regional Marketing Campaign, in the form of a digital platform to promote the RSA region as a whole.

The RSA CEO will develop a position description and framework for operating the regional tourism entity, including a 12 month Work Plan and Key Performances Indicators. This will provide full transparency and guidance on the future management of this regional tourism entity and ensure the performance and success of the entity can be measured.

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It is recommended that a funding commitment of a minimum three years is required to allow time for the entity to become established and commence delivery of key projects.

If the RSA regional tourism entity is established, a further report will be submitted to Council to provide information on the entity's governance and operational framework, key priorities and any expenditure approved by the RSA.

Conclusion

It is recommended that Council support the formation and funding of a regional tourism entity between Blue Mountains, Hawkesbury and Penrith City Councils as a way of creating an organisation committed to growing the RSA's region as a tourism destination, as a major contributor to our regional and respective local economies.

Conformance to the Hawkesbury Community Strategic Plan

The proposal is consistent with the Shaping Our Future Together Directions Statements:

- Maintain its independent identity and voice through strong local government and community institutions;
- Have constructive and productive partnerships with residents, community groups and institutions;

and is also consistent with the nominated strategy in the CSP being:

- Broaden the resources and funding available to our community by working with local and regional partners as well as other levels of government.

Financial Implications

Funding for Council's share of the costs identified for resourcing the regional tourism entity, as detailed in this report, is included within the 2016/2017 Adopted Operational Plan. Funding of \$110,000 was allocated to support the business case submitted to DNSW. It is proposed that these funds now be specifically allocated partly to the establishment and resourcing of the regional tourism entity, and partly to support relevant priority projects and leveraging grants.

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RECOMMENDATION:

That:

1. Council note the allocation of \$55,000 from the existing funding for a tourism alliance within the 2016/2017 Adopted Operational Plan, for the establishment of the regional tourism entity as part of the Regional Strategic Alliance between Blue Mountains City Council, Hawkesbury City Council and Penrith City Council, subject to all three Councils confirming their contribution.
2. Council note the allocation of the remaining \$55,000 from the existing funding for tourism activities within the 2016/2017 Adopted Operational Plan for the purpose of supporting priority projects and leveraging grants for the regional tourism entity, as endorsed by the Regional Strategic Alliance.
3. A further report to Council be presented, once the regional tourism entity is established, to inform Council on the entity's governance, operational framework, key priorities and expenditure approved by the Regional Strategic Alliance.
4. Council provide in-principal support to funding the regional tourism entity for a minimum of three years, up to the 2018/2019 financial year, subject to Council confirmation each year through the annual Operational Plan process, and all three Councils continuing to confirm their contribution.
5. The Acting General Manager be delegated with the authority to execute documentation associated with the establishment of the regional tourism entity.
6. The Seal of Council be affixed to documentation associated with this matter, if applicable.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF REPORT Oooo

ORDINARY MEETING

Meeting Date: 08 November 2016

CITY PLANNING

Item: 244 **CP - Local Heritage Assistance Fund 2016/2017 - Minor Improvements/Conservation Works to Heritage Listed Commercial Properties in Windsor and Richmond Historic Townships - (95498, 124414)**

REPORT:

Executive Summary

In line with Council's three year Heritage Strategy 2016 - 2019, Council has established a heritage assistance funding program known as the Local Heritage Assistance Fund 2016/2017 for this current financial year.

Council and the NSW Office of Environment & Heritage (OEH) are jointly funding the Local Heritage Assistance Fund 2016/2017 which focuses on minor improvements/conservation works to heritage listed commercial properties in Windsor and Richmond historic townships.

The purpose of this report is to:

- a) Advise Council of the Local Heritage Assistance Fund 2016/2017 for minor improvements/conservation works to heritage listed commercial properties in Windsor and Richmond historic townships.
- b) Outline the applications received for assistance.
- c) Seek Council's support for the allocation of funds (in accordance with Section 356 of the *Local Government Act 1993*).

Consultation

In July 2016 the owners and managers of heritage listed commercial properties in Windsor and Richmond historic townships were advised of the Local Heritage Assistance Fund 2016/2017 (the Fund). Application forms and guidelines on how to apply for the Fund were made available on Council's website during the application period.

In addition, following widespread advertising and direct correspondence with owners/managers of heritage listed commercial properties in Windsor and Richmond, an evening information session was held for land owners/managers on 10 August 2016. The session included presentations by Council's Heritage Advisor and staff, and involved:

- a presentation on the significance of heritage listed commercial properties in Windsor and Richmond historic townships
- examples of successful conservation works to heritage listed commercial properties
- instructions on how to apply for funding.

Council's Heritage Advisor and staff were also available after the presentation to answer queries relating to the local heritage assistance funding program.

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Background

Funding assistance for Minor Improvements/Conservation Works to Heritage Listed Commercial Properties

The Macquarie Towns of Pitt Town, Windsor, Richmond and Wilberforce in the Hawkesbury Local Government Area (LGA) retain much of their colonial character intended with Governor Macquarie's original settlement planning. Council is committed to the conservation and management of these unique and diverse heritage assets and character within the Hawkesbury.

The Heritage Strategy 2016 - 2019 provides Council with a framework for the conservation of Hawkesbury's unique heritage and management of diverse and important history and heritage needs over its three-year life span.

In order to encourage and assist the conservation and restoration of the Hawkesbury's significant heritage listed commercial properties, enhance the public domain in Windsor and Richmond historic townships and promote awareness and positive attitude of the community, property owners and managers of the historic townships of Windsor and Richmond, the Heritage Strategy introduced the following theme for this financial year (2016/2017):

Fund Theme: *Minor Improvements to heritage listed commercial properties within Windsor and Richmond historic townships*

In February 2016, Council forwarded an application to the OEH seeking grant funding for the Local Heritage Assistance Fund for 2016/2017 for minor improvements/conservation works to heritage listed commercial properties in Windsor and Richmond historic townships. In June 2016, the OEH approved a \$7,500 financial assistance grant under the Local Government Heritage Places Grants stream. According to the OEH approved \$1 for \$2 funding formula, Council is contributing a matching allocation of \$15,000. Therefore, a total joint fund of \$22,500 is available for this year's local heritage assistance funding program.

Under this funding program, the maximum funding available for any one applicant/property is \$2,000 (including GST). Funding is offered on a dollar for dollar basis (\$1 of private funding for each \$1 of grant funding) to enable funded works to a maximum value of \$4,000 (including GST) to be undertaken. For works of a value greater than \$4,000, the excess amount over the maximum value of \$4,000 will need to be met by the applicant.

Eligibility for Financial Assistance

Council's *Guidelines for Applicants Local Heritage Assistance Fund 2016–2017* identifies the following eligibility criteria for the Fund.

- The proposed works must involve a heritage listed commercial property in Windsor and Richmond historic townships.
- The proposed works must be general maintenance/conservation works including any improvement works in minor nature (e.g. repainting of surfaces) that do not require formal approval from Council and identified in Table 1 - Development/Work not requiring consent in Council's Chapter 10 Heritage Conservation, Part C General Guidelines of Hawkesbury Development Control Plan (Heritage Chapter).

Priorities for funding allocation

Funding is to be provided for works which are carried out by suitably qualified and experienced professionals/tradespersons. The priorities for funding are:

1. Works to protect building fabric from deterioration (e.g. mitigate impacts from moisture, salt, weather, corrosion or general wear).

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2. Removal of minor structures or works to heritage items that are considered to be unsympathetic (e.g. inappropriate signage, fittings or other structures attached to the façade of a building).
3. Reinstatement of minor historic features or fittings to a building that may have been damaged, removed or replaced (e.g. lighting, fencing, doors).
4. Miscellaneous building façade improvements (e.g. painting of buildings, rendering, specialised cleaning or site maintenance).

Applications for Financial Assistance

The owners and managers of heritage listed commercial properties in Windsor and Richmond historic townships were invited in writing to apply for grant funding, and applications were accepted until 16 September 2016. In addition, a public notice advising the community of the Local Heritage Assistance Fund 2016 - 2017 Program and inviting applications for grant funding was advertised in a local newspaper. Council additionally promoted the availability of this grant program by way of a media release, an article in the Community Report and Council's website. In response, Council received six applications seeking financial assistance.

Assessment of applications

The applications were assessed by a panel comprised of Council's Heritage Advisor and relevant Council staff. The criteria used to assess applications included the following:

- the eligibility of the subject site and the proposal
- the applicant's eligibility for assistance
- the applicant's ability to demonstrate technical and financial responsibility in relation to the project and demonstrated ability to complete the project within six months from the date of funding confirmation
- the degree to which the applicant is financially contributing to the project
- projects of demonstrated heritage value to the community
- projects which are highly visible to the public
- the availability of funding under the Local Heritage Assistance 2016 to 2017
- consistency of the proposed works with Council's *Guidelines for Applicants Local Heritage Assistance Fund 2016–2017* and general maintenance works identified in Table 1 – Development/Work not requiring consent of the Heritage Chapter.

The assessment reveals that all six applications were eligible for funding assistance, but one of the applications sought funding for minor maintenance works to a heritage listed commercial property in McGraths Hill. Given the receipt of fewer applications than expected, this application is also recommended for approval.

Table 1 below summarises the applications received and the level of financial assistance sought.

Table 1: Applications Received and Financial Assistance Sought

Site	Proposal	Total project cost (\$ inc. GST)	Financial assistance sought (\$ inc GST)	Applicant's contribution (\$ inc. GST)
"Toxana" 147 Windsor Street Richmond	Pressure clean and repaint the whole roof and repair and repaint the ground floor street face side columns and verandah soffit of the building	\$6,842.00	\$2,000.00	\$4,842.00

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Site	Proposal	Total project cost (\$ inc. GST)	Financial assistance sought (\$ inc GST)	Applicant's contribution (\$ inc. GST)
"Royal Exchange Hotel" 203 – 207 George Street Windsor	Repair, repaint and fix hotel windows	\$5,700.00	\$2,000.00	\$3,700.00
57 Bosworth Street Richmond	Replace and repaint 'ogee' profile guttering and hardwood verandah posts	\$3,975.00	\$1,987.50	\$1,987.50
"Royal Hotel" 167 Windsor Street Richmond	Clean and repaint the hotel facade, window frames and the front entrance door	\$6,500.00	\$2,000.00	\$4,500.00
"Lion House", 307 George Street, Windsor	Repair, fix and reinstall the original heavy wrought iron gate to the driveway entry.	\$3,992.00	\$1,996.00	\$1,996.00
"McGraths Hill Inn" 1 Pitt Town Road McGraths Hill	Repair/replace 7 weather damaged window sills on the first floor of the building.	\$4,300.00	\$2,000.00	\$2,300.00
Total Cost		\$31,309.00	\$11,983.50	\$19,325.50

It should be noted that the funding allocation amounts were aimed at encouraging minor improvements/conservation works to heritage listed commercial properties, and to also enable as many heritage listed commercial properties as possible to be beneficiaries of this year's local heritage assistance funding program. However, only six applications seeking financial assistance were received, and the total of the financial assistance sought by these applications is \$11,983.50 which is approximately 53% of the total joint fund available for the local heritage assistance funding program for this financial year.

Given the receipt of applications was well below the expected target for this year's program, it is considered appropriate to increase the maximum funding available for any one applicant/property up to \$4,000 (including GST) to enable increased opportunity for maintenance works to those properties, subject to the approval of the OEH and the Council's Selection Panel. Therefore, this report seeks Council's support for the allocation of increased funding up to \$4,000 (including GST) for each of the six successful applicants should the applicants be in a position to increase their individual contributions to match the increase and remain on the \$1 private funding for each \$1 of grant funding formula.

Implementation

Subject to endorsement by Council, all applicants will be advised in writing of the determination of their application. Applicants will be required to enter into a Plain English Agreement (the Agreement) with Council. The Agreement includes provisions for acceptance of the offer of funding, permission to commence work, time limits, claims for payment, and any special conditions relating to the project.

On completion of the work an inspection will be carried out by Council Officers and Council's Heritage Advisor to ensure that the work has been carried out in accordance with the Agreement.

Upon satisfactory completion of the works and approval of Council's Heritage Advisor and Council Officers, the approved grant amount will be forwarded to the applicant.

Conformance to the Hawkesbury Community Strategic Plan

The proposal is consistent with the Looking After People and Place statement:

- Be a place where we value, protect and enhance the historical, social, cultural and environmental character of Hawkesbury's town, villages and rural landscapes.

and is also consistent with a nominated strategy in the CSP being:

- Recognise, protect and promote the values of indigenous, natural and built heritage through conservation and active use.

Conformance to Heritage Strategy

The funding for minor improvements/conservation works to heritage listed commercial properties in Windsor and Richmond historic townships and the implementation of the Fund is consistent with Recommendation 5 *Introduce a local heritage fund to provide small grants to encourage local heritage projects* of the Hawkesbury Heritage Strategy 2016 - 2019.

Financial Implications

The required funding for the Local Heritage Assistance Fund 2016/2017 Program is available within Council's Heritage Reserve and through the OEH \$7,500 financial assistance grant. According to the OEH approved \$1 for \$2 funding formula, Council is contributing a matching allocation of \$15,000.

Conclusion

The Local Heritage Assistance Fund 2016/2017 is jointly funded by Council and the OEH, and this financial year focuses on minor improvements/conservation works to heritage listed commercial properties in Windsor and Richmond historic townships.

The funding program supports and encourages conservation and restoration of the Hawkesbury's significant heritage listed commercial properties, enhances the public domain in Windsor and Richmond historic townships and promotes awareness and positive attitudes of the community, property owners and managers of the historic townships of Windsor and Richmond.

The assessment reveals that all applications received seeking financial assistance are eligible for funding and the total funding required to support the six applications is \$11,983.50 which is approximately 53% of the allocated funding for the project. Therefore, it is considered appropriate to offer an increase in the maximum funding available for any one applicant/property up to \$4,000 (including GST) to enable increased opportunity for maintenance works to those properties subject to the approval of the OEH and the Council's Selection Panel provided the applicant is able to match the increased funding.

It is therefore recommended that Council approve payments to the applicants listed in Table 1 of this report and increased funding up to \$4,000 (including GST) for the six successful applicants subject to the approval of the OEH and Council's Selection Panel and the ability of applicants to increase their matching contributions.

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RECOMMENDATION:

That:

1. Council approve financial assistance up to \$4,000 (including GST) under Section 356 of the Local Government Act 1993 to each of the applicants listed in Table 1 of this report, under the terms of the Local Heritage Assistance Fund.
2. The successful applicants for the Local Heritage Assistance Fund 2016/2017 be advised accordingly.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF REPORT Oooo

ORDINARY MEETING

Meeting Date: 08 November 2016

SUPPORT SERVICES

Item: 245 **SS - Code of Conduct Complaints Statistics Report - 1 September 2015 to 31 August 2016 - (95496)**

Previous Item: 44, Ordinary (8 March 2016)

REPORT:

Executive Summary

Under Council's adopted 'Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW' the Complaints Coordinator is required to submit a report on a range of complaints statistics to the Council. These complaints statistics are also required to be provided to the NSW Office of Local Government (OLG).

The purpose of this report is to submit the required Code of Conduct complaints statistics for the period from 1 September 2015 to 31 August 2016.

It is recommended that Council note the contents of the report.

Consultation

The issues raised in this report concern matters which do not require community consultation under Council's Community Engagement Policy.

Background

Council, at its Ordinary meeting on 5 February 2013, gave consideration to a report regarding the review and release of the new Model Code of Conduct by the OLG.

At that meeting, Council adopted the Model Code of Conduct with some relatively minor amendments as the Council's Code of Conduct, and also adopted the 'Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW' (the Procedures) issued by the then NSW Division of Local Government, as the Council's Procedures. Both of these documents became effective on and from 1 March 2013.

Subsequently, at its Ordinary Meeting on 8 March 2016, Council considered a report in regard to amending the adopted Code to reflect amendments to the Local Government 1993, brought about by the Local Government Amendment (Councillor Misconduct and Poor Performance) Act 2015. Council's Code of Conduct was amended accordingly and adopted.

Under the provisions of Clause 3.12 of the Procedures, the General Manager has appointed the Director Support Services as the Complaints Coordinator.

Clause 12.1 of the Procedures states that Council's Complaints Coordinator must, within three months of the end of September each year, report on a range of complaints statistics to the Council. Clause 12.2 of the Procedures requires Council to provide the complaints statistics to the OLG. Clauses 12.1 and 12.2 of the Procedures are as follows:

- "12.1 The complaints coordinator must arrange for the following statistics to be reported to the council within 3 months of the end of September of each year:*
- a) the total number of code of conduct complaints made about councillors and the general manager under the code of conduct in the year to September;*
 - b) the number of code of conduct complaints referred to a conduct reviewer;*

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- c) *the number of code of conduct complaints finalised by a conduct reviewer at the preliminary assessment stage and the outcome of those complaints;*
- d) *the number of code of conduct complaints investigated by a conduct reviewer;*
- e) *the number of code of conduct complaints investigated by a conduct review committee;*
- f) *without identifying particular matters, the outcome of code of conduct complaints investigated by a conduct reviewer or conduct review committee under these procedures;*
- g) *the number of matters reviewed by the Division and, without identifying particular matters, the outcome of the reviews; and*
- h) *the total cost of dealing with code of conduct complaints made about councillors and the general manager in the year to September, including staff costs.*

12.2 *The council is to provide the Division with a report containing the statistics referred to in clause 12.1 within 3 months of the end of September of each year."*

In accordance with Clause 12.1 of the Procedures, the following complaints statistics are provided to Council in respect of the period from 1 September 2015 to 31 August 2016:

Information Required	Reported Details
a) The total number of code of conduct complaints made about councillors and the general manager under the code of conduct in the year to September.	Nil
b) The number of code of conduct complaints referred to a conduct reviewer.	Nil
c) The number of code of conduct complaints finalised by a conduct reviewer at the preliminary assessment stage and the outcome of those complaints	Nil
d) The number of code of conduct complaints investigated by a conduct reviewer.	1 (carried over from previous reporting period)
e) The number of code of conduct complaints investigated by a conduct review committee.	Nil
f) Without identifying particular matters, the outcome of code of conduct complaints investigated by a conduct reviewer or conduct review committee under these procedures.	1 complaint - No Breach of the Code was found. The investigation was discontinued and the matter finalised.
g) The number of matters reviewed by the Division and, without identifying particular matters, the outcome of the reviews.	Nil
h) The total cost of dealing with code of conduct complaints made about councillors and the general manager in the year to September, including staff costs.	Total Cost (including staff costs) = Approximately \$3,878.44 (excl. GST where relevant)

The above complaints statistics will also be forwarded to the OLG as required under Clause 12.2 of the Procedures.

Conformance to the Hawkesbury Community Strategic Plan

The proposal is consistent with the Shaping Our Future Together Directions Statement;

- Have transparent, accountable and respected leadership and an engaged community.

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Funding

There are no financial implications applicable to this report.

RECOMMENDATION:

That the report under Clause 12.1 of the Council's Procedures for the Administration of the Code of Conduct, in respect of the Code of Conduct complaints statistics for the period from 1 September 2015 to 31 August 2016, be noted.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF REPORT Oooo

ORDINARY MEETING

Meeting Date: 08 November 2016

Item: 246 **SS - General Purpose Financial Statements and Special Purpose Financial Statements for the period ended 30 June 2016 - (95496, 96332)**

Previous Item: 218, Ordinary (11 October 2016)

REPORT:

Executive Summary

Council's General Purpose Financial Statements and Special Purpose Financial Statements for the period ended 30 June 2016 (2015/2016 Financial Statements) have now been completed, audited and advertised in accordance with the provisions of the Local Government Act, 1993 (the Act). The unqualified audit certificate from Council's Auditors, PricewaterhouseCoopers (PwC) has been received and is available for inspection by Councillors and the community.

The purpose of this report is to submit the 2015/2016 Financial Statements to Council, in accordance with the requirements of the Act. Council's Auditor, Mr Dennis Banicevic of PwC, will be in attendance at the meeting, to make a presentation in respect of Council's audited 2015/2016 Financial Statements.

Consultation

Public Notice of the Council Meeting of 8 November 2016 has been given in the Hawkesbury Courier on Thursday, 27 October 2016. The 2015/2016 Financial Statements have been placed on exhibition from Friday, 28 October 2016.

In accordance with Section 420(1) of the Act, any person may make a submission to Council regarding the Financial Statements or with respect to the Auditor's reports. All submissions must be in writing and will be referred to Council's Auditors, PwC, and Council can take such action as it considers appropriate. The closing date for submissions is Tuesday, 15 November 2016.

Background

Council's 2015/2016 Financial Statements have been completed, audited and advertised in accordance with the provisions of the Act. The unqualified audit certificate from Council's Auditors, PwC, has been received and is available for inspection by Councillors and the community.

The Act requires that the meeting set for the presentation of the financial reports, must be at least seven days after public notice is given, and within five weeks after the Auditor's reports are given to Council. Public notice was given in accordance with the requirements of the Act.

Council's annual Financial Statements are a snapshot of Council's financial position as at 30 June each year. The Statements are to be read in conjunction with Notes and Special Schedules included therein.

ORDINARY MEETING

Meeting Date: 08 November 2016

Operating Performance

Provided below is a summary of Council's financial results for the period ended 30 June 2016.

Statement of Financial Performance	2015/2016 \$'000	2014/2015 \$'000	Movement Inc/(Dec)
Income from continuing operations	86,126	106,983	(20,857)
Expenses from continuing operations	79,814	68,827	10,987
Net Operating Result for the year	6,312	38,156	(31,844)
Capital Grants and Contributions	18,286	30,159	(11,873)
Net Operating Result before Capital Grants and Contributions	(11,974)	7,997	(19,971)

Details of revenues and expenses for 2015/2016, as compared to the previous year, are as follows:

Income from continuing operations	2015/2016 \$'000	2014/2015 \$'000	Movement Inc/(Dec)
Rates and Annual Charges	47,870	44,901	2,969
User Charges and Fees	6,642	6,171	471
Interest	1,568	1,871	(303)
Other Operating Revenue	4,443	16,256	(11,813)
Grants and Contributions – Operating	7,033	7,282	(249)
Grants and Contributions – Capital	18,286	30,159	(11,873)
Profit on Sale of Assets	0	0	0
Profit from Joint Venture Equity	284	343	(59)
Total Income from Continuing Operations	86,126	106,983	(20,857)

Expenses from continuing operations	2015/2016 \$'000	2014/2015 \$'000	Movement Inc/(Dec)
Employee costs	26,492	25,247	1,245
Borrowing costs	398	439	(41)
Materials and Contracts	17,835	18,241	(406)
Depreciation and Amortisation	18,455	14,651	3,804
Other Expenses	16,389	10,240	6,149
Loss on Sale of Assets	245	9	236
Total Expenses from Continuing Operations	79,814	68,827	10,987

ORDINARY MEETING**Meeting Date:** 08 November 2016**Balance Sheet**

The Balance Sheet discloses the assets, liabilities and equity of Council. The table below displays Council's reported Balance Sheet as at 30 June 2016.

Statement of Financial Position	2015/2016 \$'000	2014/2015 \$'000	Movement Inc/(Dec)
Current Assets	51,898	51,395	503
Non-Current Assets	1,024,824	1,009,362	15,462
Total Assets	1,076,722	1,060,757	15,965
Current Liabilities	17,629	18,255	(626)
Non-Current Liabilities	7,420	9,012	(1,592)
Total Liabilities	25,049	27,267	(2,218)
Net Assets	1,051,673	1,033,490	18,183
Equity	1,051,673	1,033,490	18,183

Performance Indicators

Council's financial statements disclose a number of financial indicators, which are detailed below:

Financial Performance Indicator	June 2016	June 2015
Operating Performance Ratio	-10.16%	-6.88%
Own Source Operating Revenue Ratio	70.51%	60.40%
Unrestricted Current Ratio	4.23	3.56
Debt Service Ratio	9.61	8.44
Rates, Annual Charges, Interest and Extra Charges Outstanding Percentage	5.44%	5.52%
Cash Expense Cover Ratio	8.40	9.52
Buildings and Infrastructure Renewals Ratio	69.20%	50.97%

Interpretation of Financial Results

The results summarised above reflect Council's overall results, including restricted funds.

Council's operating result declined from a surplus of \$38.2 million in 2014/2015 to \$6.3 million in 2015/2016. The Net Operating Result, before capital grants and contributions, is a deficit of \$12.0 million in 2015/2016, compared to an \$8.0 million surplus in 2014/2015.

Council's Net Current Assets (Current Assets less Current Liabilities) increased from \$33.1 million to \$34.3 million in 2015/2016. Available working capital as at 30 June 2016 is \$3.7 million. Council's cash and current investments decreased from \$45.8 million to \$44.0 million during the reporting period, including restricted funds.

Council's Unrestricted Current Ratio is 4.23 as at 30 June 2016, improving on the previous year, and remained significantly above the accepted industry benchmark of 1.5. The Debt Service Ratio is 9.61 and remains better than the accepted industry benchmark of 2. The Own Source Operating Revenue Ratio improved up to 70.51%, as against 60.40% for 2014/2015.

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The Rates Outstanding Ratio decreased to 5.44% of collectables. Council's Debt Recovery Policy allows for ratepayers to enter into a payment arrangement with Council, and also has special provisions limiting debt recovery action taken in regard to amounts outstanding by Pensioners. These Policy provisions restrict debt recovery action to some extent and result in a higher ratio than would otherwise be the case. Whilst the ratio is higher than the accepted industry benchmark of 5%, the exclusion of amounts on payment arrangements and amounts owed by Pensioners, results in this ratio being 2.85%, which is better than the benchmark.

The Buildings and Infrastructure Renewals Ratio indicates that infrastructure assets are being renewed at 69.20% of the rate at which they are depreciating.

Council's annual Financial Statements are a snapshot of financial results as at the end of June each year. Council's financial position for the period ended 30 June 2016 is considered to be sound and stable. However, projections based on current income and expenditure levels indicate that, if the funding shortfall is not addressed, Council will not remain financial sustainable. This is predominantly due to the deterioration of assets arising from on-going under expenditure. This financial position was also reflected in a financial sustainability assessment undertaken by TCorp some years ago, where Council's outlook was assessed as 'Weak'.

As reported in previous financial years, a gap continues to exist between funds required to maintain Council's assets to a satisfactory standard, and the revenue required to sustain it. This shortfall is reflected in Special Schedule 7(SS7) included in the Financial Statements.

As tabled in SS7, it is estimated that Council needs to spend over \$15 million to bring its assets back to a condition deemed satisfactory based on technical requirements. In addition, Council has an annual asset maintenance funding shortfall of \$2.4 million, currently having funding of \$10.0 million compared to the required annual funding of \$12.4 million.

Recent service level consultations with the community strongly indicate that community expectations exceed technical requirements. It is therefore expected that future backlog, and the annual asset maintenance funding shortfall reported amounts, will increase in future years to reflect the community's expectations in regard to Council's assets, in particular road infrastructure.

A council's, and any other organisation's financial sustainability, is underpinned by the ability to generate sufficient annual recurring revenue to fund the required annual recurring expenditure, including the full coverage of the annual depreciation. Council's annual recurring revenue is not sufficient to cover the recurrent expenditure required to maintain service levels across all Council's programs and services. This shortfall is reflected in the Operating Performance Ratio (OPR). This Ratio should be at least 0%. For 2015/2016, Council's OPR is -10.16%. It is to be noted that Council's negative OPR was the criteria against which Council failed its Fit for the Future assessment.

Council's current asset maintenance funding shortfall indicates that Council is currently not generating sufficient revenue to maintain its assets whilst maintaining service levels throughout its overall programs and other services.

The rate of asset renewal, being less than 100%, further indicates that Council is not renewing its assets at the rate that they are depreciating. In addition to the annual shortfall, a backlog of works also needs to be addressed.

In order to address these financial sustainability issues, Council's Long Term Financial Plan encompasses 20 strategies comprising a diverse mix of increased recurring revenue generation and cost savings or efficiencies. These strategies are also included in Council's Fit for the Future Resubmission Proposal, which is included as a separate report within this business paper. The timely implementation of these strategies is critical to Council's on-going financial sustainability.

ORDINARY MEETING

Meeting Date: 08 November 2016

Conformance to the Hawkesbury Community Strategic Plan

The proposal is consistent with the Shaping our Future Together Directions Statement:

- The Council be financially sustainable to meet the current and future needs of the community based on a diversified income base, affordable and viable services; and
- Have transparent, accountable and respected leadership and an engaged community.

Funding

There are no financial implications applicable to this report.

RECOMMENDATION:

That Council:

1. Note the completion of the General Purpose and Special Purpose Financial Statements and Special Schedules for the period ended 30 June 2016.
2. Thank its Auditor, Mr Dennis Banicevic of PricewaterhouseCoopers, for his presentation in respect of Council's audited 2015/2016 Financial Statements.

ATTACHMENTS:

- AT - 1** General Purpose and Special Purpose Financial Statements and Special Schedules for the Period Ended 30 June 2016 - *(Distributed under Separate Cover)*

oooO END OF REPORT Oooo

ORDINARY MEETING

Meeting Date: 08 November 2016

Item: 247

SS - Pecuniary Interest Returns - Designated Persons - (95496, 96333)

REPORT:

Executive Summary

The Local Government Act, 1993, details the statutory requirements in respect of the lodgement of Disclosure of Pecuniary Interests and Other Matters Returns by Councillors and Designated Persons. This report provides information regarding Returns recently lodged with the Acting General Manager by Designated Persons. It is recommended that Council note that the Disclosure of Pecuniary Interests and Other Matters Returns, lodged with the Acting General Manager, have been tabled.

Consultation

The issues raised in this report concern matters which do not require community consultation under Council's Community Engagement Policy.

Background

Section 450A of the Local Government Act, 1993, relates to the register of Pecuniary Interest Returns and the tabling of these Returns, which have been lodged by Councillors and Designated Persons. Section 450A of the Act is as follows:

- "1. *The General Manager must keep a register of returns required to be lodged with the General Manager under section 449.*
2. *Returns required to be lodged with the General Manager under section 449 must be tabled at a meeting of the council, being:*
 - (a) *In the case of a return lodged in accordance with section 449 (1)—the first meeting held after the last day for lodgement under that subsection, or*
 - (b) *In the case of a return lodged in accordance with section 449 (3)—the first meeting held after the last day for lodgement under that subsection, or*
 - (c) *In the case of a return otherwise lodged with the general manager—the first meeting after lodgement."*

With regard to Section 450A(1), a register of all Returns lodged by Councillors and Designated Persons, in accordance with Section 449 of the Act, is currently kept by Council as required by this part of the Act.

With regard to Section 450A(2), all Returns lodged by Councillors and Designated Persons, under Section 449 of the Act, must be tabled at a Council Meeting as outlined in subsections (a), (b) and (c).

With regard to Section 450(2)(a), the following Section 449(1) Returns have been lodged:

Position	Return Date	Date Lodged
Town Planner	25 July 2016	25 October 2016
Property Officer	1 August 2016	5 October 2016

The above Designated Persons have lodged their Section 449(1) Returns by the due dates (being three months after the Return Date), as required by the Act for the receipt of the Returns.

The above details are now tabled in accordance with Section 450A(2)(a) of the Act, and the abovementioned Returns are available for inspection if requested.

ORDINARY MEETING

Meeting Date: 08 November 2016

Conformance to the Hawkesbury Community Strategic Plan

The proposal is consistent with the Shaping Our Future Together Directions statement:

- Have transparent, accountable and respected leadership and an engaged community.

Financial Implications

No financial implications applicable to this report.

RECOMMENDATION:

That the information be received and noted.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF REPORT Oooo

ORDINARY MEETING

Meeting Date: 08 November 2016

ordinary

section 4

reports
of committees

ORDINARY MEETING
Reports of Committees

ORDINARY MEETING
Reports of Committees

SECTION 4 - Reports of Committees

ROC **Audit Committee Minutes - 12 October 2016 - (91369, 79351, 95496)**

The meeting commenced at 4:08pm in Council Chambers.

Present: Nisha Maheshwari (Chair)
 Councillor John Ross
 Harry Khouri

Apologies: Ellen Hegarty
 Councillor Paul Rasmussen

In Attendance: Laurie Mifsud - A/General Manager
 Emma Galea - A/Director Support Services
 Steven Kelly - Internal Auditor
 Vanessa Browning - A/Chief Financial Officer
 Dennis Banicevic - Council's External Auditor
 Robyn Kozjak - Minute Secretary

REPORT:

RESOLVED on the motion of Mr Harry Khouri and seconded by Ms Nisha Maheshwari that the apologies be accepted.

Attendance Register of Audit Committee

Member	12/10/16				
Councillor John Ross	✓				
Councillor Paul Rasmussen	A				
Councillor Patrick Conolly (Alternate)	N/A				
Ms Ellen Hegarty	A				
Mr Harry Khouri	✓				
Ms Nisha Maheshwari (Chair)	✓				

Key: **A** = Formal Apology **✓** = Present **X** = Absent - no apology

BUSINESS ARISING FROM PREVIOUS MINUTES:

- Reference was made to the Minutes of the previous Audit Committee meeting where discussion arose regarding the proposed transition of Local Government audits to the Auditor General's Office.

Debate ensued as to whether or not PWC was currently Council's auditor, as it was understood the Contract had expired.

- Mr Banicevic advised PWC had been contacted by the Auditor General's Office and requested to provide details of contracts PWC currently audits. Mr Banicevic advised he understood a decision was expected to be made in November/December as to which audits would be undertaken by the Auditor General and which audits would be contracted out. Mr Banicevic advised audits would subsequently be put out to tender after a twelve month period and it was anticipated PWC may continue to audit this Council.

ORDINARY MEETING
Reports of Committees

Ms Maheshwari acknowledged there appeared to be uncertainty in regards to the new audit process and suggested it would be beneficial to wait a couple of months until some direction was provided.

- Mr Banicevic advised a circular he received from the OLG indicated that Chairpersons of Audit Committees would be contacted in the near future regarding the proposed new audit process. In this regard it was agreed once that advice had been received, that the matter be reported to an Audit Committee meeting in early 2017.

CONFIRMATION OF MINUTES

RESOLVED on the motion of Mr Harry Khouri and seconded by Ms Nisha Maheshwari that the Minutes of the Audit Committee held on the 13 July 2016, be confirmed.

SECTION 3 - Reports for Determination

**Item: 1 AC - Unaudited Annual Financial Statements for the Year Ended 30 June 2016
 - (95496, 91369, 79351)**

DISCUSSION:

- Ms Galea advised due to the timing of the Hawkesbury Local Government Election and subsequent appointment of Councillors to the Audit Committee, the usual sequence of reporting the Financial Statements to the Audit Committee (prior to being reported to Council), was not practicable which was the reason the Statements were being reported to the Audit Committee, post-Council meeting (which was held last night on 11 October 2016).
- Ms Browning advised the audited Financial Statements were to be lodged with Office of Local Government by 31 October 2016.
- Some minor anomalies and typographical errors were found in the document, including at Page 8 - should read "2016" (not 2015). At page 83 under 'Investment Properties' it should read "... revaluation is conducted every three years" (not five). Ms Browning advised that these minor issues will be tidied up prior to final audit.
- Mr Banicevic advised that Council had met financial indicators included in the Financial Statements, except the Operating Performance Ratio and advised that its internal audit control was sound.
- Ms Galea addressed Mr Banicevic, and asked, given the snapshot of Council's financial position as at end June 2016, if he had any comments on the twenty strategies for its Fit for the Future proposal.
- Mr Banicevic suggested if Council met the objectives and strategies within its Fit For The Future proposal, in his opinion, it would be financially sustainable and should be deemed as fit.
- Mr Kelly advised under the new legislation, more responsibility would be expanded to the Committee and the Committee would become the *Audit Risk and Improvement Committee*.

RECOMMENDATION TO COMMITTEE:

That the information concerning the General Purpose Financial Statements and Special Purpose Financial Statements for the year ended 30 June 2016 be received.

ORDINARY MEETING
Reports of Committees

COMMITTEE RECOMMENDATION:

RESOLVED on the motion of Mr Harry Khouri, seconded by Ms Nisha Maheshwari.

That the information concerning the General Purpose Financial Statements and Special Purpose Financial Statements for the year ended 30 June 2016 be received.

Ms Maheshwai thanked Mr Banicevic and the Committee for their work throughout the term.

Mr Kelly distributed Expressions of Interest for Nomination forms for Audit Committee membership.

SECTION 4 - General Business

There were no matters raised.

The meeting terminated at 5:23pm.

Submitted to and confirmed at the meeting of the Audit Committee held on 7 December 2016.

oooO END OF REPORT Oooo

ORDINARY MEETING
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ORDINARY MEETING

Notices of Motion

ORDINARY MEETING

Notices of Motion

SECTION 5 - Notices of Motion

NM1

St Albans Common - (79351, 105109, 138882)

Submitted by: Councillor Wheeler

NOTICE OF MOTION:

That Council:

1. Acknowledge the unique agricultural, heritage, community and environmental asset that St Alban's Common represents.
2. Acknowledge the efficient and effective ongoing management of the Common by the St Alban's community and the Trustees.
3. Support the community of St Albans' request that the Common remains in Fee Simple title, managed in trust by the local community ("the Commoners") under the Commons Management Act.
4. Write to the NSW Government requesting that the Common is not converted to a Crown Reserve under changes to the Crown Lands Bill, and that the Common remain in the ownership and management of the Trustees.

BACKGROUND:

St Alban's Common has existed since as early as 1824, when it was set aside to provide grazing land and water for smaller farms and those affected by flooding. The Common has continuously operated under the stewardship of Trustees as successors to the original trustees. The Common is also used for a variety of public purposes including RFS training programs and recreation. The Common includes a significant wetland and the Lake is also a well-managed significant habitat for bird and marine life.

The Common is managed by five trustees elected by the Commoners every three years. These positions are unpaid. All residents of the valley are entitled to apply to be members of the Common. Each pays a fee each year, with an additional fee per head of cattle that is agisted. The cattle do not graze there permanently, only to take pressure of the smaller holdings, especially when pastures are affected by flood and other climatic conditions. A lot of voluntary work is done by the members.

Daily management of stock and management of The Common is vested in the Herdsman, who are responsible for weed eradication programs and stock control, under the supervision of the Trustees. Regular musters ensure all regulatory and practical requirements are met. The Commoners (members of The Common) provide substantial assistance in the management of stock, infrastructure and weed management in a voluntary capacity on a regular basis.

The Trust is financially self-sufficient; no Government funding required. The Trustees have effectively and efficiently managed and monitored the area for 161 years. It is highly prized by the St Albans community.

Currently, title to the St Albans Common is vested in the Trustees in Fee Simple. Changes to the NSW Crown Lands Bill provides that Commons will become Crown reserves, with the dual reserve purpose of commons and community use. Under the new legislation, existing commons trusts will be granted licences over the commons. The St Albans community believes that this proposal, if applied to St Albans Common, would in effect be a compulsory acquisition of the Trustees' current ownership. They believe that such a change would diminish the involvement of the local community, the autonomy of the Trustees, and the place of the Common on the Nations historical record.

ORDINARY MEETING

Notices of Motion

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF NOTICE OF MOTION Oooo

ORDINARY MEETING
Questions for Next Meeting

QUESTIONS FOR NEXT MEETING

Councillor Questions from Previous Meetings and Responses - (79351)

REPORT:

Questions - 25 October 2016

#	Councillor	Question	Response
1	Zamprogno	Enquired in regard to Council's actions concerning long term squatters at the boat ramp at Governor Phillip Park, Windsor.	<p>The Director City Planning advised that the people in tents and cars at the boat ramp at Governor Phillip Park, Windsor have been identified as currently experiencing homelessness.</p> <p>Council staff have responded in accordance with Council's adopted Homelessness Policy 2016 and made referrals to the appropriate housing and support agencies for assistance.</p> <p>Council staff that are likely to come into contact with people experiencing homelessness have also received training in implementing Council's Homelessness Policy 2016 in October 2016 as per Council's Resolution 191.</p> <p>Council staff are also participating in the Heading Home - Ending Homelessness Here! project, where homeless rough sleepers are interviewed using a VI-SPDAT assessment tool during Registry Week (1-3 November 2016) to better understand the housing and support needs of local homeless people.</p> <p>A briefing on Council's updated Homelessness Policy 2016 was provided to the previous Council, and can be provided to the new Council if required to raise awareness of the processes and protocol for approaching and assisting homeless people.</p>

ORDINARY MEETING**Questions for Next Meeting**

#	Councillor	Question	Response
			Council has taken a lead role in trying to link the homeless people of the region with the various support services by producing the 2016/2017 Homelessness Resource Card through a partnership with the Hawkesbury Housing Forum.
2	Calvert	Requested an investigation into the lighting standard in the vicinity of South Windsor Public School.	The Director Infrastructure Services advised that Endeavour Energy have been requested to investigate the lighting levels and information will be provided to Councillors when available.
3	Wheeler	Requested that Council investigate the condition and safety of the timber bridge located at Berger Lake Reserve.	The Director Infrastructure Services advised that the matter would be investigated and information provided to Councillors when available.
4	Wheeler	Enquired in regard to the complaints handling process applicable to complaints regarding the odour at McGraths Hill.	<p>The Director City Planning advised the process will depend where the odour is coming from, i.e., either a licensed premise or a non-licensed premise.</p> <p>If the odour is coming from a licensed premise it is the responsibility of the NSW EPA and all complaints should be referred to them for investigation.</p> <p>Council staff will either direct complainants to the EPA hotline or if requested can report the matter on the complainant's behalf. After a complaint is made to the NSW EPA a reference number is usually provided should a follow up be required.</p> <p>If it is not a licensed premise Council staff will investigate. These complaints should be logged via Council's Customer Services section where the complaint is logged in the customer request management system and the complainant is given a reference number for follow up.</p>

ORDINARY MEETING
Questions for Next Meeting

#	Councillor	Question	Response
			Odour complaints are difficult to identify, prove where/what the source is and are then, at times, lengthy to resolve.
5	Reynolds	Enquired whether action could be taken by Council to improve the pedestrian underpass at Windsor Bridge.	The Director Infrastructure Services advised that due to significant deterioration of the timber underpass structure, the underpass has been closed for safety reasons. A decision will be made on replacement following RMS determination relating to Windsor Bridge.
6	Garrow	Requested that the issue of syringes being left at Deerubbin Park be addressed.	The Director Infrastructure Services advised that the issue would be investigated from both a behavioural and maintenance perspective.
7	Ross	Enquired whether the project of upgrading of playground equipment at McLeod Park, South Windsor included public amenities.	The Director Infrastructure Services advised that the current works do not include additional toilet amenities. There is currently one accessible unisex toilet in the park.
8	Lyons-Buckett	Enquired about the removal of the no parking signage at the Oasis Aquatic and Leisure Centre.	The Director Infrastructure Services advised that the signage and parking restrictions would be reviewed.
9	Conolly	Enquired about the expected completion of the construction works at the Oasis Aquatic and Leisure Centre.	The Director Infrastructure Services advised that the construction works on the change/shower amenities have been completed. Additional works to upgrade the lawn areas have commenced. These include turf, irrigation and recycled water connection.

oooO END OF REPORT Oooo

ORDINARY MEETING

Questions for Next Meeting

ORDINARY MEETING
CONFIDENTIAL REPORTS

CONFIDENTIAL REPORTS

Item: 248 **IS - Tender No. 00986 - Construction of Asphalt Pavement and Surfacing -
Freemans Reach Road - (95495, 79344) CONFIDENTIAL**

Reason for Confidentiality

*This report is **CONFIDENTIAL** in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act, 1993, and the matters dealt with in this report are to be considered while the meeting is closed to the press and the public.*

Specifically, the matter is to be dealt with pursuant to Section 10A(2)(d) of the Act as it relates to details concerning tenders for the supply of goods and/or services to Council and it is considered that the information is regarded as being commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it, confer a commercial advantage on a competitor of the Council, or reveal a trade secret and, therefore, if considered in an open meeting would, on balance, be contrary to the public interest.

In accordance with the provisions of Section 11(2) & (3) of the Local Government Act, 1993, the reports, correspondence and other relevant documentation relating to this matter are to be withheld from the press and public.

ORDINARY MEETING
CONFIDENTIAL REPORTS

Item: 249 **SS - Property Matter - Lease to Government Property NSW - Deerubbin Centre, Suite 3, Level 1, 300 George Street, Windsor - (117653, 112106, 95496)**
CONFIDENTIAL

Reason for Confidentiality

*This report is **CONFIDENTIAL** in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act, 1993, and the matters dealt with in this report are to be considered while the meeting is closed to the press and the public.*

Specifically, the matter is to be dealt with pursuant to Section 10A(2)(c) of the Act as it relates to details concerning the leasing of a Council property and it is considered that the release of the information would, if disclosed, confer a commercial advantage on a person or organisation with whom the Council is conducting (or proposes to conduct) business and, therefore, if considered in an open meeting would, on balance, be contrary to the public interest.

In accordance with the provisions of Section 11(2) & (3) of the Local Government Act, 1993, the reports, correspondence and other relevant documentation relating to this matter are to be withheld from the press and public.



ordinary
meeting

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