



Central Coast Council
Business Paper
Ordinary Council Meeting
28 February 2023





COMMUNITY STRATEGIC PLAN 2018-2028

ONE – CENTRAL COAST IS THE COMMUNITY STRATEGIC PLAN (CSP) FOR THE CENTRAL COAST LOCAL GOVERNMENT AREA

ONE – CENTRAL COAST DEFINES THE COMMUNITY'S VISION AND IS OUR ROADMAP FOR THE FUTURE

ONE – CENTRAL COAST BRINGS TOGETHER EXTENSIVE COMMUNITY FEEDBACK TO SET KEY DIRECTIONS AND PRIORITIES

One - Central Coast will shape and inform Council's business activities, future plans, services and expenditure. Where actions are the responsibility of other organisations, sectors and groups to deliver, Council will work with key partners to advocate on behalf of our community.

Ultimately, every one of us who live on the Central Coast has an opportunity and responsibility to create a sustainable future from which we can all benefit. Working together we can make a difference.

RESPONSIBLE

WE'RE A RESPONSIBLE COUNCIL AND COMMUNITY, COMMITTED TO BUILDING STRONG RELATIONSHIPS AND DELIVERING A GREAT CUSTOMER EXPERIENCE IN ALL OUR INTERACTIONS.

We value transparent and meaningful communication and use community feedback to drive strategic decision making and expenditure, particularly around the delivery of essential infrastructure projects that increase the safety, liveability and sustainability of our region. We're taking a strategic approach to ensure our planning and development processes are sustainable and accessible and are designed to preserve the unique character of the coast.



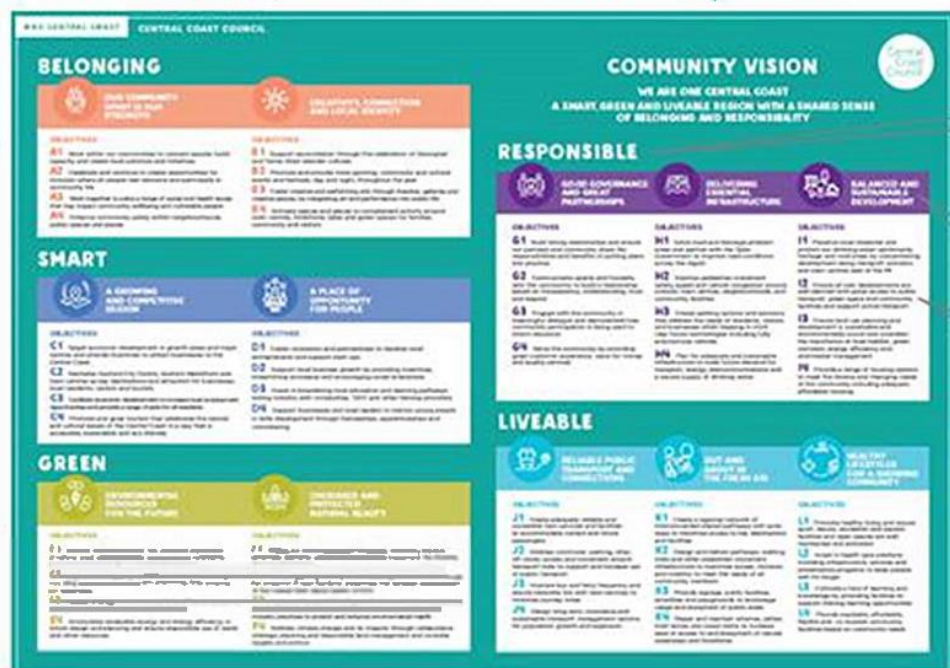
Good governance and great partnerships

G2 Engage and communicate openly and honestly with the community to build a relationship based on trust, transparency, respect and use community participation and feedback to inform decision making

There are 5 themes, 12 focus areas and 48 objectives

COMMUNITY STRATEGIC PLAN 2018-2028 FRAMEWORK

All council reports contained within the Business Paper are now aligned to the Community Strategic Plan. Each report will contain a cross reference to a Theme, Focus Area and Objective within the framework of the Plan.



Theme

Focus Area

Objective

Meeting Notice

**The Ordinary Council Meeting
of Central Coast Council
will be held in the Council Chamber,
2 Hely Street, Wyong
on Tuesday 28 February 2023 at 6.30pm,
for the transaction of the business listed below:**

**The Public Forum will commence at 5.45pm, subject to any
registered speaker/s to items listed on this agenda.**

Further information and details on registration process:

www.centralcoast.nsw.gov.au/council/meetings-and-minutes/council-meetings

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David Farmer

Chief Executive Officer

Item No: 1.1
Title: Disclosures of Interest
Department: Corporate Services



28 February 2023 Ordinary Council Meeting

Reference: F2023/00021 - D15523755
Author: Rachel Gibson, Team Leader, Civic Support
Manager: Edward Hock, Unit Manager Governance, Risk and Legal
Executive: Marissa Racomelara, Director Corporate Services

Chapter 14 of the *Local Government Act 1993* ("LG Act") regulates the way in which the councillors and relevant staff of Council conduct themselves to ensure that there is no conflict between their private interests and their public functions.

Section 451 of the LG Act states:

- "(1) A councillor or a member of a council committee who has a pecuniary interest in any matter with which the council is concerned and who is present at a meeting of the council or committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.*
- (2) The councillor or member must not be present at, or in sight of, the meeting of the council or committee:*
 - (a) at any time during which the matter is being considered or discussed by the council or committee, or*
 - (b) at any time during which the council or committee is voting on any question in relation to the matter.*
- (3) For the removal of doubt, a councillor or a member of a council committee is not prevented by this section from being present at and taking part in a meeting at which a matter is being considered, or from voting on the matter, merely because the councillor or member has an interest in the matter of a kind referred to in section 448.*
- (4) Subsections (1) and (2) do not apply to a councillor who has a pecuniary interest in a matter that is being considered at a meeting, if:*
 - (a) the matter is a proposal relating to:*
 - (i) the making of a principal environmental planning instrument applying to the whole or a significant part of the council's area, or*

- (ii) *the amendment, alteration or repeal of an environmental planning instrument where the amendment, alteration or repeal applies to the whole or a significant part of the council's area, and*
- (a1) *the pecuniary interest arises only because of an interest of the councillor in the councillor's principal place of residence or an interest of another person (whose interests are relevant under section 443) in that person's principal place of residence, and*
 - (b) *the councillor made a special disclosure under this section in relation to the interest before the commencement of the meeting.*
- (5) *The special disclosure of the pecuniary interest must, as soon as practicable after the disclosure is made, be laid on the table at a meeting of the council and must:*
 - (a) *be in the form prescribed by the regulations, and*
 - (b) *contain the information required by the regulations."*

Further, the Code of Conduct adopted by Council applies to all councillors and staff. The Code relevantly provides that if a councillor or staff have a non-pecuniary conflict of interest, the nature of the conflict must be disclosed as well as providing for a number of ways in which a non-pecuniary conflict of interests might be managed.

Item No: 1.2
Title: Confirmation of Minutes of Previous Meeting
Department: Corporate Services

28 February 2023 Ordinary Council Meeting

Reference: F2023/00021 - D15528737



Recommendation

That Council confirm the minutes of the Ordinary Meeting of Council held on 24 January 2023.

Summary

Confirmation of minutes of the Ordinary Meeting of Council held on 24 January 2023.

Attachments

1	MINUTES - Council Meeting - 24 January 2023	Provided Under Separate Cover	D15515618
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Item No: 1.3
Title: Notice of Intention to Deal with Matters in Confidential Session
Department: Corporate Services



28 February 2023 Ordinary Council Meeting

Trim Reference: F2023/00021 - D15528778

Recommendation

That Council note that no matters have been tabled to deal with in a closed session.

Summary

It is necessary for the Council to adopt a resolution to formalize its intention to deal with certain matters in a closed and confidential Session. The report is incorporated in the "Confidential" business paper which has been circulated.

The *Local Government Act 1993* requires the Chief Executive Officer to identify those matters listed on the business paper which may be categorized as confidential in terms of section 10A of the *Local Government Act 1993*. It is then a matter for Council to determine whether those matters will indeed be categorized as confidential.

Context

Section 10A of the *Local Government Act 1993* (the Act) states that a Council may close to the public so much of its meeting as comprises:

- 2(a) *personnel matters concerning particular individuals (other than Councillors),*
- 2(b) *the personal hardship of any resident or ratepayer,*
- 2(c) *information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business,*
- 2(d) *commercial information of a confidential nature that would, if disclosed:*
 - (i) *prejudice the commercial position of the person who supplied it, or*
 - (ii) *confer a commercial advantage on a competitor of the Council, or*
 - (iii) *reveal a trade secret,*
- 2(e) *information that would, if disclosed, prejudice the maintenance of law,*
- 2(f) *matters affecting the security of the Council, Councillors, Council staff or Council property,*

- 2(g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege,*
- 2(h) information concerning the nature and location of a place or an item of Aboriginal significance on community land.*
- 2(i) alleged contraventions of any code of conduct requirements applicable under section 440*

It is noted that with regard to those matters relating to all but 2(a), 2(b) and 2(d)(iii) it is necessary to also give consideration to whether closing the meeting to the public is, on balance, in the public interest.

Further, the Act provides that Council may also close to the public so much of its meeting as comprises a motion to close another part of the meeting to the public (section 10A(3)).

As provided in the Office of Local Government Meetings Practice Note August 2009, it is a matter for the Council to decide whether a matter is to be discussed during the closed part of a meeting. The Council would be guided by whether the item is in a confidential business paper, however the Council can disagree with this assessment and discuss the matter in an open part of the meeting.

Attachments

Nil



Item No: 2.1
Title: Monthly Finance Report December 2022
Department: Corporate Services

28 February 2023 Ordinary Council Meeting

Reference: F2020/03205 - D15527396
Author: Peter Correy, Financial Controller Partnering and Regulatory Reporting
Manager: Emma Galea, Chief Financial Officer
Executive: Marissa Racomelara, Director Corporate Services

Recommendation

That Council receive the report Monthly Financial Reports – December 2022

Report purpose

To present to Council the monthly financial reports for December 2022.

Executive Summary

This report presents the December 2022 monthly financial reports for Central Coast Council.

Background

The monthly financial reports have been prepared in accordance with the requirements of the *Local Government Act 1993* ("**LG Act**"), the *Local Government (General) Regulation 2005* ("**LG Reg**"), and the relevant accounting and reporting requirements of the Office of Local Government prescribed Code of Accounting Practice and Financial Reporting and Australian Accounting Standards.

Report

The reports disclose the year-to-date financial results in Operating Statement format, they reflect the organisational structure and are presented by Department and Unit. The reports include a traffic light indicator of current status – on track (green light), off track (red light) continue to monitor status (orange light). Relevant supporting comments are included, as well as a graphical representation of the financial results.

The Local Government Code of Accounting Practice and Financial Reporting (Guidelines) require Council to recognise rates income at the beginning of the financial year when levied. However, for internal reporting purposes Council recognises rates revenue on a continual basis throughout the financial year thereby aligning revenue with Council's expenditure for the delivery of services to the community.

Consultation

In the preparation and finalisation of the monthly reports for December, all business areas of Council contributed to the information contained within the financial reports.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Financial Strategy Ratios

This Report is prepared in conjunction with Council's Financial Strategy, adopted by Council on 23 August 2022 and reports the following financial performance ratios:

- Operating Performance Ratio
- Unrestricted Current Ratio
- Unrestricted Cash Position
- Loan Principal Payments
- Capital Program Funding

Operating Performance Ratio – 8.7%

The Operating performance ratio measures Council's achievement of containing operating expenditure within operating revenue and is set between 1% and 8%. It is calculated as

$$= \frac{\text{Total continuing operating revenue (excluding capital grants and contributions) less operating expenses}}{\text{Total continuing operating revenue (excluding capital grants and contributions)}}$$

Council is currently exceeding its operating performance ratio target by 0.7%

Unrestricted Current Ratio – 1.7

The unrestricted current ratio identifies whether there are sufficient funds available to meet short term obligations and is set at the industry benchmark of 1.5. It is calculated as

$$= \frac{\text{Current assets less all external restrictions}}{\text{Current liabilities less specific purpose liabilities}}$$

Council is currently meeting the industry benchmark for the unrestricted current ratio.

2.1 Monthly Finance Report December 2022 (contd)

Unrestricted Cash Position

Unrestricted Cash are funds available to cover operational needs and unexpected or emergency costs within each fund. Council will aim to maintain unrestricted cash in each fund and set a target band of between 3% and 10% for each fund. This will monitor the targeted use of unrestricted funds on community services and infrastructure. It is calculated as

$$= \frac{\text{Unrestricted Funds}}{\text{Total continuing operating revenue (excluding capital grants and contributions)}}$$

Consolidated – 33.7%

General Fund (including Drainage) – 19.7%

Water Fund – 0.2%

Sewer Fund – 132.1%

Domestic Waste – 21.0%

The unrestricted cash balance is considered appropriate to meet current and planned operational needs.

Loan Principal Repayments

The operating result (excluding capital grants and contributions) for each fund for the year plus if necessary, pre-existing unrestricted cash reserves in each fund needs to at least cover the net loan principal repayments of that fund for that same year. This excludes the emergency loans in the General Fund as the balance on 31 December 2022 of \$130.4M is repaid under different terms set by the lending institutions. Loan repayment coverage is calculated as

$$= \frac{\text{YTD operating revenue (excluding capital grants and contributions) less operating expenses}}{\text{YTD loan principal repayments}}$$

Consolidated – 3.1x

General Fund (including Drainage) – 1.0x.

Water Fund – 1.8x

Sewer Fund – 5.9x

Capital Program Funding

Council's intent is to provide at least sufficient funds from operations for the capital budget to replace assets as they fall due. The depreciation target is currently used as a proxy for the long-term annual funding requirement to replace Council's assets at their gross replacement value. Council will aim to achieve the industry benchmark of 100% in each fund. Capital funding percentage is calculated as

$$= \frac{\text{YTD Capital budget}}{\text{YTD Depreciation expense}}$$

Consolidated – 107%

General Fund (including Drainage) – 118%

Water Fund – (53%)

Sewer Fund – 140%

Trading Results

The attached financial reports record actual revenue and expenditure, tracking against the Q1 adjusted budget and for the year-to-date reporting period to 31 December 2022.

For the month of December 2022, Council is reporting an operating result surplus of \$0.05M, before capital income, which was favourable to budget by \$5.0M and a net operating surplus including capital income of \$1.9M which was unfavourable to budget by \$3.0M.

December year-to-date, Council is reporting an operating result surplus of \$28.4M, before capital income, which was favourable to budget by \$18.9M and a net operating surplus including capital income of \$53.0M which was \$10.1M favourable to budget.

Consolidated Operating Statement December 2022												
	CURRENT MONTH			YEAR TO DATE				FULL YEAR				
	Actuals	Q1 Adopted Budget	Variance	Actuals	Q1 Adopted Budget	Variance	Last Year YTD Actuals	Last Year Actual	Original Budget	Q1 Adopted Changes	Proposed Changes	Current Year End Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Income												
Rates and Annual Charges	33,007	33,069	(62)	195,790	194,555	1,234	182,691	365,740	390,335	150	0	390,485
User Charges and Fees	13,956	13,805	151	77,632	74,071	3,561	66,559	140,237	145,542	3,689	-	149,231
Other Revenue	2,036	804	1,232	9,487	4,675	4,812	5,489	12,856	9,666	195	1,590	11,451
Interest	1,993	418	1,575	9,371	5,935	3,436	2,558	5,470	4,890	3,622	-	8,512
Grants and Contributions	664	2,645	(1,981)	10,051	9,926	125	12,111	47,717	34,046	10,745	-	44,791
Gain on Disposal	-	160	(160)	1,014	1,194	(180)	-	26,056	5,294	-	-	5,294
Other Income	760	937	(177)	4,774	4,385	389	3,665	7,909	7,917	242	-	8,158
Internal Revenue	5,361	4,653	708	30,599	29,846	753	33,551	68,851	58,441	(652)	-	57,788
Total Income attributable to Operations	57,779	56,493	1,286	338,718	324,587	14,130	306,623	674,838	656,131	17,990	1,590	675,711
Operating Expenses												
Employee Costs	17,989	17,899	(90)	85,973	86,494	521	82,424	162,831	180,750	(705)	793	180,837
Borrowing Costs	839	794	(45)	5,295	5,262	(33)	5,954	12,940	11,421	1,475	-	12,896
Materials and Services	18,161	22,692	4,532	99,192	105,351	6,159	72,280	174,256	205,479	15,334	(503)	220,310
Depreciation and Amortisation	12,054	12,054	(0)	72,479	72,479	(0)	72,865	162,472	158,781	(526)	-	158,256
Other Expenses	5,100	4,321	(779)	23,053	20,776	(2,277)	17,782	50,717	38,252	1,353	-	39,605
Loss on Disposal	-	-	-	-	-	-	-	4,469	-	-	-	-
Internal Expenses	3,586	3,731	145	24,302	24,654	352	29,343	60,136	51,691	(657)	-	51,034
Total Expenses attributable to Operations	57,728	61,491	3,763	310,294	315,017	4,722	280,648	627,821	646,373	16,275	290	662,938
Operating Result after Overheads and before Capital Amounts	51	(4,998)	5,049	28,423	9,571	18,852	25,976	47,016	9,758	1,715	1,300	12,773
Capital Grants	1,776	5,133	(3,357)	16,161	22,305	(6,144)	14,275	35,785	55,740	(2,470)	-	53,269
Capital Contributions	32	4,710	(4,678)	8,379	10,940	(2,561)	7,487	25,667	20,143	4,967	-	25,110
Grants and Contributions Capital Received	1,808	9,843	(8,035)	24,540	33,245	(8,705)	21,762	61,452	75,883	2,497	-	78,379
Net Operating Result	1,859	4,844	(2,985)	52,963	42,815	10,147	47,737	108,468	85,640	4,212	1,300	91,152

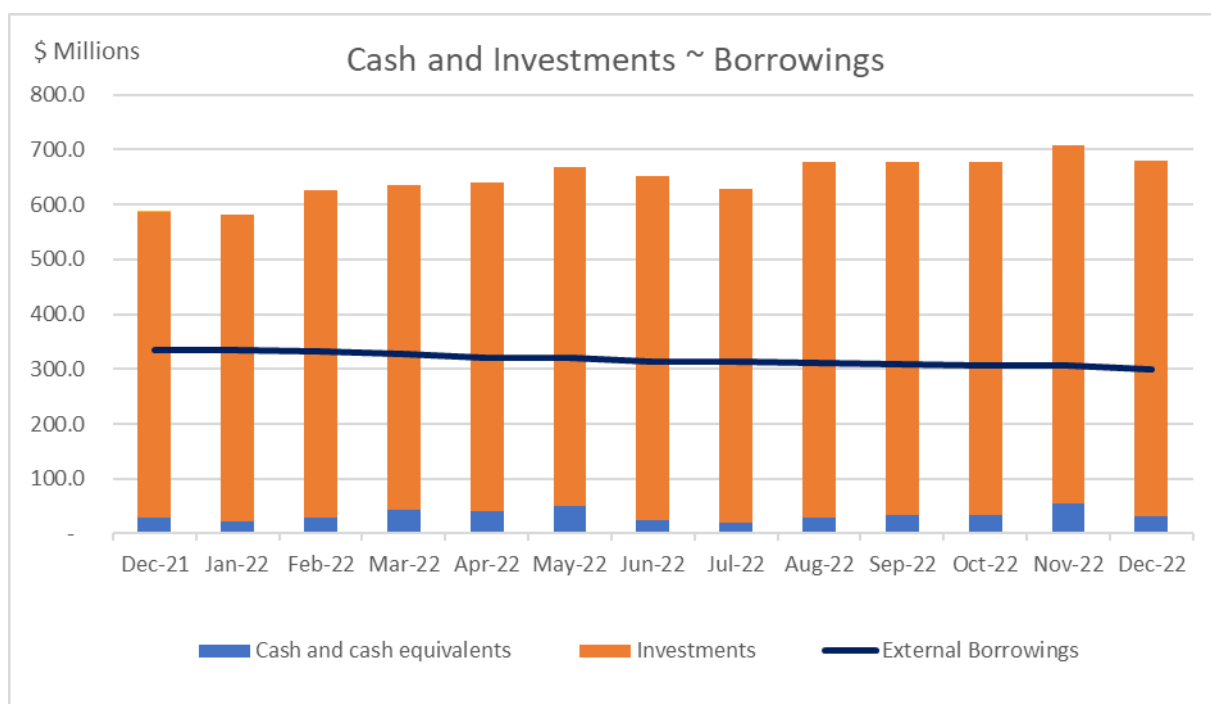
Cash and Investments / External Borrowings / Cash Flows

During December, total cash and investments decreased by \$26.1M from \$707.0M to \$680.9M. The decrease during December is due to contractual payments made during the month.

External borrowings at 31 December 2022 were \$299.5M. During December, principal loan repayments of \$6.1M fell due and were repaid bringing total year-to-date principal loan repayments to \$13.8M which is in line with the lending institutions loan repayments schedules.

2.1

Monthly Finance Report December 2022 (contd)



CONSOLIDATED CASH FLOW MOVEMENTS	Actual YTD @ 31 Dec 2022 \$'000	Rolling Forecast @ 31 Dec 2022 \$'000	Variance \$'000	Revised Forecast @ 30 June 2023 \$'000	Original Forecast @ 30 June 2023 \$'000
Opening cash & investments @ 1 July 2022	652,137	652,137	-	652,137	652,137
Income receipts (incl Capital grants & contributions)	369,794	378,391	(8,597)	759,020	726,530
Operational payments	(254,610)	(241,401)	(13,209)	(516,363)	(483,681)
Net operating cash inflow / (outflow)	115,184	136,990	(21,806)	242,658	242,849
Capital projects payments	(75,800)	(74,319)	(1,481)	(183,536)	(176,509)
Asset sales	3,229	2,821	408	3,229	24,940
Financing receipts	-	-	-	0	80,000
Financing repayments	(13,846)	(10,698)	(3,147)	(16,876)	(157,485)
Total cash inflow / (outflow)	28,767	54,795	(26,027)	45,475	13,795
Closing cash & investments @ 31 Dec 2022	680,904	706,932	(26,027)	697,612	665,932

2.1 Monthly Finance Report December 2022 (contd)

ACTUAL v FORECAST MONTHLY CASH FLOW GENERAL FUND (incl DRAINAGE FUND)	Actual YTD @ 31 Dec 2022 \$'000	Revised Forecast @ 30 June 2023 \$'000	Original Forecast @ 30 June 2023 \$'000
Opening cash & investments @ 1 July	404,295	404,295	404,295
Income receipts (incl Capital grants & contributions)	232,988	484,379	447,897
Operational payments	(167,839)	(321,090)	(303,844)
Net operating cash inflow / (outflow)	65,149	163,289	144,053
Capital projects payments	(47,165)	(110,710)	(113,579)
Asset sales	3,229	3,229	24,940
Financing receipts	658	658	50,000
Financing repayments	(6,859)	(6,678)	(113,314)
Total cash inflow / (outflow)	15,012	49,788	(7,900)
Closing cash & investments @ 31 December	419,308	454,084	396,395

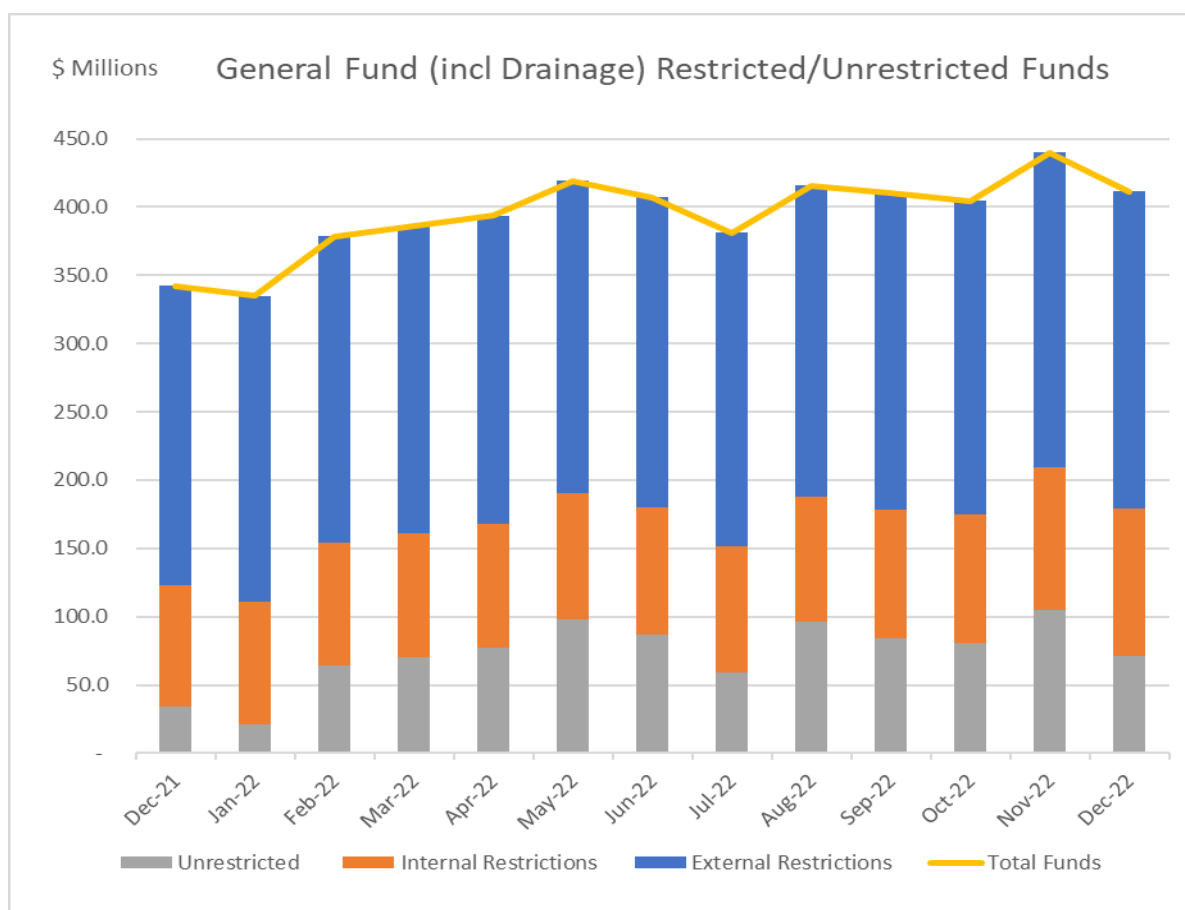
Restricted Funds

Fund	General Fund	Drainage Fund	Consolidated General Fund	Water Fund	Sewer Fund	Domestic Waste Fund
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
External Restricted Funds	193,630	37,974	231,604	12,492	21,307	99,298
Internal Restricted Funds	108,697	20	108,717	908	877	47
Total Restricted Funds	302,327	37,994	340,321	13,400	22,184	99,345
Unrestricted Funds	107,036	(36,134)	70,902	189	118,471	16,092
Total funds by Fund	409,363	1,860	411,223	13,589	140,655	115,437

Note: The above table consolidates General Fund and Drainage Fund. From 1 July 2026, Drainage Fund fees and charges will no longer be regulated by IPART and will become part of Council's General Fund.

The General Fund unrestricted balance (inclusive of Council's Drainage Fund) is currently \$70.9M. The graph below highlights Council General Fund unrestricted cash position including the Drainage Fund.

In accordance with the 'Establishment of new Internal Restrictions and Update of Restricted Funds Policy' adopted at the November Council meeting, two new Internal Restrictions were created and during December \$4.0M was transferred to the Emergency Loan Repayment restricted funds account to cover the \$50M repayment scheduled for December 2023.



Capital Works

Council is reporting year-to-date capital works expenditure to 31 December 2022 of \$66.6M compared to budget of \$67.3M. Council currently has 115 active capex projects.

Summary Capital Expenditure		YTD			Annual
Department	Actuals	Current Budget	Variance	Variance	Current Budget
	'000s	'000s	'000s	%	'000s
Community and Recreation Services	4,697	5,344	(647)	(12.1%)	23,148
Infrastructure Services	31,493	30,147	1,346	4.5%	69,196
Water and Sewer	24,459	24,765	(306)	(1.2%)	62,930
Environment and Planning	2,155	3,699	(1,544)	(41.7%)	11,864
Corporate Services	3,843	3,347	496	14.8%	10,850
Total Capital Expenditure	66,647	67,302	(655)	(1.0%)	177,988

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G2: Engage and communicate openly and honestly with the community to build a relationship based on trust, transparency, respect and use community participation and feedback to inform decision making.

Attachments

	1 Financial Performance - Monthly Finance Report December 2022	Provided Under Separate Cover	D15541889
	2 Consolidated and By Fund December 2022 Monthly Financial Report	Provided Under Separate Cover	D15520430
	3 Office of the Chief Executive Officer December 2022 Monthly Financial Report	Provided Under Separate Cover	D15520431
	4 Community and Recreation Services December 2022 Monthly Financial Report	Provided Under Separate Cover	D15520432
	5 Infrastructure Services December 2022 Monthly Financial Report	Provided Under Separate Cover	D15520434
	6 Water and Sewer December 2022 Monthly Financial Report	Provided Under Separate Cover	D15520435
	7 Environment and Planning December 2022 Monthly Financial Report	Provided Under Separate Cover	D15520437
	8 Corporate Services December 2022 Monthly Financial Report	Provided Under Separate Cover	D15520440

Item No: 2.2
Title: Monthly Finance Report January 2023
Department: Corporate Services



28 February 2023 Ordinary Council Meeting

Reference: F2020/03205 - D15541639
Author: Peter Correy, Financial Controller, Partnering and Regulatory Reporting
Manager: Emma Galea, Chief Financial Officer
Executive: Marissa Racomelara, Director Corporate Services

Recommendation

That Council receive the report Monthly Financial Reports – January 2023

Report purpose

To present to Council the monthly financial reports for January 2023.

Executive Summary

This report presents the January 2023 monthly financial reports for Central Coast Council.

Background

The monthly financial reports have been prepared in accordance with the requirements of the *Local Government Act 1993* ("**LG Act**"), the *Local Government (General) Regulation 2005* ("**LG Reg**"), and the relevant accounting and reporting requirements of the Office of Local Government prescribed Code of Accounting Practice and Financial Reporting and Australian Accounting Standards.

Report

The reports disclose the year-to-date financial results in Operating Statement format, they reflect the organisational structure and are presented by Department and Unit. The reports include a traffic light indicator of current status – on track (green light), off track (red light) continue to monitor status (orange light). Relevant supporting comments are included, as well as a graphical representation of the financial results.

The Local Government Code of Accounting Practice and Financial Reporting (Guidelines) require Council to recognise rates income at the beginning of the financial year when levied. However, for internal reporting purposes Council recognises rates revenue on a continual basis throughout the financial year thereby aligning revenue with Council's expenditure for the delivery of services to the community.

Consultation

In the preparation and finalisation of the monthly reports for January, all business areas of Council contributed to the information contained within the financial reports.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Financial Strategy Ratios

This Report is prepared in conjunction with Council's Financial Strategy, adopted by Council on 23 August 2022 and reports the following financial performance ratios:

- Operating Performance Ratio
- Unrestricted Current Ratio
- Unrestricted Cash Position
- Loan Principal Payments
- Capital Program Funding

Operating Performance Ratio – 9.6%

The Operating performance ratio measures Council's achievement of containing operating expenditure within operating revenue and is set between 1% and 8%. It is calculated as:

$$= \frac{\text{Total continuing operating revenue (excluding capital grants and contributions) less operating expenses}}{\text{Total continuing operating revenue (excluding capital grants and contributions)}}$$

Council is currently exceeding its pre-determined operating performance ratio by 1.6%

Unrestricted Current Ratio – 0.9

The unrestricted current ratio identifies whether there are sufficient funds available to meet short term obligations and is set at the industry benchmark of 1.5. It is calculated as

$$= \frac{\text{Current assets less all external restrictions}}{\text{Current liabilities less specific purpose liabilities}}$$

Council's unrestricted current ratio has dropped beneath the industry benchmark of 1.5 due to the \$100M emergency loan (balance at 31 January \$87.4M) being transferred from non-current liability to current liability as it is due to be repaid in December 2023. This is a

recognised timing issue that if not applied would keep Council's unrestricted current ratio above the 1.5 benchmark.

Unrestricted Cash Position

Unrestricted Cash are funds available to cover operational needs and unexpected or emergency costs within each fund. Council will aim to maintain unrestricted cash in each fund and set a target band of between 3% and 10% for each fund. This will monitor the targeted use of unrestricted funds on community services and infrastructure. It is calculated as

$$= \frac{\text{Unrestricted Funds}}{\text{Total continuing operating revenue (excluding capital grants and contributions)}}$$

Consolidated – 33.5%

General Fund (including Drainage) – 20.7%

Water Fund – 0.5%

Sewer Fund – 131.1%

Domestic Waste – 16.0%

Council is currently holding excess funds in all but the Water Fund to expend on community services and infrastructure.

Loan Principal Repayments

The operating result (excluding capital grants and contributions) for each fund for the year plus if necessary, pre-existing unrestricted cash reserves in each fund needs to at least cover the net loan principal repayments of that fund for that same year. This excludes the emergency loans in the General Fund as the balance on 31 January 2023 of \$130.2M is repaid under different terms set by the lending institutions. Loan repayment coverage is calculated as

$$= \frac{\text{YTD operating revenue (excluding capital grants and contributions) less operating expenses}}{\text{YTD loan principal repayments}}$$

Consolidated – 3.9x

General Fund (including Drainage) – 3.5x

Water Fund – 2.2x

Sewer Fund – 5.6x

Capital Program Funding

Council's intent is to provide at least sufficient funds from operations for the capital budget to replace assets as they fall due. The depreciation target is currently used as a proxy for the long-term annual funding requirement to replace Council's assets at their gross replacement value. Council will aim to achieve the industry benchmark of 100% in each fund. Capital funding percentage is calculated as

2.2 Monthly Finance Report January 2023 (contd)

$$= \frac{\text{YTD Capital budget}}{\text{YTD Depreciation expense}}$$

Consolidated – 107%

General Fund (including Drainage) – 119%

Water Fund – 53%

Sewer Fund – 140%

Trading Results

The attached financial reports record actual revenue and expenditure, tracking against the Q1 adjusted budget and for the year-to-date reporting period to 31 January 2023.

For the month of January, Council is reporting an operating result surplus of \$8.8M, before capital income, which was favourable to budget by \$7.2M and a net operating surplus including capital income of \$11.3M which was unfavourable to budget by \$5.3M.

January year-to-date, Council is reporting an operating result surplus of \$37.2M, before capital income, which was favourable to budget by \$26.0M and a net operating surplus including capital income of \$64.2M which was \$15.5M favourable to budget.

Consolidated Operating Statement

January 2023


 Central
Coast
Council

	CURRENT MONTH			YEAR TO DATE				FULL YEAR				
	Actuals	Adopted Budget	Variance	Actuals	Adopted Budget	Variance	Last Year YTD Actuals	Last Year Actual	Original Budget	Adopted Changes	Proposed Changes	Year End Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Income												
Rates and Annual Charges	28,482	28,631	(149)	224,272	223,186	1,086	209,678	365,740	390,335	150	1,082	391,588
User Charges and Fees	12,880	12,838	42	90,512	86,908	3,604	78,480	140,237	145,542	3,689	7,789	157,020
Other Revenue	2,288	721	1,567	11,775	5,396	6,378	6,425	12,856	9,666	195	1,808	11,669
Interest	2,160	418	1,741	11,531	6,353	5,177	3,006	5,470	4,890	3,622	2,391	10,903
Grants and Contributions	3,235	3,652	(417)	13,286	13,578	(292)	15,140	47,717	34,046	10,745	3,718	48,509
Gain on Disposal	1	(179)	180	1,015	1,015	0	-	26,056	5,294	-	(3,476)	1,819
Other Income	832	364	468	5,606	4,748	858	4,134	7,909	7,917	242	356	8,514
Internal Revenue	3,254	3,848	(594)	33,853	33,694	159	38,644	68,851	58,441	(652)	1,584	59,372
Total Income attributable to Operations	53,132	50,292	2,840	391,849	374,880	16,969	355,509	674,838	656,131	17,990	15,253	689,374
Operating Expenses												
Employee Costs	10,588	14,413	3,825	96,561	100,907	4,345	95,841	162,831	180,750	(705)	1,353	181,398
Borrowing Costs	775	777	2	6,070	6,039	(31)	6,868	12,940	11,421	1,475	-	12,896
Materials and Services	14,764	14,601	(163)	113,956	119,952	5,996	84,332	174,256	205,479	15,334	6,443	227,256
Depreciation and Amortisation	12,033	12,033	0	84,512	84,512	-	84,952	154,646	158,781	(526)	-	158,256
Other Expenses	3,141	3,170	29	26,193	23,945	(2,248)	20,211	50,717	38,252	1,363	1,356	40,962
Loss on Disposal	-	-	-	-	-	-	-	4,468	-	-	200	200
Internal Expenses	3,039	3,687	648	27,341	28,342	1,001	33,966	60,136	51,691	(657)	473	51,507
Overheads	0	0	0	(0)	0	0	(0)	(0)	-	0	-	0
Total Expenses attributable to Operations	44,339	48,680	4,340	354,634	363,696	9,062	326,169	619,995	646,373	16,275	9,825	672,473
Operating Result after Overheads and before Capital Amounts	8,792	1,613	7,180	37,215	11,183	26,032	29,340	54,842	9,758	1,715	5,427	16,900
Capital Grants	1,936	3,131	(1,195)	18,097	25,436	(7,339)	15,582	36,785	55,740	(2,470)	(1,455)	51,814
Capital Contributions	530	1,210	(680)	8,910	12,150	(3,240)	9,587	36,161	20,143	4,967	(1,918)	23,192
Grants and Contributions Capital Received	2,466	4,341	(1,875)	27,006	37,586	(10,580)	25,169	71,946	75,883	2,497	(3,373)	75,006
Net Operating Result	11,259	5,954	5,305	64,221	48,769	15,452	54,509	126,789	85,640	4,212	2,054	91,907

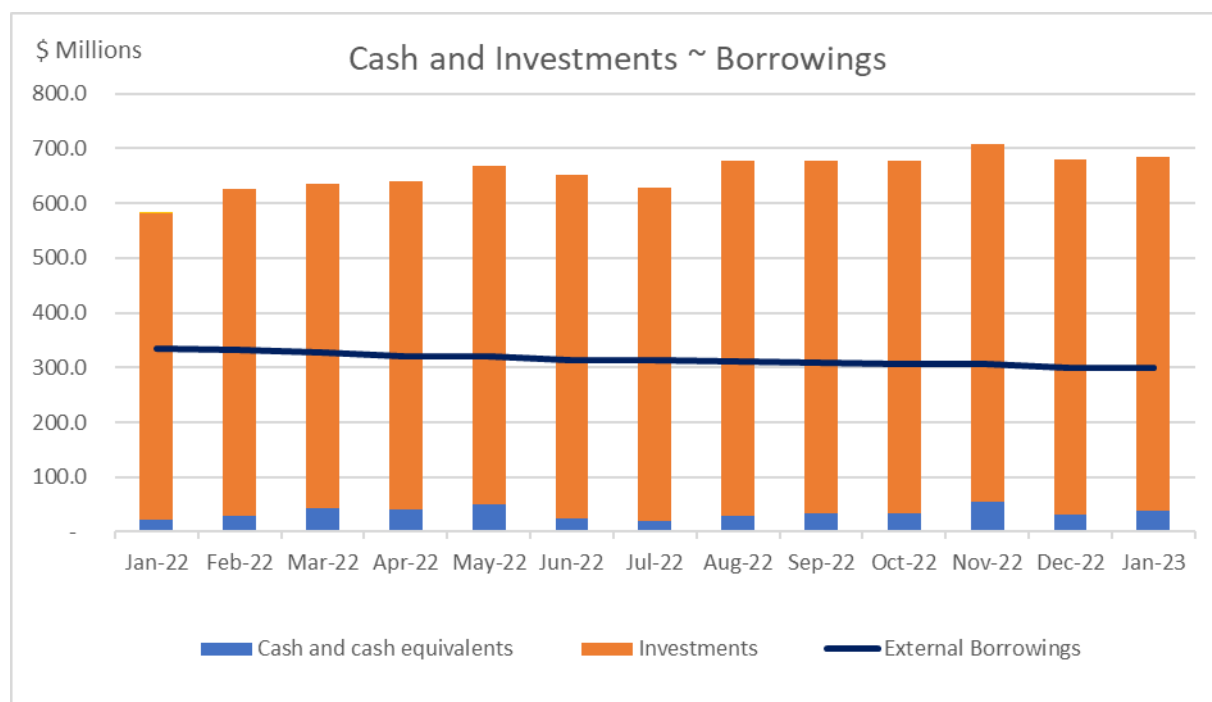
Cash and Investments / External Borrowings / Cash Flows

During January, total cash and investments increased by \$4.6M from \$680.9M to \$685.5M. This increase reflects normal trading and capital expenditure for the month.

2.2

Monthly Finance Report January 2023 (contd)

External borrowings at 31 January were \$299.2M. During January, principal loan repayments of \$0.3M fell due and were repaid bringing total year-to-date principal loan repayments to \$14.1M which is in line with the lending institutions loan repayments schedules.



CONSOLIDATED CASH FLOW MOVEMENTS	Actual YTD @ 31 Jan 2023 \$'000	Rolling Forecast @ 31 Jan 2023 \$'000	Variance \$'000	Revised Forecast @ 30 June 2023 \$'000	Original Forecast @ 30 June 2023 \$'000
Opening cash & investments @ 1 July 2022	652,137	652,137	-	652,137	652,137
Income receipts (incl Capital grants & contributions)	410,301	419,390	(9,089)	738,566	726,530
Operational payments	(283,906)	(285,290)	1,384	(509,029)	(483,681)
Net operating cash inflow / (outflow)	126,395	134,100	(7,705)	229,537	242,849
Capital projects payments	(82,410)	(86,370)	3,960	(182,526)	(176,509)
Asset sales	3,549	3,229	320	3,549	24,940
Financing receipts	0	-	0	0	80,000
Financing repayments	(14,123)	(14,123)	0	(17,141)	(157,485)
Total cash inflow / (outflow)	33,410	36,835	(3,425)	33,419	13,795
Closing cash & investments @ 31 Jan 2023	685,547	688,972	(3,425)	685,556	665,932

ACTUAL v FORECAST MONTHLY CASH FLOW GENERAL FUND (incl DRAINAGE FUND)	Actual YTD @ 31 Jan 2023 \$'000	Revised Forecast @ 30 June 2023 \$'000	Original Forecast @ 30 June 2023 \$'000
Opening cash & investments @ 1 July	407,088	407,088	407,088
Income receipts (incl Capital grants & contributions)	251,216	439,094	447,897
Operational payments	(183,782)	(314,885)	(303,844)
Net operating cash inflow / (outflow)	67,434	124,209	144,053
Capital projects payments	(52,072)	(108,962)	(113,579)
Asset sales	3,549	3,549	24,940
Financing receipts	661	661	50,000
Financing repayments	(7,137)	(6,678)	(113,314)
Total cash inflow / (outflow)	12,434	12,779	(7,900)
Closing cash & investments @ 31 January	419,523	419,867	399,188

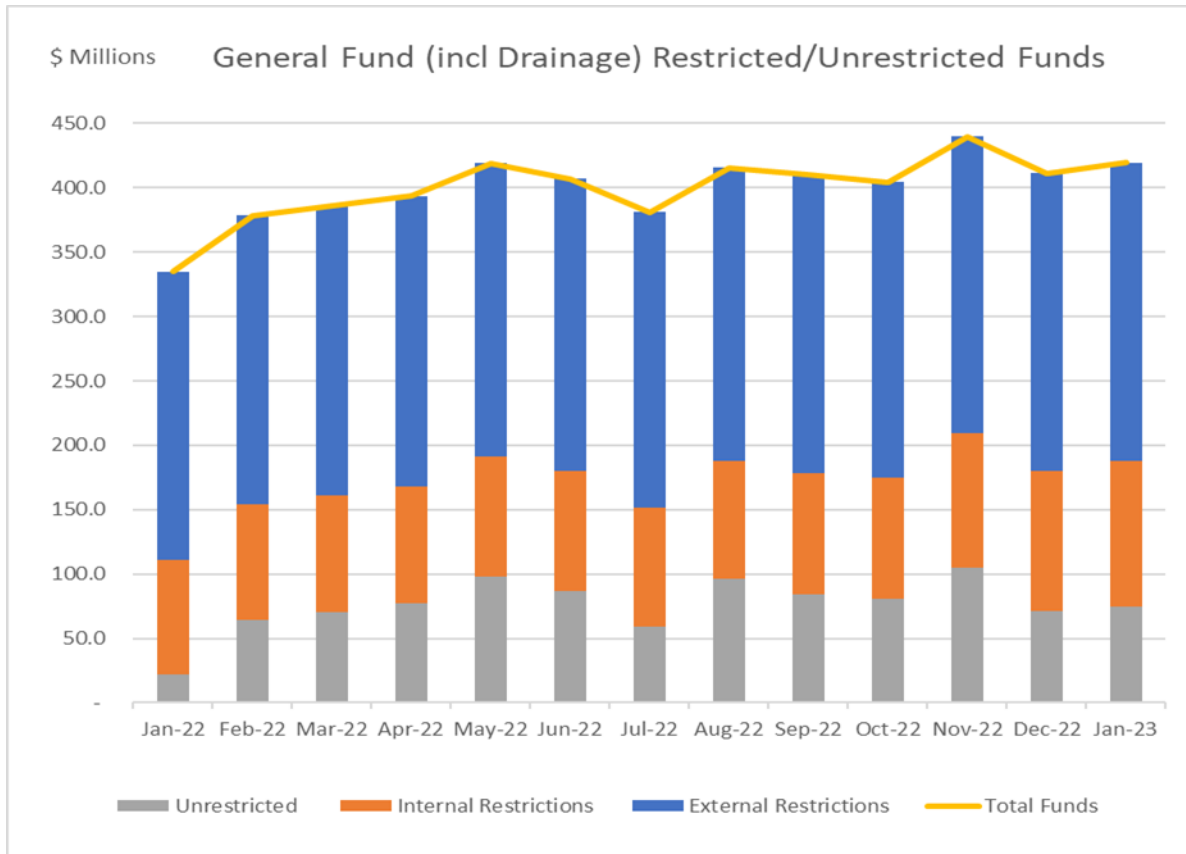
Restricted Funds

Fund	General Fund	Drainage Fund	Consolidated General Fund	Water Fund	Sewer Fund	Domestic Waste Fund
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
External Restricted Funds	193,841	38,068	231,909	12,757	21,481	99,560
Internal Restricted Funds	113,330	20	113,350	908	877	47
Total Restricted Funds	307,171	38,088	345,259	13,665	22,358	99,607
Unrestricted Funds	113,046	(38,784)	74,262	463	117,619	12,313
Total funds by Fund	420,217	-696	419,521	14,128	139,977	111,920

Note: The above table consolidates General Fund and Drainage Fund. From 1 July 2026, Drainage Fund fees and charges will no longer be regulated by IPART and will become part of Council's General Fund.

The General Fund unrestricted balance (inclusive of Council's Drainage Fund) is currently \$74.3M. The graph below highlights Council General Fund unrestricted cash position including the Drainage Fund.

In accordance with the 'Establishment of new Internal Restrictions and Update of Restricted Funds Policy' adopted at the November Council meeting, two new Internal Restrictions were created and during January \$4.0M was transferred to the Emergency Loan Repayment restricted funds account to cover the \$50M repayment scheduled for December 2023.



Capital Works

Council is reporting year-to-date capital works expenditure to 31 January of \$74.4M compared to budget of \$77.9M. Council currently has 108 active capex projects.

Summary Capital Expenditure		YTD			Annual
Department	Actuals	Current Budget	Variance	Variance	Current Budget
	'000s	'000s	'000s	%	'000s
Community and Recreation Services	5,819	6,456	(637)	(9.9%)	23,148
Infrastructure Services	34,481	34,806	(325)	(.9%)	69,196
Water and Sewer	26,884	28,522	(1,638)	(5.7%)	62,930
Environment and Planning	2,462	3,875	(1,413)	(36.5%)	11,864
Corporate Services	4,778	4,214	564	13.4%	10,850
Total Capital Expenditure	74,424	77,873	(3,449)	(4.4%)	177,988

Link to Community Strategic Plan

Theme 4: Responsible

Choose Focus Area

R-G2: Engage and communicate openly and honestly with the community to build a relationship based on trust, transparency, respect and use community participation and feedback to inform decision making.

Attachments

1	Financial Performance - Monthly Finance Report January 2023	Provided Under Separate Cover	D15551097
2	Consolidated and By Fund January 2023 Monthly Financial Report	Provided Under Separate Cover	D15548582
3	Office of the Chief Executive Officer January 2023 Monthly Financial Report	Provided Under Separate Cover	D15548584
4	Community and Recreation Services January 2023 Monthly Financial Report	Provided Under Separate Cover	D15548586
5	Infrastructure Services January 2023 Monthly Financial Report	Provided Under Separate Cover	D15548587
6	Water and Sewer January 2023 Monthly Financial Report	Provided Under Separate Cover	D15548588
7	Environment and Planning January 2023 Monthly Financial Report	Provided Under Separate Cover	D15548589
8	Corporate Services January 2023 Monthly Financial Report	Provided Under Separate Cover	D15548592



Item No: 2.3
Title: Investment Report for January 2023
Department: Corporate Services

28 February 2023 Ordinary Council Meeting

Reference: F2004/06604 - D15534640
Author: Devini Susindran, Team Leader
Manager: Emma Galea, Chief Financial Officer
Executive: Marissa Racomelara, Director Corporate Services

Recommendation

- 1 That Council note the Investment Report for January 2023.**
- 2 That Council note that internally restricted funds are unrestricted funds that have been internally allocated to a certain purpose.**
- 3 That Council allocate the required unrestricted funds available in the General Fund to meet its January 2023 unrestricted funds deficit of \$38.8M in Drainage Fund as set out in this report.**
- 4 That Council note the January Restrictions are draft only, subject to 30 June 2022 Financial Statements audit review. The Restrictions are not expected to change at the review.**

Report purpose

To present the monthly Investment Reports in accordance with cl. 212 of the *Local Government (General) Regulation 2005* which states as follows:

- 1 The Responsible Accounting Officer of a Council**
 - a must provide the council with a written report (setting out details of all money that the council has invested under section 625 of the Act) to be presented—*
 - i. if only one ordinary meeting of the council is held in a month, at that meeting, or*
 - ii. if more than one such meeting is held in a month, at whichever of those meetings the council by resolution determines, and*
 - b must include in the report a certificate as to whether the investment has been made in accordance with the Act, the regulations and the council's investment policies.*
- 2 The report must be made up to the last day of the month immediately preceding the meeting.**

Executive Summary

This report details Council's investments at 31 January 2023.

Background

Council's investments are made in accordance with the Local Government Act 1993, Local Government (General) Regulation 2005, the Investment Policy adopted at the Ordinary Council Meeting on 28 June 2022, Ministerial Investment Order issued February 2011 and Division of Local Government (as it was then known) Investment Policy Guidelines published in May 2010.

Current Status

Council's current cash and investment portfolio totals \$685.5M at 31 January 2023.

Table 1 - Council's Cash and Investment Portfolio by Source of Funds

Source of Funds	Value (\$'000)
Investment Portfolio	646,225
Transactional accounts Per Bank Statement and cash in hand	39,322
Total	685,547

During January, Council's total cash and investments increased by \$4.6M from \$680.9M to \$685.5M. The increase during January is due to general fluctuations. Maturities during the month have been re-invested taking into consideration operational cashflow requirements.

Table 2 - Council's Portfolio is held in separate funds by purpose and summarised as follows:

Fund	General Fund	Drainage Fund	Consolidated General Fund	Water Fund	Sewer Fund	Domestic Waste Fund
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
External Restricted Funds	193,841	38,068	231,909	12,757	21,481	99,560
Internal Restricted Funds	113,330	20	113,350	908	877	47
Total Restricted Funds	307,171	38,088	345,259	13,665	22,358	99,607
Unrestricted Funds	113,046	(38,784)	74,262	463	117,619	12,313
Total funds by Fund	420,217	-696	419,521	14,128	139,977	111,920

Note: The above table consolidates General Fund and Drainage Fund. From 1 July 2026, Drainage Fund fees and charges will no longer be regulated by IPART and will become part of Council's General Fund.

Detailed restrictions have been provided in Attachment 2. Council is continuing to manage the reported negative unrestricted funds balance in the Drainage Fund through its consolidation with the General Fund.

The negative unrestricted funds balance in the Drainage Fund is currently \$38.8M. In 2026 the Drainage Fund will become part of Council's General Fund as IPART will no longer regulate Stormwater Drainage prices. In the interim, the unrestricted funds deficit of \$38.8M is proposed to be funded through the General Fund's available unrestricted cash balance at 31 January 2023 of \$113.1M.

Portfolio Management

Council's Investment Portfolio is managed through term deposits, floating rate notes and bond maturities and placements.

The total value of the Council's investment portfolio at 31 January 2023 is outlined in Table 3 below. Total net return on the portfolio for Council in January 2023, comprising entirely of interest earned, was \$1.99M.

Table 3 – Portfolio Movement (Investments only)

Description	2021-22 Financial Year \$'000	Jul-Sep Qtr 2022/23 \$'000	Oct-Dec Qtr 2022/23 \$'000	Jan-23 2022/23 \$'000	FYTD 2022/23 \$'000
Opening Balance	447,221	628,005	643,487	649,768	628,005
movement in cash at call, additions and disposals	191,662	15,039	5,793	-4,982	15,850
Movement in Market Value	-10,878	443	488	1,439	2,370
Closing Balance	628,005	643,487	649,768	646,225	646,225
Interest earnings	5,660	3,574	5,230	1,994	10,798

The market value of Council's investment portfolio at 31 January 2023 is \$646.2M.

Council's investments are evaluated and monitored against a benchmark appropriate to the risk (APRA Standards BBB long term or above) and time horizon of the investment concerned. A summary of the term deposit and floating rate notes maturities are listed in Table 4 below.

Table 4 - Investment Maturities

Time Horizon	Percentage Holdings	Maturity on or before	Value \$'000
At Call	3.25%	Immediate	20,975
Investments			
0 - 3 months	12.53%	Apr-2023	81,000
4 - 6 months	5.88%	Jul-2023	38,014
7 - 12 months	9.61%	Jan-2024	62,075
1 - 2 years	18.03%	Jan-2025	116,498
2 - 3 years	25.38%	Jan-2026	164,037
3 - 4 years	22.63%	Jan-2027	146,210
4 - 5 years	2.70%	Jan-2028	17,416
Total Investments	96.75%		625,250
Total Portfolio	100.00%		646,225
Interest Accrued to Jan 2022 (Excluding Interest on call accounts)			3,963
Market Value of Investment per Portfolio Valuation Report (Attachment 5)			650,188

The investment portfolio is concentrated in AA (23.12%), A (48.89%), and BBB (27.99%).

Council monitors and manages the portfolio taking into consideration credit ratings of financial institutions, interest rates offered for the maturity dates required and counterparty exposure. All of Council's investments were within policy guidelines at 31 January 2023.

The current spread of investments and counterparty exposure for December 2022 are shown in Graphs 1 and 2 respectively in Attachment 3.

Environmental, Social and Green (ESG) Investments

Council continues to look for 'ESG' investment opportunities subject to prevailing investment guidelines. A list of current ESG investments held is contained on the Investment listing at Attachment 1 and are highlighted in green.

Council currently holds 4.84% or \$31.3M in ESG investments as at 31 January 2023.

Portfolio Return

Interest rates on investments in the month, ranged from 0.88% to 4.82%. The monthly Bank Bill Swap Rate (BBSW) benchmark was 3.01%. Changes in economic conditions have led to the Reserve Bank of Australia (RBA) increasing its cash rate (which was at a historic low of 0.10% until 4 May 2022), to 3.35% on 8 February 2023. BBSW has also followed this trend and has been increasing steadily. Comparative interest rates are shown in the table below.

Table 5 – Interest Rate Increases

Month	RBA Cash Rate	1 Month Bank Accepted Bills
February 2022	0.10%	0.01%
March 2022	0.10%	0.03%
April 2022	0.10%	0.08%
May 2022	0.35%	0.39%
June 2022	0.85%	0.92%
July 2022	1.35%	1.48%
August 2022	1.85%	1.89%
September 2022	2.35%	2.41%
October 2022	2.60%	2.72%
November 2022	2.85%	2.87%
December 2022	3.10%	3.01%
January 2023	3.10%	3.08%
February 2023	3.35%	Available at the end of February

Source: RBA Statistics [Interest Rates and Yields – Money Market – Monthly – F1.1](#)

Investments are made within Council policy and at the best rates available at the time of placement. Interest rate rises have meant that earnings from some prior month investments have fallen below the current monthly BBSW rate.

The weighted running yield for January 2023 is 3.41%. Performance Statistics for Council are shown in Table 1 in Attachment 3.

Market values reflected in the Portfolio valuation report in Attachment 5 have been used to record the unrecognised gains/(losses) in tradeable fixed rate bonds and floating rate notes. Interest accrued has been recorded separately and is not reflected in portfolio valuations.

Consultation

Not Applicable

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Council's investment portfolio includes rolling maturity dates to ensure that Council has sufficient liquidity to meet its ongoing obligations and the paydown of \$50M against the emergency loans in December 2023.

Certification:

I hereby certify the investments summarised in the report have been made in accordance with section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulations 2021 and Council's investment policy

Emma Galea, Responsible Accounting Officer

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G4: Serve the community by providing great customer experience, value for money and quality services.






Risk Management

Council's bank and investment accounts are reconciled daily to ensure sufficient funds are maintained for the provision of services.

Options

Not applicable

Attachments

1	Summary of Investments as at 31 January 2023	Provided Under	D15539737
		Separate Cover	
2	Summary of Restrictions as at 31 January 2023	Provided Under	D15539738
		Separate Cover	
3	Investment Report Graphs and Table for	Provided Under	D15539739
	January 2023	Separate Cover	
4	Treasury Direct Trading Limits Report as at 31	Provided Under	D15539740
	January 2023	Separate Cover	
5	Treasury Direct Portfolio Valuation Report as at	Provided Under	D15539741
	31 January 2023	Separate Cover	

Item No: 2.4
Title: Presentation of 2021-2022 Financial Reports and related Author's Reports for Central Coast Council and Central Coast Council Water Supply Authority
Department: Corporate Services



28 February 2023 Ordinary Council Meeting

Reference: F2022/00467 - D15261971
Author: Emma Galea, Chief Financial Officer
Executive: Marissa Racomelara, Director Corporate Services

Due notice is given of this matter in accordance with Council's Code of Meeting Practice. The report and any relevant attachments will be provided prior to the Ordinary Meeting of 28 February 2023.



Item No: 2.5
Title: Council Decision on the Administration of the 2024 Ordinary Election
Department: Corporate Services

28 February 2023 Ordinary Council Meeting

Reference: F2022/02823 - D15510784
Author: Teresa Chadwick, Section Manager, Governance
Manager: Edward Hock, Unit Manager Governance, Risk and Legal
Executive: Marissa Racomelara, Director Corporate Services

Recommendation

That Central Coast Council ("the Council") resolves:

- 1 pursuant to s. 296(2) and (3) of the Local Government Act 1993 (NSW) ("the Act") that an election arrangement be entered into by contract for the Electoral Commissioner to administer all elections of the Council.***
- 2 pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a Council poll arrangement be entered into by contract for the Electoral Commissioner to administer all council polls of the Council.***
- 3 pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a constitutional referendum arrangement be entered into by contract for the Electoral Commissioner to administer all constitutional referenda of the Council.***
- 4 pursuant to ss. 296(2) and (4) of the Act, as applied and modified by s.18, that:***
 - I. a constitutional referendum arrangement be entered into for the Electoral Commissioner to administer in regard to a reduction of Councillors (15 to 9); and***
 - II. such constitutional referendum arrangement be entered into by contract between the Electoral Commissioner and the Council.***
- 5 pursuant to section 11(3) of the Act, that Attachments to this report remain confidential in accordance with section 10A(2)(d) as they contain commercial information of a confidential manner.***

Report purpose

To allow Council to consider how the September 2024 Local Government Election is to be administered in accordance with section 296AA of the *Local Government Act 1993* (NSW).

Executive Summary

This report presents Council with options to appoint an electoral services provider to administer the September 2024 Local Government Election (pursuant to s296AA of the *Local Government Act 1993* (NSW)).

The attached quotes are provided under confidential cover to protect the commercial interests of the parties.

Background

Under section 296AA of the *Local Government Act 1993* (NSW) (the **Act**), Council is required to make a decision on how its ordinary election in September 2024 is to be administered by **13 March 2023**.

Council must resolve:

- a) to enter into an election arrangement with the NSW Electoral Commissioner (**NSWEC**) to administer all the council's elections, polls and constitutional referenda; **or**
- b) that the council's elections are to be administered by another electoral services provider engaged by the council.

If Council does not resolve to engage the NSWEC to administer its elections by **13 March 2023**, it must engage another electoral services provider to do so.

Report

The Office of Local Government (OLG) released [Circular No. 22-35](#) advising that Councils are required to make a decision under section 296AA by 13 March 2023 on the administration of their next ordinary election. Information to assist councils in making that decision is provided in the OLG's [Frequently Asked Questions](#).

Procurement of Electoral Services Provider

Section 55 of the Act exempts councils from tendering when entering into a contract or arrangement for the NSWEC to administer the council's elections, referendums and polls. This exemption does not apply to contracts or arrangements with any other election service provider.

As the amount involved in conducting council elections can be significant, it is important to ensure that any commercial organisation is providing value for money. It is also important to ensure that as public funds are being expended, principles of openness, transparency and accountability are upheld.

Unless the cost of administering the elections is under \$250,000 or any of the other exemptions provided for in section 55 apply, councils will be required to go to tender or to conduct a selective tender to engage a commercial electoral services provider.

In considering the use of other electoral services providers, it is important to clarify that they can deliver the elections for the council.

Councils need to be satisfied that if the provider claims to be able to obtain all the electoral material, or hire the necessary venues, or arrange the printing of the ballot papers, or conduct the count, that they can demonstrate their successful completion of these tasks in similar circumstances.

A key consideration will be whether the provider is able to administer the complex counts required under the weighted inclusive Gregory method of preference allocation prescribed under the *Local Government (General) Regulation 2021* (the **Regulation**) for council elections using the proportional system.

It is also a requirement that the method proposed to be used by the provider to conduct the count of the ballot papers (whether through the use of data entry or scanning equipment) can comply with the formality, scrutiny and record keeping provisions contained in the Act and Regulation.

Quotes were sought from two election administrators (included as confidential attachments), one of which was the NSWEC. Both NSWEC, and the private election administrator detailed the difficulty in providing reliable election costs estimates at this stage, given the ongoing economic uncertainty prevailing in the State, and the requirement under the Act for any resolution pertaining to engagement of an election provider to be considered and passed not more than 18 months prior to a local government election. Accordingly, it is most likely that the estimate as proposed for acceptance in this report, will not be the final cost of the 2024 election and referendum.

If Council does not engage the NSWEC to administer its ordinary election, it cannot engage the NSWEC to administer a countback election following the ordinary election. Under section 291A(b) of the Act, if Council's ordinary election was administered by an electoral services provider other than the NSWEC, a countback election to fill a casual vacancy must be conducted by a returning officer appointed by that electoral services provider.

If Council does not enter into an election arrangement with the NSWEC to administer its ordinary election, Council may resolve to enter into an election arrangement with the NSWEC to administer a particular by-election, poll or referendum following the ordinary election.

Referendum Costs

Council proposes to undertake a constitutional referendum regarding the reduction of Councillors (from 15 to 9). To undertake a referendum as part of the 2024 ordinary election, Council will incur additional costs which equate to at least an additional **\$230,371.00**.

Conclusion

Based on the quotes received and the points outlined above, it is recommended that Council seek to engage the NSWEC to conduct its 2024 ordinary election as they provided the lowest quote of the two electoral service providers being an estimated total of **\$2,787,493.00** (including GST). Estimates received are provided under separate confidential attachments.

Consultation

Administrator
Chief Executive Officer
Director Corporate Services
Unit Manager Governance, Risk and Legal

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Funds for the conduct of the 2024 ordinary election will be included in the 2024/25 Budget.

Specific discussion of the financial impact of the conduct of the election is included in the consideration of the options within this report.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

2.5 Council Decision on the Administration of the 2024 Ordinary Election (contd)

R-G2: Engage and communicate openly and honestly with the community to build a relationship based on trust, transparency, respect and use community participation and feedback to inform decision making.

Risk Management

- If Council does not decide on how its ordinary election in September 2024 is to be administered by **13 March 2023**, it will be in breach of the Act; and
- If Council does not resolve to engage the NSWEC to administer its elections by **13 March 2023**, it must engage another electoral services provider to do so.

Options

- 1 Engage the NSWEC to administer Council's 2024 Local Government Ordinary elections and constitutional referendum as outlined in this report (**recommended**).
- 2 Engage an alternate provider the Australian Election Company.
- 3 Engage another electoral services provider.
- 4 Do not engage any provider (not recommended).

Critical Dates or Timeframes

13 March 2023	Council must make a decision on how the September 2024 Local Government Elections are to be administered.
ASAP following resolution to engage NSWEC	Council must advise the NSWEC if Council has resolved to enter into an Election arrangement with the NSW Electoral Commissioner to administer all Council's Elections, polls and constitutional referenda.
13 June 2023	Should Council resolve to enter into an Election arrangement with the NSWEC, the contract with the NSWEC must be finalised.
14 September 2024	NSW Local Government Elections

**2.5 Council Decision on the Administration of the 2024 Ordinary Election
(contd)**

Attachments

- | | | | |
|----------|--|-------------------------------|-----------|
| 1 | CONFIDENTIAL - Quote - NSWEC - 2024 COMBINED ELECTION AND REFERENDUM - Indicative Estimate 31 January 2023 - | Provided Under Separate Cover | D15524775 |
| 2 | CONFIDENTIAL - Quote - NSWEC - 2024 ELECTION ONLY - Indicative Estimate 30 January 2023 - | Provided Under Separate Cover | D15524771 |
| 3 | CONFIDENTIAL - Quote - Australian Election Company - COMBINED ELECTION AND REFERENDUM 16 January 2023 - | Provided Under Separate Cover | D15524765 |
| 4 | CONFIDENTIAL - Quote - Australian Election Company - ELECTION ONLY Indicative Quotations 16 January 2023 - | Provided Under Separate Cover | D15524762 |



Item No: 2.6
Title: 2022-2023 Quarter 2 Review
Department: Environment and Planning and Corporate Services

28 February 2023 Ordinary Council Meeting

Reference: F2021/01492 - D15527209
Author: Sharon McLaren, Section Manager Corporate Planning and Reporting
Leslie Chan, Regulatory Reporting Senior Accountant
Peter Correy, Financial Controller Partnering and Regulatory Reporting
Michelle Best, Financial Controller
Manager: Emma Galea, Chief Financial Officer
Executive: Alice Howe, Director Environment and Planning
Marissa Racomelara, Director Corporate Services

Recommendation

That Council adopt Central Coast Council's Quarter 2 Review for 2022-2023 (Attachment 1) including the proposed budget amendments, and changes to the Long-Term Financial Plan as detailed in this report.

Report purpose

To report on Central Coast Council's performance progress as measured against the organisation's Operational Plan for 2022-2023. The *Q2 Business Report* covers the progress on the operational plan activities and financial performance for the period 1 October 2022 to 31 December 2022.

Executive Summary

Clause 203 of the *Local Government (General) Regulation 2021* requires a Council's Responsible Accounting Officer to prepare and submit a *Quarterly Budget Review Statement* to the governing body of Council.

The *Quarterly Budget Review Statement* must show, by reference to the estimated income and expenditure that is set out in the Operational Plan adopted by Council for the relevant year, a revised estimate of income and expenditure for that year. It also requires the *Quarterly Budget Review Statement* to include a report by the Responsible Accounting Officer as to whether or not they consider the statement indicates Council to be in a satisfactory financial position and if not, to include recommendations for remedial action. Council's Operational Plan sets out the achievements, goals and revenue policy, including estimates of income and expenditure.

The *Quarterly Budget Review Statement* plays an important role in monitoring Council's progress against the Operational Plan.

Operational Plan Action and Target Progress

At the end of Quarter 2, the overall performance against the Operational Plan actions and indicators shows 15 out of 153 actions are Completed and 119 are On Track for delivery by the end of the financial year, 12 are Delayed, and 7 are Closed.

Financial Performance

- The year to date (YTD) operating result (excluding capital grants and contributions) is showing a favourable variance of \$18.8M, consisting of an actual surplus of \$28.4M compared to a budget surplus of \$9.6M.
- The year to date (YTD) operating result (including capital grants and contributions) is showing a favourable variance of \$10.1M, consisting of an actual surplus of \$52.9M compared to a budget surplus of \$42.8M.
- The proposed Q2 adjustments will move the 2022-2023 budgeted operating surplus (excluding capital grants and contributions) from \$11.5M to an operating surplus (excluding capital grants and contributions) of \$15.8M.
- The proposed Q2 adjustments will move the 2022-2023 budgeted operating surplus (including capital grants and contributions) from \$89.9M to an operating surplus (including capital grants and contributions) of \$90.8M.
- The YTD capital expenditure is \$66.6M compared to a YTD budget of \$67.3M.
- The proposed Q2 capital expenditure budget adjustment is an increase of \$4.0M that will result in a revised 2022-2023 full year capital works program of \$181.9M.

More information and details of progress and financial performance are provided in the Q2 *Business Report* (Attachment 1).

Background

The 2022-2023 Q2 *Business Report* for Central Coast Council is provided in Attachment 1. It incorporates reporting on the progress of actions and targets against the objectives of the Operational Plan and a *Quarterly Budget Review Statement*.

Clause 203 of the *Local Government (General) Regulation 2021* requires that no later than two months after the end of each quarter (except the June quarter), the Responsible Accounting Officer of Council must prepare and submit to Council a *Quarterly Budget Review Statement* that shows a revised estimate of the income and expenditure for that year.

As required under the Integrated Planning Reporting Framework, Council is required to report on its progress with respect to its actions and targets against the objectives of the Operational Plan, at least every six months. This report contains progress information for Quarter 2 and is prepared to coincide with the *Quarterly Budget Review Statement*.

This quarterly report is presented in the necessary format and is considered to satisfy the legislative requirements.

Current Status

Operational Plan Actions and Targets

The table below is a summary of the overall progress on the actions, measures and projects for Q2. The information contained in the *Q2 Business Report* includes specific details of progress.

Theme:	Belonging	Smart	Green	Responsible	Liveable	Total
Completed	2	2	1	6	4	15
On Track	31	12	8	47	21	119
Delayed	0	0	2	10	0	12
Scheduled	0	0	0	0	0	0
On Hold	0	0	0	0	0	0
Closed	0	0	0	6	1	7
Total	33	14	11	69	26	153

Financial Performance

The below year to date (YTD) operating results are inclusive of rates and waste management annual charges income being amortised over a 12-month period.

The year to date (YTD) operating result (excluding capital grants and contributions) is showing a favourable variance of \$18.8M, consisting of an actual surplus of \$28.4M compared to a budget surplus of \$9.6M. More information is provided in Sections 1.1 and 2.2 of Attachment 1.

The year to date (YTD) operating result (including capital grants and contributions) is showing a favourable variance of \$10.1M, consisting of an actual surplus of \$52.9M compared to a budget surplus of \$42.8M. More information is provided in Sections 1.1 and 2.2 of Attachment 1.

The Q2 YTD capital expenditure is \$66.6M compared to a YTD budget of \$67.3M.

Consultation

All Units of Council were consulted during the development of this report and contributed to the information contained in the report.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Budget adjustments are proposed in this report and are detailed in the Attachment 1.

The proposed Q2 adjustments will move the 2022-2023 budgeted operating surplus (excluding capital grants and contributions) from \$11.5M to an operating surplus (excluding capital grants and contributions) of \$15.8M. This is an improvement in Council's financial position.

The proposed Q2 adjustments will move the 2022-2023 budgeted operating surplus (including capital grants and contributions) from \$89.9M to an operating surplus (including capital grants and contributions) of \$90.8M. This is also an improvement in Council's financial position.

Adjustments proposed to be adopted as part of the Q2 budget review include:

Increase of \$12.6M in operating income

- \$5.8M increase in grant funding for operational pothole and pavement patching works, and State roads ordered works. *
- \$2.4M increase in tipping revenue, contract costs, waste levy and associated processing costs at facilities. *
- \$1.9M increase in interest on investments due to the favourable rising interest rate environment.
- \$1.6M increase in income from common law claim reimbursements and insurance claim settlements.
- \$1.5M increase in Emergency Services Levy revenue as a result of a one-off CPI contribution from the NSW Government.
- \$1.2M increase in Leisure and Pools income from additional revenue received (post COVID) in Q2 for remainder of FY23 and recognition of community facility income.
- \$0.5M increase in Water and Sewer interest revenue due to increase in rates and additional funds on hand as a result of delays to capital works programs.
- \$0.4M increase in Community and Culture income from additional gallery and theatre revenue and recognition of grant income from restricted funds. *
- \$0.2M increase in Libraries and Education income from additional grant funding for Library per capita as operations move back to pre-COVID levels. *
- (\$2.9M) unfavourable reduction in Sale of Operational Assets due to the deflated property market but offset by grant funding received for Central Coast Airport and increased Event revenue.

Note: * indicates additional expenditures either fully or partially directly offset the additional income.

Decrease of (\$3.4M) in capital income

- (\$1.9M) unfavourable reduction in developer contribution income due to a delay in development activity for ongoing projects in FY23, slightly offset by some contribution income receipts received and agreements executed.
- (\$1.5M) unfavourable reduction in Water and Sewer grant income as a result of delays in project timings and a decision to halt funding claims on the Mardi Water Treatment Plant in Q3 FY23 in light of a new funding agreement being arranged.

Increase of (\$8.3M) in operational expenditure

- (\$5.6M) increase in grant associated spend from operational pothole program, pavement patching works and State roads ordered works. *
- (\$2.4M) increase in expenditure in line with increase in tipping revenue, contract costs, waste levy and associated processing costs at facilities. *
- (\$0.5M) increase in expenditure for Mobilisation at the Stadium alongside additional expenditure from additional revenue, as well as associated expenses incurred from Grant Funding of the Central Coast Airport.
- (\$0.4M) increase in expenditure related to Council security in the Lake Haven precinct and cleaning contract costs due to CPI increase and returning back to pre-COVID levels of activity.
- (\$0.4M) increase in expenditure related to forecasted street lighting and electricity costs for the remainder of FY23.
- (\$0.4M) increase in Leisure and Pools expenditure due to additional revenue received (post COVID), additional Beach Safety expenditure and a Community Wellbeing Survey.
- (\$0.3M) increase in Community and Culture expenditure from increased casual salaries across theatre cost centres, additional funds allocation for the Public Art Plan and deep cleaning for Town Centres to meet community expectations. *
- (\$0.3M) increase in expenditure from common law claims, offset by reduced legal costs associated with Governance.
- (\$0.2M) increase in Libraries and Education expenditure due to additional spend incurred from grants funding received due to library operations move back to pre-COVID levels. *
- (\$0.2M) increase in expenditure due to EPA legal fees.
- (\$0.1M) increase in expenditure related to land and building valuation fees budgeted for Q4 in FY23.
- (\$0.1M) increase in expenditure related to audit fees for the FY22 financial statement audit to be paid in Q3 of FY23.
- \$0.2M favourable reduction in expenditure on forecasted gas costs for the remainder of FY23.
- \$0.4M favourable reduction in IM&T project and upgrade expenditures to be performed in FY23.
- \$2.2M favourable reduction in Water and Sewer expenditure (material and services) due to changes in delivery timing of works associated with resourcing constraints.

Note: * indicates additional income either fully or partially directly offsets the additional expense.

Council's financial focus continues to be on maintaining expenditure, raising additional income, monitoring incoming cash flow, performing cashflow forecasts and ensuring a more sustainable cash preservation. Further information on the proposed budget adjustments is provided in Section 3.1 and 3.2 of Attachment 1.

Capital Works Program

The proposed Q2 budget adjustment is an increase of \$4.0M, resulting in a revised 2022-2023 full year capital works program of \$181.9M. A full list of proposed changes to the capital works program is provided in Section 3.3 of Attachment 1.

Long Term Financial Plan Considerations

When undertaking the Q2 budget review, any budget changes or identified future budget changes that will impact on Council's Long Term Financial Plan (LTFP) are also identified.

Employee Costs

As part of Q2 budget review it has been identified that an increase in employee costs will be required to be included in the LTFP as a result of an immediate operational need to extend some temporary employees in the Development Assessment area of Council. The increase in costs associated with this extension is a total of \$1,001,545 over a number of financial years as follows:

- 2022/23 - \$25,905
- 2023/24 - \$379,486
- 2024/25 - \$482,920
- 2025/26 - \$113,235

The cost for 2022/23 does not require any budget adjustment as it can be absorbed due to other vacant positions. The cost for the outer financial years will be reflected in the LTFP that Council is currently in the progress of reviewing and updating.

Depreciation

As part of the audit of the 2021/22 Financial Statements a significant review was undertaken in regard to asset data and valuations, resulting in a number of changes that will have an ongoing impact on Council's depreciation costs and therefore the operating result. The depreciation cost for 2022/23 and future financial years is estimated to increase by an amount in the order of \$30M. This adjustment will be included in the *Q3 Quarterly Budget Review* and taken into consideration in the LTFP that Council is currently in the progress of reviewing and updating.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G4: Serve the community by providing great customer experience, value for money and quality services.

Options

Quarterly reporting of Council's financial performance is mandatory under the *Local Government (General) Regulation 2021*.

Critical Dates or Timeframes

Sub-clause 203(1) of the *Local Government (General) Regulation 2021* requires a Council's Responsible Accounting Officer to prepare and submit a quarterly budget review statement to the Council within two months of the end of each quarter (excluding June). The Q2 report is due by 28 February 2023.

Attachments

- 1  2022-2023 Q2 Business Report Provided Under Separate Cover D15548869

Item No: 2.7
Title: Food Organics and Garden Organics (FOGO)
Planning and investigations update
Department: Infrastructure Services



28 February 2023 Ordinary Council Meeting

Reference: CPA/3628 - D15512014
Author: Andrew Pearce, Unit Manager, Waste and Resource Recovery
Kim King, Personal Assistant to Unit Manager Waste and Resource Recovery
Manager: Andrew Pearce, Unit Manager, Waste and Resource Recovery
Executive: Boris Bolgoff, Director Infrastructure Services

Recommendation

- 1 That Council notes the Central Coast Council Development of Food and Garden Organics (FOGO) Processing Solution Directions Paper, dated December 15, 2022.***
- 2 That Council endorse progressing to the detailed feasibility and business case for the development of a FOGO solution for Central Coast households as identified in the Directions Paper.***
- 3 That Council requires that all alternative approaches and considerations associated with delivering FOGO collections identified within the Directions Paper are assessed and duly considered as part of the future phases of the development and delivery of a Central Coast Council FOGO solution.***
- 4 A further detailed report on the feasibility and business case findings will be provided for Council consideration prior to the future tender process being undertaken.***

Report purpose

As per Council decision 864/20 and 865/20 (below) this report is intended to provide Council with an update in relation to the investigation and planning for the introduction of a Food Organics and Garden Organics (FOGO) solution to Central Coast households and to seek endorsement to progress to the detailed feasibility and business case phases of the project.

Executive Summary

Food Organics and Garden Organics (FOGO) is a solid waste resource recovery service that allows food to be added to the green lid garden waste bin so it can be collected and then processed into compost. FOGO has been identified by Central Coast Council and mandated

by the NSW Government as an opportunity to deliver real and long-lasting improvements to household waste management, resource recovery, a reduction in greenhouse gas emissions.

Council already has an existing well established and successful Garden Organics (GO) collection and processing solution. Investigations and planning are progressing to transition to a FOGO service which, due to the food wastes component and more stringent processing requirements, will require significant investment and infrastructure to deliver. As part of this project a Directions Paper has been developed which documents the outcomes of the investigation and planning work completed to date and makes recommendations to inform future phases of the project.

It has been recommended that In-vessel composting technology located at Councils Buttenderry Waste management facility procured through a public-private partnership represents the best option for which Council will move to undertake the detailed feasibility and business case phases of the project. This option delivers on Council's strategy for resource recovery and emissions reduction, while managing environmental and commercial risks through the use of mature, controlled processing technology with a track record of reference projects in Australia and globally.

Background

The introduction and implementation of separate collection of Food Organics and Garden Organics (FOGO) is a critical waste and resource management service improvement that has been identified as a significant contributor to reducing Greenhouse gas emissions from landfill and is also a priority resource for replenishment and improvement to soils.

The introduction of a FOGO service for Central Coast households and planning for a large-scale organics processing solution is a key action which Council has committed to within the Central Coast Resource Management Strategy 2020-2030.

At the Ordinary meeting of Council on the 14th of September 2020 as part of the consideration the outcomes of the public exhibition of the Central Coast Resource Management Strategy 2020-2030, Council resolved the following:

- 862/20 *That Council endorse the focus of the strategy on developing a local circular economy.*
- 863/20 *That Council notes that 59% of our kerbside waste stream is organic including food and other organic material.*
- 864/20 *That Council adopts the Waste Resource Management Strategy with the following amendments:*

2.7 Food Organics and Garden Organics (FOGO) Planning and investigations update (contd)

2.1 Investigate and plan for a large-scale waste processing solution for Food Organics and Garden Organics (FOGO).

2.1.1 Council will investigate waste technology options, and the associated collection requirements, that can deliver safe, secure and cost effective processing of FOGO into beneficial use.

2.1.2 Council will investigate the suitability of Council-owned facilities for potential development of a FOGO waste processing facility, noting that other sites both inside and outside the LGA may also offer value.

865/20 That Council notes that:

a The investigation, planning and introduction of FOGO collection and processing is a priority for the next 1-3 years and will be the subject of further reports to Council.

b That the red bin service will not be reduced as part of the consideration of FOGO.

c That any further detailed consideration of Mixed Waste Processing EfW (thermal treatment) and Mechanical Biological Treatment (MBT) be discontinued until after the intended establishment and evaluation of FOGO due to concerns regarding:

i by-products from these processes, in terms of quality and pollution

ii inefficiencies, costs, markets and source streams

iii the high level of community and regulator sensitivity, particularly around air emissions

iv inconsistency with an overarching objectives of waste reduction and a circular economy

866/20 That Council commends and thanks our staff for their work in preparing the waste strategy and the innovation that is being demonstrated in a range of Central Coast Council waste initiatives.

867/20 That Council notifies those persons who made submissions of its decision and thanks them for their input.

Post the adoption of the Central Coast Resource Management Strategy in late 2020, in June 2021 the NSW Government released the *NSW Waste and Sustainable Materials Strategy Stage 1 Plan: 2021-2027* (NSW Strategy). The NSW Strategy contains various targets, including that of halving the amount of organics waste sent to landfill by 2030 and achieving zero emissions from organics waste by 2030. To achieve these targets the NSW Strategy requires the separate collection of food and garden organics from NSW households by 2030.

In 2022, in response to industry representation for clarity and certainty for investment, the NSW Environmental Protection Authority (EPA) released a position statement to specify what materials are permitted to be placed into the FOGO bin to meet legislative requirements, maintain the quality of composted produces, protect recycling markets, and to protect human health.

Central Coast Council already provides a successful garden organics solution to Central Coast households via a kerbside garden organics bin (green lid bin) service and a bulk garden organics collection service. Council also provides a garden organics receive and processing service for residents and commercial businesses through its waste management facilities. The resulting garden organics are composted using an open windrow composting process at Buttonderry Waste Management Facility for approx. 45,000 tonnes per year.

The facility produces high quality compost products which comply with the relevant statutory requirements and Australian standards suitable for use across a range of retail, commercial and agricultural uses. These products are marketed and sold through Councils current contractor, Australian Native Landscapes Pty Ltd.

The existing garden organics processing facility is unable to process FOGO waste due to constraints with existing landuse planning approvals, EPA licence requirements, end of life infrastructure, and the existing processing method and technology not being suitable to process food waste to appropriate standards and high-level end uses.

The introduction of a FOGO service is expected to double current garden organics tonnages and combined with the more complex processing technologies and associated infrastructure required for the processing of FOGO, significant infrastructure investment will be required to be developed at a purpose-built facility to process Central Coast Councils FOGO waste.

There is currently no known FOGO processing capacity existing within the broader Sydney metropolitan/Central Coast/Hunter region able to manage the required volumes of Central Coast Councils FOGO waste. A commercially available facility is unlikely to be constructed without the support of underpinning long term contracts from individual Councils. More broadly, significant processing capacity will need to be constructed across NSW and an expansion of end uses of FOGO processing outputs

and available market offtakes will need to be quickly developed in coming years if the NSW Government targets are to be met.

This report acknowledges the requirement to increase processing capacity and by constructing it's own facility, Council will reduce its exposure to the shortfall in current processing capacity. The subsequent phases recommended in this report include a detailed review of the markets and opportunities to utilise existing offtake pathways and also include the development of new opportunities including increased reuse across Council's extensive reserves and parklands.

Current Status

In early 2022 Central Coast Council engaged a specialist consulting firm, Arup Australia Pty Ltd, to assist Council with progressing investigations and planning for the delivery of a FOGO processing solution. The project was subsequently broken down into 7 key phases. Table 1 (below) describes each of these phases, outcomes, and deliverables.

2.7 Food Organics and Garden Organics (FOGO) Planning and investigations update (contd)

Table 1. Scope of Work for the FOGO Journey

Phase	Purpose	Outcome
Phase 1 - Project Review and Project Direction	Overview of the project including the technology options, key drivers and direction. Recommendations on next steps and critical decisions required to progress.	Stakeholder alignment on project direction and delivery method Technology type selected and preferred site identified
Phase 2 - Detailed technical and financial feasibility	Confirm the project feasibility based on waste throughput, selected site, technology, costs, scale and procurement model. Gain internal approval for the project (including delivery model) and secure funding.	Understanding of project and approval to proceed
Phase 3 - Business case development	Clearly communicate project costs, benefits and credibility to funding approval stakeholders	Secure funding to deliver FOGO project
Phase 4 - Tender development and evaluation	Facilitate effective procurement process attracting reputable and competitive proposals. Promote fair and balanced risk allocation which delivers value for Council. Support tender evaluation with technical review of tender submissions	Selection of a tenderer
Phase 5 - Planning and approvals	Identify appropriate planning and approvals pathways. Manage interface between planning and design development. Produce clear, well-structured and technically robust documentation for planning and environmental approvals.	Secure planning approval (EIS).
Phase 6 - Design and Construct	Provide technical review and advice during contractor's design period. Provide technical oversight and response to contractor RFIs during construction. Witness testing and commissioning. Defect inspection reporting.	Facility commissioning
Phase 7 - Implementation	Technical support in response to queries or issues arising in the first year of operations. Continuity of knowledge and knowledge sharing to Council team	Successful operation Community satisfaction

Phase 1 of the project has recently been completed and the Directions Paper outlines the key technical, commercial, and community-focused considerations relating to introducing a FOGO solution. Key aspects of this Directions Paper are summarised within this report while the detailed report is attached.

Subject to endorsement of the recommendations within this report, Council proposes to immediately proceed to the next critical stages and carry out the detailed feasibility (Phase 2) and business case (phase 3). These stages will sufficiently identify the project costs, benefits, and credibility of the project to gain funding approval, and inform the procurement and tender phases once a decision to proceed is made.

Report

The recently completed FOGO Directions Paper (The Paper) documents the outcomes from a broad assessment of options and provides recommendations with respect to the delivery of a FOGO solution. The Paper outlines the key technical, commercial, and community-focused considerations relating to introducing a kerbside collection service for household FOGO, and processing of the organics through a large-scale organic processing solution. In order to conduct a targeted feasibility study and business case, the paper assessed a broad range of options and 'narrowed down' the range of suitable opportunities available to Council. There still remains a range of solutions within the recommended pathway and the following phases will further refine those options through the feasibility study and business case development.

A copy of The Paper is attached to this report. The following information provides a summary overview of the key outcomes of The Paper and identifies the next steps in the FOGO journey.

FOGO volume estimates

Detailed analysis was undertaken to forecast the estimated volume of FOGO material which would be generated from both Councils kerbside collection services and residential and commercial customers transporting direct to Council's waste facilities. Forecasting tonnages into the long term involves innate uncertainties such as population growth, future housing trends, behaviour change, and the direct impact climate has on garden waste volumes.

Table 2 provides a summary forecast of FOGO tonnages. Assumptions were made around population growth, uptake of the service, and introducing a new FOGO collections service to both multiunit developments and households west of the M1 motorway who presently don't receive a garden organics collection service. The NSW EPA's future food waste diversion targets have also been applied (57% diversion of food waste from the red bin by 2025, and 65% diversion by 2030).

2.7 Food Organics and Garden Organics (FOGO) Planning and investigations update (contd)

Table 2. Future projections of FOGO generation

Year	2022	2025	2035	2045
EPA FOGO Diversion Rate	44%	57%	65%	65%
Total Household FOGO Services	143,000	146,000	157,000	170,000
Combined FOGO (collections and self haul commercial or public drop off) (tonnes/year) – baseline tonnage If FOGO implemented as of today	73,000	85,000	95,000	103,000

FOGO collection and community uptake considerations

Rollout of the new FOGO service will require critical planning and several key waste collection decisions. Decisions about waste collection reflect a crucial interface between the technical, behavioural and social aspects of the FOGO system. Every resident interacts directly with their waste collection service, and both the format of the new collection service, the range and accessibility of the services, and the way the service is communicated and rolled out will impact how quickly and successfully Council households adapt to the change.

Key FOGO collection considerations which will be assessed as part of future stages of the project will include:

- FOGO collection frequency – weekly collection most likely to maximise collection and given mandatory for eligibility to receive funding under the NSW EPA GO FOGO grant scheme.
- Residual waste collection frequency (weekly vs fortnightly) – Further community consultation would be undertaken as part of this consideration.
- Potential increase and access to, a wider range of additional or upgraded services
- Provision of kitchen caddies and caddy liners.
- Contamination control – Identification and method of engagement with repeat-offender households.

At this time Council has not made any decisions around these considerations as they do not have critical flow-on impacts on processing technology and infrastructure procurement decisions. These considerations will be subject to review at future stages of the project and be subject to community consultation and included as part of a future report to Council.


Technology selection

A range of high-level and proven FOGO processing technology scenarios and solutions were considered using an outcome focussed approach, linking decisions to risks, costs, and benefits, rather than a wholly technology focussed assessment. Table 3 (below) summarises the range of technologies analysed and their score against key criteria.

The recommended solution identified in the Directions paper is an In-Vessel Compositing (IVC) which focusses on processing Council household FOGO feedstock (approximately 103,000 tonnes per annum). This option delivers on Council's objectives for resource recovery and emissions reduction, while managing environmental and commercial risks through the use of mature, controlled processing technology with a track record of project development in Australia.

2.7 Food Organics and Garden Organics (FOGO) Planning and investigations update (contd)

Table 3. Summary of organics processing technologies

						
Technology Criteria	In Vessel Composting	Dry Anaerobic Digestion	Composting - Open Windrows	Wet Anaerobic Digestion	Insects/Worms	Thermal Treatment
Control Odour	3	3	0	3	3	3
Controlled Process	3	3	1	2	2	2
FOGO Compatible	3	3	1	1	0	0
Complies with Compliance Controls	3	2	1	2	0	0
Simple Process	2	1	3	1	1	0
Cost Effective	3	1	3	1	0	0
Fully Contained	3	3	0	3	3	3
Control Emissions	2	2	0	2	2	1
Renewable energy	0	3	0	3	0	0
Compost Producing	3	2	3	2	0	0
Produce high grade fertiliser	2	2	2	2	2	0
Modulator	3	2	3	0	1	0
Susceptible to weather	3	3	1	0	1	0
Digestate Management	3	0	1	0	1	0
Minimal Water Requirements	2	0	2	0	2	0
Minimal Heat Requirements	3	0	2	0	1	0
Quantity of poor quality by-products produced	2	2	2	2	2	0
Community Acceptance	3	3	1	1	1	0
Total	46	35	26	25	22	9

Site Selection

Building a waste management facility on Council-owned land is beneficial due to factors such as land cost, access to landfill, and the opportunity to create an integrated waste management solution. Furthermore, finding suitable sites for waste management facilities that are licensed (or can obtain appropriate licenses) and have community acceptance/social licence has historically proven to be challenging to industry.

To assess suitability of Council owned facilities, a high-level desktop site screening assessment and site inspections was conducted on a selection of sites. Councils Buttonderry waste Management Facility was nominally chosen as the best option to develop a FOGO processing facility for a number of reasons, including:

- Easy access from the M1 and existing site access
- Available land area
- Appropriate existing landuse zoning
- Compatibility with neighbouring Industrial, Conservation and Rural landuse zonings
- Compliment an existing integrated waste management facility
- Existing utilities / infrastructure available e.g. power, weighbridge, access roads, site security, administration buildings, noting that upgrades will be required to infrastructure

Delivery Model

The Paper assessed different delivery models for the delivery of FOGO processing solutions based on the outcomes of the preliminary assessment. A summary of the outcome of the assessment of these delivery models is shown in Table 4 (below).

Traditional delivery models of Construct only and Design and Construct were not considered suitable for delivery of a FOGO processing solution due to the lack of interface between the construction and operation phases representing a high degree of risk to Council.

It recommended that Council should investigate delivering this project through public-private partnership type model. Further assessment of suitable options will be undertaken further into the project.

2.7 Food Organics and Garden Organics (FOGO) Planning and investigations update (contd)

Table 4. Summary of delivery model options assessment

Model	Indicative suitability for project
Construct Only (CO)	✗ <i>Not suitable for consideration</i>
Design and Construct (D&C)	✗ <i>Not suitable for consideration</i>
<i>Collaborative delivery model(s)</i>	
Alliance	✓ <i>Suitable for consideration</i>
<i>Public-private delivery model(s)</i>	
Design, Construct, Operate and Maintain (DCOM)	✓ <i>Suitable for consideration</i>
Public private Partnership (PPP) – Availability Payment Model	✓ <i>Suitable for consideration</i>
Build, Own, Operate / Transfer (BOO(T))	✓ <i>Suitable for consideration</i>

Next steps and timing

Subject to Council approval, it is proposed to immediately progress with the completion of the critical phases of the detailed feasibility assessment (Phase 2) and the business case (Phase 3). These phases will confirm the feasibility of the project based on the waste throughput, selected site, technology, costs, scale, and procurement model and will clearly communicate project costs, and benefits in order to gain funding approval.

Table 5 outlines an estimate of the timing through the various stages of the process. It is anticipated that the next phases of the journey will commence immediately upon the endorsement of Council and is currently planned to be completed in early 2024. Following completion of the business case, a further report will be presented to Council seeking endorsement to proceed to public tendering and tender evaluation.

2.7 Food Organics and Garden Organics (FOGO) Planning and investigations update (contd)

Table 5. Project phases, milestone and indicative timing

Phase	Outcome	Timing
Phase 1 - Project Review and Project Direction	Stakeholder alignment on project direction and delivery method. Technology type selected and preferred site identified	December 2022
Phase 2 - Detailed technical and financial feasibility	Understanding of project, internal approval to proceed to detailed business case.	July 2023
Phase 3 - Business case development	Secure commitment and identify funding to deliver FOGO project. Report to Council	February 2024
Phase 4 - Tender development and evaluation	Development of procurement and contract model and commencement of tender process	October 2024
Phase 5 - Planning and approvals	Secure planning approval (EIS).	Subject to public tender
Phase 6 – Design and Construct	Facility commissioning	Subject to public tender
Phase 7 - Implementation	Successful operation processing facility Implement kerbside FOGO collection Community satisfaction	Subject to public tender

Consultation

Extensive consultation was undertaken as part of the development of the Central Coast Resource Management Strategy 2020-2030. With more than 1,300 surveys completed and 151 residents attending four dedicated workshops, the outcome was a clear picture of community priorities, pressures and aspirations. A key measure was that 87% of surveyed residents rating reducing waste from landfill as 'very important'.

The NSW Government undertook extensive state-wide consultation during 2020-2021 as part of the development of the NSW Waste and Sustainable Materials Strategy 2041. The resulting strategy incorporates targets of halving food waste to landfill and achieving net zero emissions from organics in landfill by 2030, and in order to do so, food and garden organics (FOGO) collection for all NSW households and select businesses will be mandated by 2030.

Several workshops were conducted internally in developing the current FOGO directions paper report and robust discussions around each aspect and options were undertaken to ensure a wide range of knowledge was brought to the process.

2.7 Food Organics and Garden Organics (FOGO) Planning and investigations update (contd)

Preliminary discussions with waste management industry providers and several smaller Councils who have implemented FOGO services has occurred. Further market sounding is proposed through the next phases.

A further report to Council is proposed to be undertaken post the completion of the Feasibility and Business Case development phases seeking endorsement prior to calling tenders. Community engagement will be undertaken prior the roll out of any FOGO Service.

Financial Considerations

The current report does not commit Council to additional expenditure beyond the detailed feasibility and business case for the development of a FOGO processing solution, which have already been budgeted and specialist consultancy assistance contracted.

Delivering a successful FOGO service into the future however involves costs for:

- Procurement and ongoing waste service agreement for organics processing.
- Provision of additional kerbside bins, kitchen caddies and caddy-liners where required.
- Collection of kerbside FOGO bins.
- Community engagement and education.

At the same time there is the opportunity to offset the costs of a FOGO service through savings in the NSW waste levy (estimated at around \$3.8M per annum through diversion of around 25,00 tonnes of food waste from landfill), grant funding, landfilling cost, and subject to contractual outcomes a portion of gate fee income from the acceptance of commercial waste tonnages.

Section 11 of The Paper provides high level costings of these items for the purposes of providing a broad indication of the future financial commitment associated with introducing a FOGO service.

The completion of the detailed feasibility and business case phases as per the recommendations made in this report will include a review of available funding mechanism, build a financial model, and support both internal and external/grant funding applications.

Link to Community Strategic Plan

Theme 3: Green

Goal E: Environmental resources for the future

G-E3: Reduce littering, minimise waste to landfill and educate to strengthen positive environmental behaviours

Risk Management

Risks associated with the investigation and planning stage of the project are being managed through the engagement of ARUP Australia Pty Ltd and their relevant experience, internal staff, and utilizing expertise across areas such as waste strategy and technologies, project management, infrastructure design, landuse planning, and financial advisory.

The project has also been structured into 7 logical phases with key milestones, decision points, and identified break points.

Council is in the favorable position of ensuring it assesses and makes decisions based on achieving its objectives aligned with Council's risk appetite by virtue of already providing a garden organics collection service, an existing garden organic processing contract, and Council operating its own waste management facilities incorporating sufficient landfill space over the medium term.

There is a risk to Council of not progressing with investigation and planning for the delivery of a FOGO solution leading to the inability to meet both Councils and NSW Government targets of introducing a FOGO. Whilst the NSW Government waste strategy targets to introduce a FOGO service to households by 2030 have not been legislated at this time, it is understood this is proposed.

At this stage there is minimal risk to endorsing the recommendations of this report as it only seeks to update on the status of a Council resolution and seek endorsement to move to the detailed feasibility and business case development stages of the project.

The next and future stages of the FOGO journey will further address risks and controls.

Options

- 1 Council proceeds to the detailed feasibility (Phase 2) and business case (Phase 3) stages of the FOGO solution project.
This is the recommended option.
- 2 Council does not proceed with further investigations and planning for the delivery of a FOGO service solution to the Central Coast community at this time. If Council does not proceed at this time, Council risks not meeting the objectives and targets of both Council and the NSW Government waste strategies.


Critical Dates or Timeframes

The NSW Waste and Sustainable Materials Strategy - **Stage 1 Plan: 2021-2027** (NSW Strategy) requires the separate collection of food and garden organics from NSW households by 2030. Given the existing processing capacity constraints for the processing of FOGO and future investment into processing infrastructure unlikely to be made without entering into an underpinning long term feedstock contract, Council needs to progress the project to meet the state targets.

Councils existing long term waste collection contract expires in January 2028. Given the significant scale of contract and lead times of contractors to source trucks, equipment, staff (12-18 months), it will be necessary for Council to integrate any new FOGO collection requirements into the tender stage of this contract planned for 2024-25.

Councils existing garden organics processing contract expires in July 2027. It is desirable that when Council goes to tender for the next organics processing contract, that it incorporates FOGO processing.

Attachments

1	Development of Food and Garden Organic (FOGO)	Provided Under	D15508369
	Processing Solution Directions Paper 15 December 2022	Separate Cover	

Item No: 2.8
Title: Submission on Draft Central Coast Regional Transport Plan 2041
Department: Environment and Planning



28 February 2023 Ordinary Council Meeting

Reference: F2004/00550 - D15534664
Author: Richard Griffiths, Principal Strategic Planner Infrastructure and Transport. Local Infrastructure and Planning
Executive: Boris Bolgoff, Director Infrastructure Services
Alice Howe, Director Environment and Planning

Recommendation

That Council make a formal submission (Attachment 1) to Transport for NSW on the draft Central Coast Regional Transport Plan 2041.

Report purpose

To respond to the NSW Government's invitation to provide feedback on its draft regional transport plan for the Central Coast.

Executive Summary

In early 2023 Transport for NSW (TfNSW) exhibited a draft *Central Coast Regional Transport Plan 2041*, seeking feedback from stakeholders, including Central Coast Council. The exhibition was made available online at <https://yoursay.transport.nsw.gov.au/central-coast-regional-transport-plan>.

Through the six themes of its transport vision, the plan aims to promote a connected, safe, liveable, sustainable, productive and resilient Central Coast Region. In addition to the plan itself, a list of 35 proposed Central Coast initiatives by Electorate was also exhibited. These are listed according to timeframe: 0-5 years 'in delivery'; 0-5 years 'in planning'; and 0-10 years 'for investigation'.

On 16 January 2023 Council received a formal invitation to provide feedback or make a submission, and to attend an online briefing. The briefing took place on 8 February and was attended by senior Council staff.

Following internal staff consultation and information-gathering, a draft submission has been prepared (Attachment 1). If approved, the submission will be forwarded to TfNSW.

Background

The draft *Regional Transport Plan* is the latest in a suite of recent NSW Government plans for the Central Coast. In late 2022 the NSW Government released three planning documents covering the Central Coast Local Government Area at a regional scale. These are:

- Central Coast Regional Plan 2041 (Department of Planning and Environment)
- Six Cities Region Discussion Paper (Greater Cities Commission)
- Central Coast Strategy for Economic Growth (Greater Cities Commission)

The *Central Coast Regional Plan 2041* sets a broad NSW Government-level vision for the Central Coast and proposes the establishment of a Central Coast Urban Development Program and a set of place-delivery groups, involving Council as a key stakeholder. Council staff have been invited to participate in workshops to inform this process, with the first workshop scheduled for 2 March 2023.

The draft *Regional Transport Plan* follows on from TfNSW's updated State-wide *Future Transport Strategy* (2022), which replaced the earlier *Future Transport 2056: Shaping the Future* (2018). This document promoted '30-minute metropolitan cities' and '15-minute neighbourhoods', which are also a theme of the draft *Regional Transport Plan*.

Following on from the release of the refreshed *Future Transport Strategy*, several regional transport plans are currently in preparation or already adopted. These include: draft *Hunter Regional Transport Strategy* (consultation closed 11 November 2022), draft *South East and Tablelands Regional Transport Plan* (consultation closed 24 February 2023), Draft *Central West and Orana Transport Plan* (consultation closed).

Report

The online exhibition of the draft *Regional Transport Plan* sought feedback on the following questions which are specifically addressed in Council's submission.

1. Do you support the transport vision, objectives and initiatives outlined in the Central Coast Transport Plan?
2. Are there issues, ideas or initiatives that are important to you or that we have missed in the Central Coast Transport Plan?

The proposed response recommends that the NSW Government work with Council to achieve the aims of its community plan, especially with regard to transport on the Central Coast and beyond.

In addition to these matters, the submission raises specific Council concerns relating to transport provision, especially regarding clarification of funding responsibilities and governance procedures. The submission also highlights the need to address safety and environmental matters, including explicit consideration of the NSW Government's own published commitments to transport safety.

Consultation

Internal consultation has been conducted with relevant Council staff. A detailed review of the document has been carried out by staff in the Environment and Planning and the Infrastructure Services directorates, to ensure a comprehensive and co-ordinated Council response. Relevant staff have also participated in a briefing with TfNSW on the draft *Regional Transport Plan*.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

The preparation of a submission on the draft *Central Coast Regional Transport Plan* has no material financial implications for Council.

Link to Community Strategic Plan

Theme 4: Responsible

Goal H: Delivering essential infrastructure

R-H4: Plan for adequate and sustainable infrastructure to meet future demand for transport, energy, telecommunications and a secure supply of drinking water.

Risk Management

A review of the draft *Regional Transport Plan* has been undertaken and a submission prepared to ensure ongoing consultation with TfNSW to ensure the aims of the draft Plan can be achieved and Council's concerns are documented prior to the Transport Plan being finalised.

Options

1. Ensure the submission on the draft *Central Coast Regional Transport Plan* and forward to the TfNSW by 3 March 2023. **This is the recommended option.**
2. Not endorse the submission – If Council determines that a formal submission is not required, there is still the possibility of providing ongoing informal feedback, since Council staff are in regular contact with TfNSW in relation to numerous projects where

both entities are key stakeholders. However, the *Regional Transport Plan* will set the direction of State Government investment in Central Coast transport infrastructure and services, and the public exhibition of the draft is an opportunity for Council to put its concerns on record.

Critical Dates or Timeframes

The original closing date for formal submissions was 24 February 2023. This has been extended to 3 March 2023, to enable consideration of this matter at the scheduled Council meeting of 28 February. Subject to Council approval, the submission will be forwarded to TfNSW immediately following the Council meeting.

Attachments

1	Submission to Transport For NSW – Draft Central Coast Regional Transport Plan 2041	Provided Under Separate Cover	D15542704
2	Map of Proposed Draft Plan Initiatives and Proposed Council Infrastructure Initiatives	Provided Under Separate Cover	D15550281

Item No: 2.9
Title: Critical road related grants and funding and associated delivery methodology
Department: Infrastructure Services



28 February 2023 Ordinary Council Meeting

Reference: F2020/02479 - D15523937
Author: Rachel Jackson, Section Manager, Infrastructure Assessment and Systems
Manager: Jeanette Williams, Unit Manager, Engineering Services
Executive: Boris Bolgoff, Director Infrastructure Services

Recommendation

Council note grant funding applicable to the local and regional road network, including funding associated with weather events, and actions associated with the expenditure of funding and delivery of works.

Report purpose

This report is provided to advise of the Australian and New South Wales Government grant funding committed to Central Coast Council in relation to management of the local and regional road network and associated delivery methodologies.

Executive Summary

Central Coast Council is responsible for an extensive road and drainage network and is committed to managing and improving our roads, drainage, and associated infrastructure across the entire Central Coast region. As part of the yearly Capital Works Program, approximately \$60M of funding is allocated to undertake road upgrade, road renewal, drainage, pathways, bridges, wharves, slope stabilisation, traffic facilities and unsealed road improvements. Many of the projects being delivered have received grant funding from either the Australian or New South Wales (NSW) Government. The funding is focused on maintaining and improving the condition of the road network and associated assets. The level of funding is based on the expected depreciation across the region.

Substantial grant funding associated with natural disasters is also being received to assist with road restoration works in repairing damage caused by the weather events experienced in 2022. Council is proactively seeking in the order of \$80M in natural disaster funding over the next four years to restore and improve infrastructure resilience.

In addition to the capital works funding commitments, Council allocates in the order of \$30 million in operational funding to carry out maintenance of the road and related network, including pothole repairs, clearing drainage, etc. Recently Council has also received

2.9 Critical road related grants and funding and associated delivery methodology (contd)

operational grant funding from the NSW Government to assist Council in the repair of our road and related network as a result of damage caused by the weather events of 2022.

Council is currently focusing on delivering capital works with existing grant and contribution plan funded projects and renewal works with little opportunity to provide new road and drainage related infrastructure outside of these parameters.

As part of our commitment to delivering an improved road network, road and drainage projects which are being delivered this financial year can be viewed at any time by visiting Council's interactive capital works map which displays capital works across Council's disciplines. The map describes project details, budget information and progress of projects via monthly updates. Specific works within individual streets or suburbs can be viewed by simply scrolling through the map, zooming in and clicking on a pin to access the project details. To view the map, residents may visit: www.centralcoast.nsw.gov.au/council/about-council/current-works-and-projects/capital-works-program.

Council will continue to work with all stakeholders, including the Australian and NSW Governments, to maintain and build upon relationships that assist in the management and efficient delivery of quality outcomes for our community. Council thanks the Australian and NSW Government for providing funding streams and investing in our local and regional road network through successful grant funding initiatives.

Background

Council is responsible for over 2,000 kms of road network and 1,100 kms of drainage and is committed to maintaining and improving our roads and drainage across the entire Central Coast Region. The Central Coast is a mix of old subdivisions and new greenfield development with many of the older suburbs without infrastructure such as drainage and kerb and gutter along with road pavements designed to standard at that time. The road pavement in some of these older subdivisions were not designed to have the current level of loading and traffic. As development progresses, additional infrastructure will be provided as part of development consent or through works contained in Development Contribution Plans.

As part of the yearly Capital Works Program, funding is allocated to undertake road upgrade, road renewal, drainage, pathways, bridges, wharves, slope stabilisation, traffic facilities and unsealed road improvements. The funding is focused on maintaining and improving the condition of the road network and associated assets. The level of renewal funding is based on the expected depreciation across the region.

In addition to the capital works funding commitments, Council allocates operational funding to carry out maintenance of the road and related network, including pothole repairs, clearing drainage, etc.

Ongoing severe weather events in February, March and July 2022 impacted Council's roads and cause dangerous road conditions such as embankment failures, minor landslips and significant pavement damage. Council is still working through restoration and remediation of these roads following the installation of interim measures to ensure the safety of motorists and residents and to enable the continued use of our road network. Council has been closely liaising with representatives of Transport for NSW (TfNSW) which administers the Disaster Funding Arrangements providing grant funding to investigate and address natural disaster defects and damage including the repair of any damage attributed to the natural disasters experienced across the region.

The natural disasters and continuous wet weather experienced around New South Wales has given multiple challenges in the construction industry impacting both the private and public sector and driven significant cost escalations on many construction projects. Also contributing are the related impacts from COVID which are affecting construction resources, contractor availability, and the extended material supply lines. The recent multiple natural disaster events have also required resources to be redeployed to manage emergency recovery and restoration works as well as cause demand on specialist consultants such as geotechnical engineers.

Council also proactively seeks grant funding from the Australian and New South Wales governments to assist in the management of the road network. Council has been successful in securing grant funding under several Australian and New South Wales grant funding programs which will see extensive road repair and renewal works undertaken along with road and drainage upgrades and safety improvements.

Current Status

Following continuous wet weather and multiple natural disasters, Council experienced an influx of potholes, deterioration of the road network and landslips during 2022. Council allocated additional resources to inspect, investigate and undertake repairs across the road network to ensure that the road surface was fit for purpose.

Potholes form a circular type depression defect in the road surface as a result of moisture and water seeping through cracks in the surface. In wet weather a pothole forms very rapidly, and the deterioration of the pothole accelerates.

In response to the influx of potholes Council experienced, a strategy was prepared to deal with the increased potholing across the road network which identified short, medium, and long-term strategies to manage and prevent potholes.

- 1 **Short term** – primarily pothole filling with some operational small area, standard design, heavy patching based on hazard inspection.



Image: Pothole repair using cold mix which is used to temporarily repair potholes during wet conditions.



Image: Pothole repair using hot mix, which is used to repair potholes once conditions have dried out and results in a more permanent treatment.



Image: Jet patcher truck, mainly used in less trafficked areas, undertaking small pothole repairs.

2.9 Critical road related grants and funding and associated delivery methodology (contd)

2. **Medium Term** – formally designed larger capital heavy patching based on maintenance demand reporting and condition rating data from the Pavement Management System.



Before



After

Image: A heavy patch, a longer-term pothole repair technique used for larger, more significant potholes, when the weather is favourable.

- 3 **Long Term** – road segment renewal treatments based on advanced deterioration modelling in the Pavement Management System.

Note: This strategy excludes State Road pothole patching undertaken on behalf of TfNSW.



Image: Road pavement renewal works.

Pothole patching is the short-term / temporary solution to reduce safety hazards and treat isolated defects in the road network. It is also the only solution that can be underway during wet weather. During dry weather more permanent pothole repairs and other solutions can be applied. Council undertook over 70,000 pothole repairs during May to October 2022 which was 2.5 times the amount of usual pothole repairs.

Heavy patch repairs provide a medium-term solution where a larger section of the road is dug out and treated. With less rainfall occurring, Council is now focusing on the medium-term solution with heavy patching being carried out. During this time approximately 30,000 square metres of heavy patching have also been completed on our roads, which is equivalent to the size of 24 olympic swimming pools.

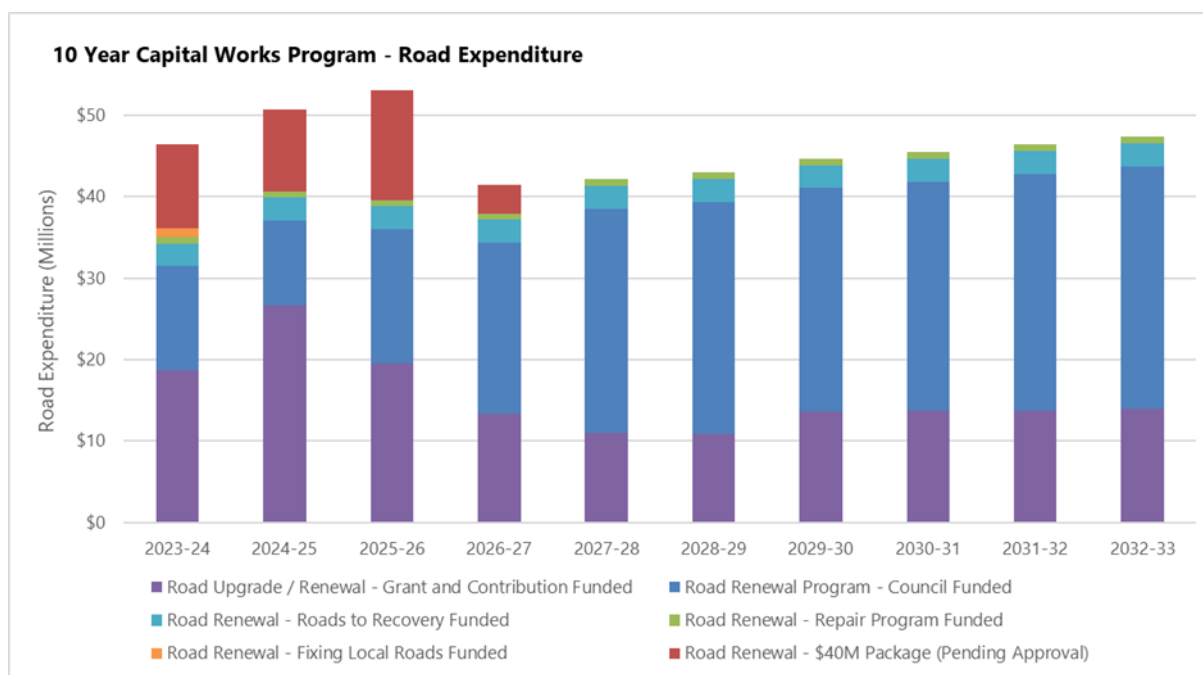
For the longer-term solution, road renewal works are undertaken which include rehabilitation and resurfacing of the pavement. This occurs as part of Council's annual capital works program. To ensure long term sustainability of the road network, Council matches the level of capital expenditure on road renewal with the annual depreciation of the road network – in simpler words, the amount of road consumed or reaching the end of its life each year is the same as the amount spent on its renewal and replacement.

With Council now achieving longer-term stability for Council's rates revenue means that we can carefully reinvest in services where we were not currently meeting community expectations of service levels. Following community feedback, for the 2022/23 financial year, additional funding of \$2.5 million is being invested in road maintenance for more permanent repairs to the road network.

The capital road renewal program is developed using an advanced Pavement Management System which models the network and considers a range of renewal treatments which can be triggered at various stages road assets life. This produces an optimised road renewal program which forms the basis for long term planning. The program is then validated by field inspection and pavement testing to develop the annual capital works road renewal program.

To ensure our road condition data is as accurate and up-to-date as possible, Council is currently carrying out a region-wide road pavement condition assessment. The road condition audit is a routine process carried out once every five years to ensure our road condition data is up to date and targeting the right roads for renewal. This information will be used to model the network and review the prioritisation of future road renewal projects.

Whilst a road condition audit is expected to generate some refinement in road renewal priorities, it is anticipated that the current audit may produce more changes as a result of deterioration to the road network due to the recent intense and continued rainfall experienced across many suburbs of the Central Coast. These changes will result in a better outcome for the Community. The anticipated results have been factored into Council's Long Term Financial Plan through the programming of road renewal budgets that exceed depreciation across the 10-year long term financial planning period and by planning a robust validation process ahead of each annual capital works program to confirm individual road renewal projects.



Report

Council has been successful in securing grant funding under the following Australian and New South Wales grant funding programs which will continue to deliver extensive road repair and renewal works undertaken along with road and drainage upgrades and safety improvements.

Australian Government

Central Coast Roads Package

Council is continuing to deliver a range of grant funded road and drainage upgrade and renewal projects under the Federal Government's \$86.5M Central Coast Roads Package. To-date Council has delivered 21 of the 29 projects identified in this funding package. Works are underway in delivering 6 projects with 2 projects on hold and deferred until the 24-25 financial year. The deferment of these projects follows the receipt of advice from the Australian Government that a decision was made to defer a portion of the funding allocated to the Central Coast Roads Package, following the handing down of the 2022/23 Federal Budget in October 2022. Council has worked with the Federal Government to mitigate risks in deferring two key projects: the upgrade of Shelly Beach Road at Empire Bay and the Ocean Beach Road / Rawson Road intersection upgrade at Woy Woy. Whilst no physical works will proceed on these projects Council has been given approval to continue the design of the Ocean Beach Road / Rawson Road to ensure it is ready for future construction. In relation to the upgrade of Shelly Beach Road, Council went to market in 2022 to secure a contract to deliver the project, however no tenders were received – which is a separate report to Council at this meeting. Council will continue to work with the Federal Government's funding body to deliver the projects continuing from the Central Coast Roads Package.

2.9 Critical road related grants and funding and associated delivery methodology (contd)

Under the current arrangements, Council will deliver 27 projects totalling over \$50M under the Central Coast Roads Package by the end of 2026. Council is appreciative of this Australian Government grant funding which is assisting Council in delivering these projects.

Local Road and Community Infrastructure (LRCI)

Council has secured grant funding across Phase 1, 2 and 3 of the LRCI program totalling over \$14.4M to deliver 27 projects including car park improvements, construction of shared pathways, road upgrade and renewal, wharf upgrade and bus stop accessibility improvements. To-date, Council has delivered 17 projects identified in this funding package. Works are underway in delivering 1 project with the commencement of the remaining 9 projects scheduled for 2022/23.

Council will deliver 27 projects totalling \$14.4M under the funding streams of LRCI by the end of 2023/24. Council is appreciative of this Australian Government grant funding which is assist Council in in delivering these projects.

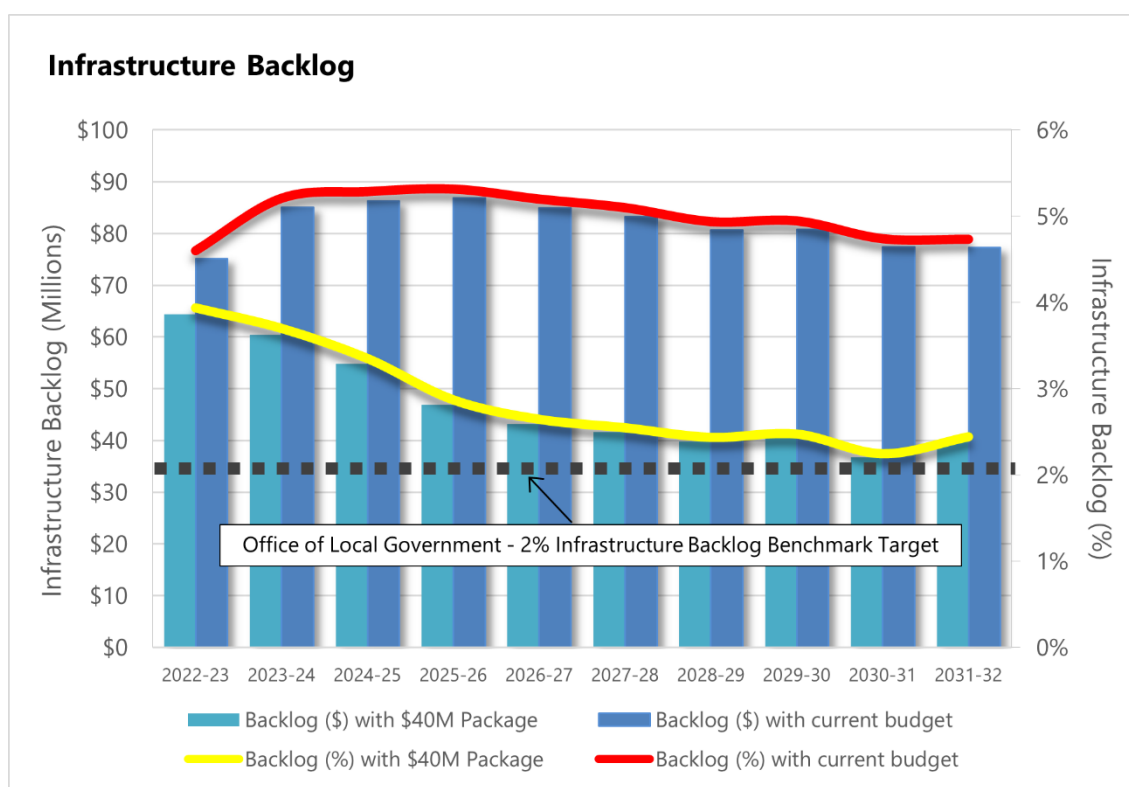
Council has been advised that an allocation of funding totalling \$2,771,892 under the LRCI Phase 4 will be available to Council from July 2023. Council Officers are currently reviewing projects which will comply with the grant funding criteria for submission prior to July 2023.

\$40M Renewal Package

As part of the 2022 Federal Election, the Australian government committed \$40M in investment to the upgrade of 2 roads and priority renewal of over 60 roads across the local government area.

Council actively worked with the Federal Government to ensure that this pending Renewal Package will target road network condition, address some of our poorest condition roads and reduce Council's Infrastructure Backlog as reported in the Annual Financial Statement.

The graph below shows the modelling undertaken in support of the renewal grant package to ensure it would deliver the outcome required for the Community. It demonstrates that the extra \$40 million in funding will help Council move towards the target of 2% as set by the Office of Local Government. An additional twelve million over 4 years would see the infrastructure backlog meet the 2% backlog target and Council will continue to look for opportunities for further grant funding.



Council is awaiting receipt of the funding deed from the Federal Government's to accept the renewal grant funding – and has factored the pending grant into our Long Term Financial Plan. Once grant acceptance has been formalised, Council will commence scheduling delivery of the projects over a four-year period - it is anticipated that works will commence in the 2022/23 financial year.

This funding is welcomed by the Council as it shows strong alignment with our strategic and asset planning and supports the long term sustainability of the Central Coast road network.

Blackspot Program

Council has recently been successful in securing grant funding under the Australian Government's Black Spot Program totalling \$1,944,530 to carry out six road safety improvement projects at Ocean View Drive and Wairakei Road, Wamberal; Alison Road, Wyong; Old Maitland Road, Mardi; Dog Trap Road, Ourimbah; Fagans Road, Lisarow; and Showground Road, Gosford. Four projects have been delivered with Council delivering two projects during 2022-23 and into 2023-24.

Additionally, Council is awaiting advice on the success or otherwise of the most recent application under the Blackspot Program commencing from 2023-24. This funding is welcomed by Council as it directly addresses locations where serious injury or fatalities are occurring or are at risk of occurring and improves safety on our road network.

Australian and New South Wales Government

Natural Disaster Funding Programs

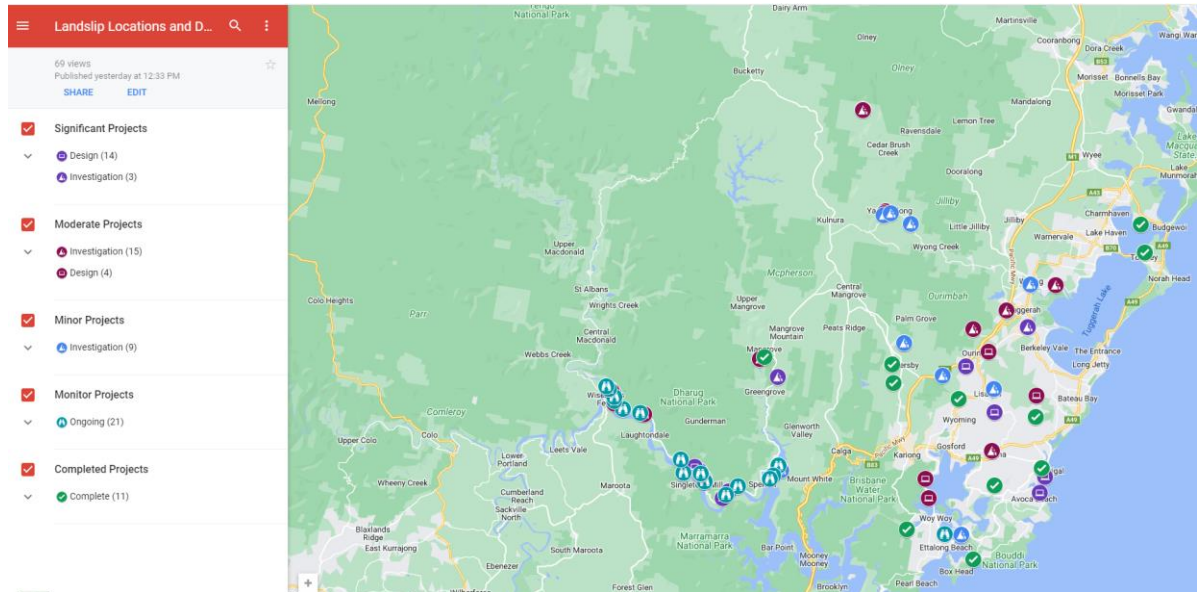
Council has and is continuing to explore further opportunities to obtain grant funding for the road network and associated infrastructure under the Australian Government's Natural Disaster Resilience Fund; and the NSW Government's Infrastructure Betterment Fund and the Regional Road and Transport Recovery Package. These funding opportunities are associated with natural disasters to assist with road restoration works in repairing damage caused by weather events experienced in 2022. This grant funding will help Council return the region's weather affected roads and related infrastructure back to a satisfactory condition. Council is appreciative of this grant funding which is and will assist Council in delivering these essential projects.

Council has made significant investment in securing project delivery resources in an effort to meet the increased demand associated with the Natural Disaster remediation effort. To date, three additional contract project management positions have been approved within Council existing Project Delivery teams and the creation of a further Natural Disaster project team which currently consists of four contract resources has been approved.

Specialist Council Officers meet monthly with the Government's representative, Transport for New South Wales (TfNSW), to discuss project and funding status; conduct inspections of the various sites; review and explain investigations undertaken to-date; discuss concept remediation options and their associated estimated costs. From this concept information discussion, Council submits a formal claim to TfNSW for the cost of the repair work to allow design and remediation works to progress.

Council has identified 101 slip sites across the local government area requiring remediation, with the total remediation effort estimated to cost in the order of \$55-70M. Planning and design activities are underway and funding applications have been submitted for \$11.5M with the remaining forecast to be submitted by the end of March 2023.

Significant slips have occurred at Gunderman; Spencer; Wisemans Ferry; North Avoca; Avoca Beach; Berkeley Vale; Ourimbah; Mt Elliott; and Springfield. Location and details of the slip sites have been mapped and will be available to the community on Council's website from March 2023. This interactive map will be updated monthly with progress reports. An example screenshot is provided below.



In a further effort to expedite remediation works, and following extensive market engagement and acknowledgement of current constraints within the civil contractor labour market, Council Officers have been working towards establishing a purpose supplier panel to manage the large-scale remediation effort. The associated Request for Tender was released to the open market on 12 December 2022 and closed on 7 February 2023 with panel establishment expected to be finalised in March 2023. It is envisaged that the creation of this panel will mitigate many of the contractor shortage issues currently being encountered whilst maintaining the highest level of safety and quality.

Furthermore, Crown Lands has recently approved \$2.4M of grant funding to remediate the Buff Point Shared Pathway which is currently closed and requires extensive replacement and stabilisation of the associated embankment. The current intention is that these works will be delivered by the abovementioned supplier panel with designs to commence in April and construction likely to take around 20 weeks, before the shared pathway can be re-opened.

New South Wales Government

Fixing Local Roads

Council has been successful in securing \$1,083,984 grant funding under Fixing Local Roads Round 4 to undertake the renewal of Church Road, from Geoffrey Road to Lake Road, Tuggerah. This project will commence in 2022-23 and continue in 2023-24. Council has been successful in the past rounds of the Fixing Local Roads Program with 9 projects previously completed utilising \$4,298,169 of grant funding. Council appreciates this grant funding which allows for road works to be undertaken to improve local roads which are used by our communities every day.

Safer Roads Program

Council has been successful in securing grant funding under the NSW Government's Safer Roads Program totalling \$260,000 to carry out road safety improvements on Brush Road, Ourimbah. Safer Roads funding aims to reduce incidents of road accidents and improve road safety for all road users. Council welcomes this funding to address road network safety and will deliver this project during 2022-23.

Fixing Local Roads Pothole Repair

Council has received \$768,531 in operational grant funding under the NSW Government's Fixing Local Roads Pothole Repair Round to supplement existing funding and support additional efforts by local councils in the short-term repair of priority potholes and road repairs on local and regional roads.

This additional funding is being used on repairing road defects with our priority treatment being heavy patching to improve roads heavily potholed. It is anticipated that this grant funding will allow Council to deliver between 6,500 to 7,000 square metres of heavy patching.

To assist with the timely delivery of these repairs Council is delivering these works utilising contractors with Council Officers managing the contractors. The funding agreement between Council and the NSW Government requires the grant funding to be expended by 1 February 2024, however Council intends to deliver these works by 30 June 2023 to improve our local and regional road network to a satisfactory standard.

Regional and Local Roads Repair

Council has received \$4,080,464 in operational grant funding under the NSW Government's Regional and Local Roads Repair Program to undertake urgent repairs to the regional and local road network which has been significantly impacted by severe flooding, storm damage and persistent wet weather events during 2022. The funding provides for urgent road repairs, priority corrective maintenance and to fix potholes and is additional to the Fixing Local Roads Pothole Repair Program.

This additional funding is being used to continue the treatment deteriorated local and regional roads impacted by the intense rainfalls and storm events experienced in 2022. Whilst this funding further assists Council in carrying out road pavement treatments, importantly it allows for additional drainage maintenance works to occur to minimise damage to the road pavement during storm events.

To assist with the timely delivery of these repairs and maintenance, Council is delivering these works utilising contractors with Council Officers undertaken the planning, scoping and administration duties which requires personnel resourcing above the current level. It is anticipated that Council will deliver these works with the assistance of additional personnel resources over a 12-month period.

2.9 Critical road related grants and funding and associated delivery methodology (contd)

The funding agreement between Council and the NSW Government requires the grant funding to be expended by 29 February 2024, however Council intends to deliver approximately \$1M in the 2022/23 financial year with the remainder forecasted to be expended in the first two quarters of 2023/24, ie December 2023.

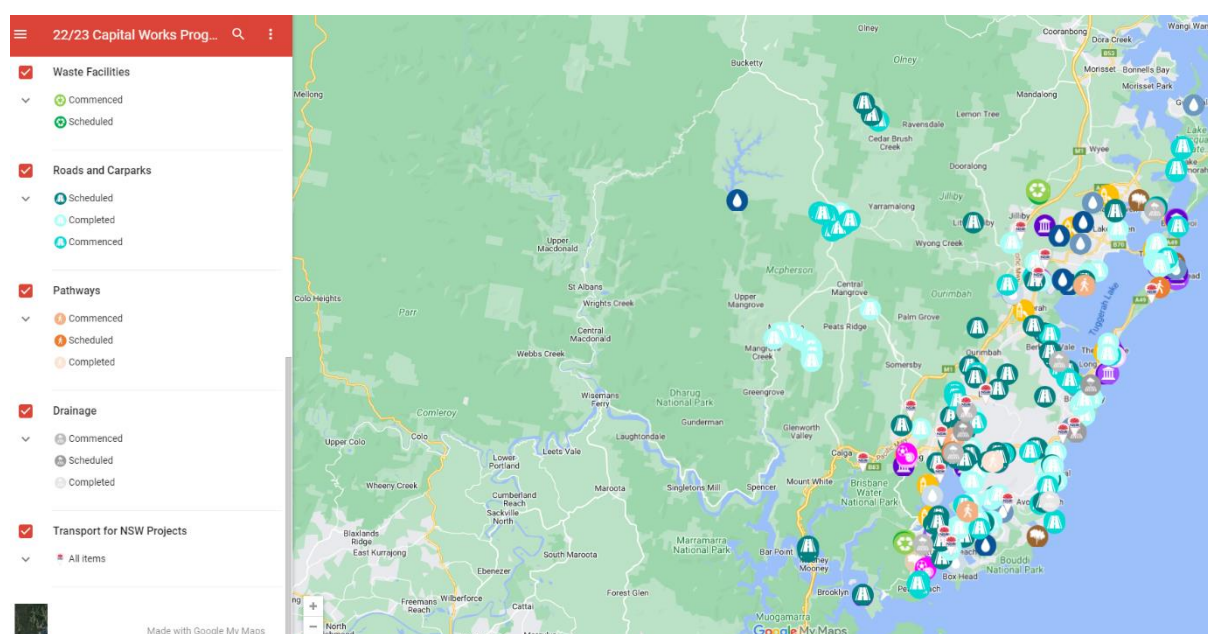
Visibility of Capital Works

Council has documented its commitment to deliver these activities which are identified as part of Central Coast Council's Delivery Program and Operational Plan. A Corporate Capital Works map is also available to ensure that the community has a user-friendly and accessible way to view all of Council's Capital Works projects in one place.

The Corporate map combines capital works projects from across Council's disciplines including Road and Carparks, Water and Sewer, Open Space and Recreation, Natural Areas, Sporting Facilities, Waste, Facilities and Buildings, and Pathways.

The map describes project details, budget information and progress of projects and allows viewers to find works within their street or suburb by simply scrolling through the map, zooming in and clicking on a pin to view the project details.

Updates to the information are made monthly and also allows users to view projects on the road network being undertaken by Transport for NSW across the Central Coast Local Government Area. A screenshot is provided below and to view the map, please visit: www.centralcoast.nsw.gov.au/council/about-council/current-works-and-projects/capital-works-program



Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Any projects or works submitted for consideration of grant funding must be endorsed by Council's internal Strategic Infrastructure Committee (SIC). The SIC strategically manages matters relating to asset management, developer contributions, capital project expenditure and delivery in-line with Council's Strategic Plan, financial processes, and annual budget.

Acceptance of grant funding via a Funding Agreement with either the Australian or New South Wales Government (or their representative) is authorised by the Chief Executive Officer.

Link to Community Strategic Plan

Theme 4: Responsible

Goal H: Delivering essential infrastructure

R-H1: Solve road and drainage problem areas and partner with the State Government to improve road conditions across the region.

Attachments

Nil.

Item No: 2.10
Title: Exhibition of the Draft Central Coast Local Housing Strategy
Department: Environment and Planning



28 February 2023 Ordinary Council Meeting

Reference: F2022/01640 - D15381527
Author: Lucy Larkins, Senior Strategic Planner
Chelle Leith, Strategic Planner
Manager: Scott Duncan, Section Manager Local Planning and Policy
Executive: Alice Howe, Director Environment and Planning

Recommendation

That Council:

- 1 Publicly exhibit the draft Central Coast Local Housing Strategy (Attachment 1) for a period of not less than 60 days.**
- 2 Consider a further report following conclusion of the public exhibition period.**

Report purpose

The purpose of this report is to seek Council's endorsement to publicly exhibit the draft *Central Coast Local Housing Strategy* (LHS) (Attachment 1) for the purposes of community consultation.

Executive Summary

The draft LHS is a strategic planning document that identifies the long-term vision and principles that will guide housing delivery across the Central Coast local government area (LGA). It aims to enable sustainable development that does not compromise the attributes that make the area a desirable place to live.

Background

The need for a housing strategy was identified in the *Central Coast Local Strategic Planning Statement* (LSPS) and *Community Strategic Plan* (CSP). The Department of Planning and Environment (DPE) also requires housing strategies to be developed for all councils within Greater Sydney and major regional areas. Council's interim LSPS establishes land use planning priorities for the LGA to 2036. It includes strategies and actions to manage future growth. The interim LSPS emphasises housing growth being focused in areas with high levels of liveability and occurring in a way that reinforces lifestyle and amenity in the region. The

CSP nominates access to services, housing affordability, diversity and choice as key indicators of community wellbeing. The draft LHS has been prepared in support of these goals.

The draft LHS is influenced by a range of NSW Government and local strategic planning and policy documents. The key relationships are summarised in Figure 1.

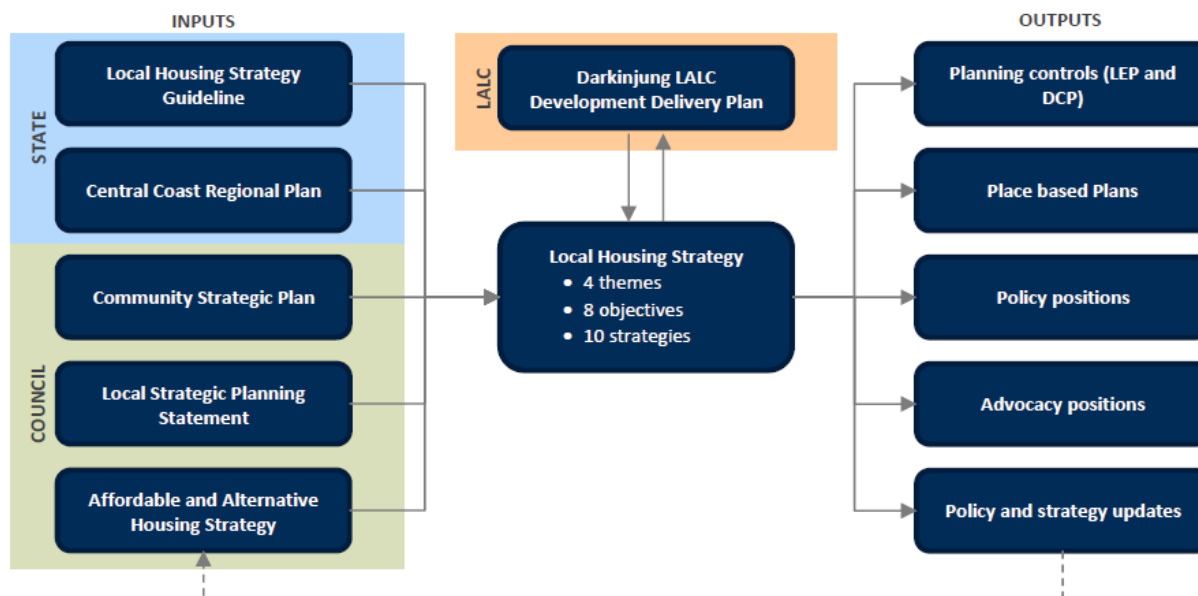


Figure 1: The LHS in context

The NSW Government has produced the *Local Housing Strategy Guideline* (the LHS Guideline) to assist councils in the preparing an LHS. Council's draft LHS has been written in accordance with the LHS Guideline, which also recommends:

- Five-year reviews of the evidence base and housing stock against the aims of the *Central Coast Regional Plan*, to ensure that the LHS is aligned with housing need.
- Ten-year reviews of the LHS to ensure the vision, the evidence base and the strategic and planning contexts are aligned with the goals of the community, the broader aims of the *Central Coast Regional Plan*, and the LHS implementation and delivery plan.

In addition to the LHS Guideline, DPE finalised the *Central Coast Regional Plan 2041* (CCRP) in October 2022. It is intended to provide an overarching strategic planning framework to guide the Central Coast's future over the next 20 years. The LHS complements and builds upon the CCRP's objectives and strategies, and other planned initiatives led by DPE and the Greater Cities Commission (GCC).

The CCRP has nine objectives, four of which relate directly to housing on the Central Coast:

- Objective 2 - Support the right of Aboriginal residents to economic self-determination;
- Objective 3 - Create 15-minute neighbourhoods to support mixed, multi-modal, inclusive and vibrant communities;

- Objective 5 – Plan for ‘nimble neighbourhoods’, diverse housing and sequenced development; and
- Objective 7 - Reach net zero and increase resilience and sustainable infrastructure.

Each of these objectives contain a range of strategies for implementation at the local level.

Provision of housing for Aboriginal people is a key objective of both the CCRP and the LHS, with an alternative pathway for housing development available through the development of the *Darkinjung Delivery Plan 2022*. The LHS supports the implementation of Objective 2 of the CCRP, as well as the development of the *Darkinjung Delivery Plan 2022*.

Report

The *Existing Conditions Report* sets out the current situation in relation to housing on the Central Coast and projected housing needs for the future. The *Existing Conditions Report* and *Central Coast Local Housing Strategy - Discussion Paper* will be placed on exhibition with the LHS as background information that informed the LHS.

The draft LHS identifies a range of issues affecting the Central Coast. The top 10 issues are outlined below:

- 1 Continued and rapid population growth is placing pressure on the housing market;
- 2 Shortage of low cost rental accommodation;
- 3 Current housing stock is not diverse enough to accommodate future demand;
- 4 Housing design and location needs to respond to changing housing preference;
- 5 Demand for housing elderly and people with a disability is on the increase and supply is low;
- 6 There is increased demand for smaller more affordable dwellings and the supply is low;
- 7 Our changing environment amidst climate change impacts presents long term challenges to quality of life and risks to livelihood;
- 8 Implications of housing affordability and housing stress;
- 9 There is a low supply of undeveloped residential land that is unconstrained and serviced; and
- 10 It is challenging to balance the need for increased housing stock with the attributes that are desirable about living on the Central Coast.

The LHS will influence a range of Council policy and advocacy positions over the next 20 years to ensure the successful achievement of the adopted housing vision and objectives. The LHS objectives and actions will influence the development of local place based plans, which will provide localised visions for the future character of localities throughout the region. Some actions will also result in changes to the region’s planning instruments, including the Central Coast Local Environment Plan 2022 (CCLEP 2022) and Development Control Plans (DCPs).

The objectives of the draft LHS are to:

- 1 Set out a strategy for meeting the housing needs of the future population;
- 2 Encourage the provision of new housing in locations that support the 15-minute centres and 30-minute region objective of the CCRP;
- 3 Provide for housing that meets the needs of all households within the Central Coast community, regardless of size, culture, affluence and health requirements;
- 4 Encourage the planning of housing within neighbourhoods that offer sufficient amenity, including high quality and accessible civic, open and community spaces;
- 5 Manage the development of greenfield areas so that new residents are supported by infrastructure delivery and have access to a range of housing options;
- 6 Promote high quality and environmentally sustainable housing design that supports responsible land management and contributes to a liveable and environmentally resilient region;
- 7 Support housing growth in the Gosford central business district consistent with the vision of the Gosford CBD Masterplan, supporting a vibrant metropolitan centre with access to jobs and amenities; and
- 8 Support long term resilience and sustainability in greenfield and infill growth areas through high quality open space and the *Central Coast Green Grid*.

The draft LHS has emerged from the work undertaken as part of the *Existing Conditions Report, Central Coast Local Housing Strategy - Discussion Paper* and engagement with stakeholders from the community, the housing industry, affordable housing providers, NSW Government agencies and from within Council.

Four themes arose during the preparation of the LHS:

- Delivery and supply;
- Infrastructure and servicing;
- Housing diversity; and
- Resilience.

Across these themes are nine main strategies, each with a list of supporting implementation actions (see Attachment 1 for full list of supporting implementation actions):

Delivery and supply

- Strategy 1: Prioritise housing delivery in areas of high amenity with access to services
- Strategy 2: Monitor and manage the housing pipeline

Infrastructure and servicing

- Strategy 3: Effectively sequence infrastructure and housing delivery
- Strategy 4: Infrastructure is funded and progressed in line with Council's 10 year priority infrastructure plan

Housing diversity

- Strategy 5: Encourage greater housing diversity in greenfield areas
- Strategy 6: Encourage greater provision of medium density housing
- Strategy 7: Support the delivery of affordable housing
- Strategy 8: Incentivise delivery of housing types suitable for a range of groups, including affordable, social and universal housing and student housing

Resilience

- Strategy 9: Enshrine social resilience and promote community cohesion and sustainability
- Strategy 10 Introduce measures to promote design resilience

Each strategy and action in the draft LHS has been developed based on the vision adopted by Council in the interim LSPS, while also responding to the specific issues, concerns and ideas that arose from key stakeholders and the wider community during the consultation process.

When the LHS was drafted, the latest Australian Bureau of Statistics (ABS) Census data from 2021 were unavailable; however, it is proposed to update the final version of the LHS to include the latest 2021 ABS data post exhibition.

Consultation

Engagement to develop the draft LHS was undertaken with key industry stakeholders including representatives of affordable housing providers, development industry, home building industry, manufacturing industry and Darkinjung Local Aboriginal Land Council. This period of engagement informed the preparation of the discussion paper and community survey.

A discussion paper and community survey on housing issues was placed on exhibition from 24 January to 28 February 2022 in conjunction with an *Existing Conditions Report* detailing the current state of population and housing on the Central Coast and projected housing needs for the future. There were 197 survey completions and 41 written submissions received. These submissions have informed the development of the draft LHS. Additionally, a feasibility study was conducted, which looked at the feasibility of medium density housing in different situations.

Further consultation was undertaken with various parts of Council, including Council's Economic Development and Property Unit, Strategic Planning Unit, Environmental Compliance Services Unit and Community and Culture Unit to inform the drafting of the LHS. A presentation and question and answer session on the draft LHS was also held on 21 October 2022, where all Unit Managers (and/or their delegates) across Council were invited to attend.

Broader community consultation is proposed to occur during public exhibition over a 60-day period. The proposed notification avenues are provided in Table 1. It is proposed to have two community sessions, in different locations, one at the Wyong Council building for northern residents and another at Erina Library for southern residents. A specific development and housing industry session will also be held at Wyong and an online session for government agencies. The outcome of the exhibition process will be reported to Council following conclusion of the exhibition period.

Table 1 – Proposed notification avenues

Newspaper advertisements:	Central Coast Express Advocate
Material available for review:	Council Civic Centre – Hely Street, Wyong Council's website and Council Libraries
Industry and community drop-in session:	Wyong Council Building and Erina Library- Community Sessions Wyong Council Building - Development/Housing Industry Session Online - Government agencies
Notification of relevant organisations	AusGrid Aboriginal Housing Office Guringai Tribal Link. Business NSW Baptist Care NSW Compass Housing Darkinjung Local Aboriginal Land Council Department of Education Department of Human Services, Ageing, Disability and Home Care Department of Planning & Environment - Planning Department of Planning & Environment - Crown Lands Department of Planning & Environment - Environment & Heritage Department of Planning & Environment - Environment Protection Authority Department of Planning & Environment - Resources & Geoscience Housing Industry Association Greater Cities Commission Lake Macquarie City Council NSW Government Housing Agencies NSW Health NSW Land and Housing Corporation NSW Police - Tuggerah Lakes and Gosford LAC NSW Rural Fire Service

2.10 Exhibition of the Draft Central Coast Local Housing Strategy (contd)

	Pacific Link Property Council Regional Development Australia (RDA) State Emergency Services Subsidence Advisory NSW Transgrid Transport for NSW Urban Development Industry Association
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Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Exhibition of the draft LHS will not have direct material financial implications for Council. If adopted, the actions contained within the draft LHS will need to be considered when setting priorities for Council's strategic planning work program under Council's Operational Plan.

Link to Community Strategic Plan

Goal B: Creativity, connection and local identity

B-A1: Work within our communities to connect people, build capacity and create local solutions and initiatives.

Goal I: Balanced and sustainable development

G-F1: Protect our rich environmental heritage by conserving beaches, waterways, bushland, wildlife corridors and inland areas, and the diversity of local native species.

Goal I: Balanced and sustainable development

R-I4: Provide a range of housing options to meet the diverse and changing needs of the community and there is adequate affordable housing.

Goal H: Delivering essential infrastructure

R-12: Ensure all new developments are well planned with good access to public transport, green space and community facilities and support active transport.

Risk Management

In accordance with the interim LSPS and DPE's requirements, Council needs to adopt a housing strategy to facilitate the future delivery of housing and improve liveability for residents within the Central Coast LGA. The exhibition of the draft LHS is an essential step to ensure adequate community engagement is undertaken prior to adoption of the LHS.

The risk to Council if the draft LHS is not exhibited prior to adoption is that the views of local residents, interest groups and agencies are not adequately considered in the adopted LHS.

Options


- 1 Endorse the draft LHS for public exhibition. The draft LHS is considered to have strategic merit and will identify the long-term vision and principles to guide land use planning in the area. **This is the recommended option.**
- 2 Amend the LHS prior to public exhibition. Council would need to provide direction to staff on the areas for amendment.
- 3 Not proceed to publicly exhibit the draft LHS.

Critical Dates or Timeframes

An indicative timeframe for completion is as follows:

- Public exhibition of draft LHS: March-April 2023;
- Review submissions received during public exhibition: April-May 2023;
- Amend draft LHS in accordance with relevant feedback: May 2023; and
- Report to Council, seeking adoption of a final LHS: June 2023.

Attachments

1	Draft Central Coast Local Housing Strategy -  Exhibition Version	Provided Under Separate Cover	D15517937
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Item No: 2.11
Title: Outcomes of Affordable Housing Agreement with Pacific Link Housing Limited
Department: Community and Recreation Services



28 February 2023 Ordinary Council Meeting

Reference: CPA/3701 - D15542228
Author: Glenn Cannard, Unit Manager. Community and Culture
Executive: Melanie Smith, Director Community and Recreation Services

Recommendation

- 1 That Council authorise the transfer of land owned at 23-25 Ashton Avenue, The Entrance to Pacific Link Housing Limited for one dollar (\$1.00)**
- 2 That the transfer of the land be conditional on timely performance by Pacific Link Housing Limited of its obligations under the agreement, with provision for the land to revert to Council ownership at a price of one dollar (\$1.00) in the event that substantial completion of project works has not occurred within 3 years.**
- 3 That the Chief Executive Officer be authorised to execute all documents pertaining to the transfer of the Land to Pacific Link Housing Limited.**

Report purpose

To obtain Council approval to Transfer the land at 23-25 Ashton Avenue, the Entrance (**the Land**) to Pacific Link Housing Limited for one dollar (\$1.00) in lieu of a monetary contribution towards the proposed affordable housing project.

Executive Summary

At the 22 November 2022 Ordinary Meeting of Council, it was resolved "*That Council authorise the Chief Executive Officer to enter into an Agreement with Pacific Link Housing Limited for the development of 23-25 Ashton Avenue, The Entrance, that aligns to the Central Coast Affordable and Alternative Housing Strategy (**the Housing Strategy**)*."

As a result of this resolution and the subsequent negotiations, it is evident that in order to achieve the stated goals of the Housing Strategy, adequate commercial conditions (as detailed in Pacific Link Housing's response to Council's Expressions of Interest campaign) must exist. Those commercial conditions include the transfer of land from Council to Pacific Link Housing Limited for one dollar (1.00)

Background

Council adopted the Housing Strategy in April 2019. At its meeting on 26 October 2020, Council resolved to request staff prepare a Council Affordable Housing Land Proposal. The Council Affordable Housing Land Proposal (the Proposal) was prepared and at a subsequent meeting in April 2021, Council resolved to endorse the Land for development of affordable housing.

A subsequent two-stage tender process, undertaken in accordance with section 168 of the *Local Government (General) Regulation 2021*, resulted in a recommendation to Council to enter into agreement with Pacific Link Housing. On 22 November 2022, Council resolved:

That Council authorise the Chief Executive Officer to enter into an Agreement with Pacific Link Housing Limited for the development of 23-25 Ashton Avenue, The Entrance, that aligns to the Central Coast Affordable and Alternative Housing Strategy.

As detailed in Pacific Link Housings response to Council's Expression of Interest (EOI) for the Proposal, the commercial realities of developing affordable housing are stark, including access to capital to complete necessary construction works. Accordingly, it is typical for grants of land at nominal prices to be awarded in circumstances of developments of affordable homes.

The desired outcome to create an affordable housing development that offers social and affordable housing to 70% of the tenants, and limits private tenancy occupants to 30%, provides numerous financial constraints for Pacific Link Housing Limited, and the projects equity partners and financiers.

The project will provide up to 50 critically needed dwellings plus a community facility, and the proposal to transfer the land in lieu of a monetary contribution towards the project will ensure its viability.

Current Status

Failing to finalise the agreement with Pacific Link Housing Limited would result in the abandonment of the Project and an ongoing lack of affordable housing in the area.

In order to mitigate the risk of unrealised development, it is proposed that any contract for sale include a sunset clause for substantial completion to be achieved within 3 years of transfer, or the land to return to Council ownership.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

2.11 Outcomes of Affordable Housing Agreement with Pacific Link Housing Limited (contd)

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

The 3 parcels of land that comprise 23-25 Ashton Avenue, The Entrance have a current book value of \$2,100,000 and is classified operational.

The Transfer of 23-25 Ashton Avenue, The Entrance for one dollar (\$1.00) will result in Council disposing of this asset as a loss on asset disposal for the Net Book Value of \$2,099,999 in the 2023/24 financial year.

Council has received higher than anticipated income on its investments which could be used to offset this loss on asset disposal.

The transfer of land is in lieu of a monetary contribution to the project and takes account of the strategic location of the land in question.

Link to Community Strategic Plan

Theme 4: Responsible

Goal I: Balanced and sustainable development

R-14: Provide a range of housing options to meet the diverse and changing needs of the community including adequate affordable housing.

Risk Management

- Whilst traditionally this is not Council's core business the implementation of the CAHL proposal and the development of the trial site provides the opportunity for leadership to address this significant social issue.
- Public perception. There is a reputational risk linked to the perceived loss of operational land which in principle is for all residents, and the fear of developing pockets of concentrated social housing, which is a theme that arose from the public exhibition of the Central Coast Affordable and Alternate Housing Strategy. These risks can be managed through community education and a transparent engagement process with the preferred proponent.

2.11 Outcomes of Affordable Housing Agreement with Pacific Link Housing Limited (contd)

Options

- 1 Transfer the land for one dollar (\$1.00) to Pacific Link Housing Limited as a Council contribution towards the affordable housing project
- 2 Make a direct monetary contribution to the project

Attachments

Nil

Item No: 2.12
Title: Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach
Department: Environment and Planning



28 February 2023 Ordinary Council Meeting

Reference: RZ/106/2019 - D15516644
Author: Melati Lye, Senior Strategic Planner, Strategic Planning Projects
Manager: Deanne Frankel, Section Manager Strategic Planning Projects
Executive: Alice Howe, Director Environment and Planning

Recommendation

- 1 That Council amend the Site Specific Development Control Plan – The Esplanade (as exhibited) in response to issues raised in the submissions as follows:**
 - **1.4 Relationship to other Plans - remove Ch 2.5 Commercial Development as this does not apply to centres that have a special chapter for that area**
 - **2.0 Lot Consolidation – insert a requirement to ensure that lot consolidation is achieved as part of the development application**
 - **3.1 Building Height and Density – insert an objective to minimise overshadowing of the beach and public open space**
 - **5.1 Size and Depth of Tenancies – insert an objective to allow for commercial development of sufficient size to support a wide range of uses**
 - **6.0 Public Domain and Landscape - insert an objective for the laneway outlining the vision**
 - **7.0 Services - insert heading for REQUIREMENTS underneath the Objectives.**
- 2 That Council amend the Planning Agreement (as exhibited) in response to issues raised in the submissions as follows:**
 - **3.3, 6.1, 6.2, 6.3 Add the words 'indexed' in relation to the monetary contribution**
 - **6.3 Delete the words 'to the Proponents satisfaction'**
 - **6.4 Add the clause regarding the calculation of indexation**
 - **4.0 Add the definitions for Consumer Price Index and Monetary Contributions.**
- 3 That Council authorise the Chief Executive Officer to make other minor alterations to the Development Control Plan – The Esplanade or Planning Agreement, as deemed necessary.**

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

- 4** *That Council request the Chief Executive Officer to exercise delegation issued by the Department of Planning and Environment for RZ/106/2019 or if required request the Minister for Planning to proceed with the steps for drafting and making of the amendment to Central Coast Local Environmental Plan 2022.*
- 5** *That Council adopt the Site Specific Development Control Plan – The Esplanade (as amended in Attachment 2) within the Central Coast Development Control Plan 2022, which shall come into effect upon notification of the Local Environmental Plan.*
- 6** *That Council authorise the Chief Executive Officer (or delegate) to execute the Planning Agreement (as amended in Attachment 3) endorsed by the proponent and landowner, prior to finalisation of the rezoning.*
- 7** *That Council publish a public notice of its decision regarding the adoption of the Development Control Plan within 28 days.*
- 8** *That Council provide the Planning Secretary with a copy of the Development Control Plan within 28 days.*
- 9** *That all those who made submissions during public exhibition be notified of Council's decision.*

Report purpose

To consider the Planning Proposal, draft Development Control Plan Chapter and draft Planning Agreement for land at 43-46 (Lots 117-122 in DP 10650) The Esplanade, Ettalong Beach, following public exhibition and to seek approval for:

- The Planning Proposal to proceed, resulting in an amendment to the *Central Coast Local Environmental Plan 2022*;
- The inclusion of a new chapter in the *Central Coast Development Control Plan 2022* relating to the subject land; and
- The associated Planning Agreement.

Executive Summary

The Planning Proposal seeks to rezone lands known as 43-46 The Esplanade Ettalong Beach by amending controls related to maximum building height (from 11.5m to 17m) and maximum floor space ratio (from 1 to 1 to 1.75 to 1) under *Central Coast Local Environmental Plan 2022* (CCLEP 2022).

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

The Planning Proposal is accompanied by a site specific Development Control Plan (DCP) Chapter and Planning Agreement. The DCP Chapter will guide the future mixed use development of the subject site and is an amendment to the *Central Coast Development Control Plan 2022* (CCDCP 2022).

The Planning Agreement, as exhibited, relates to the subject site and outlines the proponent's commitments to provide a monetary contribution to enable public domain improvements in the area. The commitments agreed within the Planning Agreement will not offset future Section 7.11 developer contributions applicable to the development of the land.

Background

The subject proposal seeks to amend the CCLEP 2022 as follows:

- increase the permitted maximum building height from 11.5m (approximately three storeys) to 17m (approximately five storeys); and
- increase the permitted maximum floor space ratio (FSR) from 1:1 to 1.75:1.

The details of the concept development scheme, indicate a single development on six parcels, Lot 117- 122 in DP 10650 (No 43-46 The Esplanade) comprising of one level of parking at ground floor behind predominantly commercial areas, and four storeys of residential units in two small towers. Vehicle access to 52 car spaces is provided from the rear access lane and includes an at-grade loading bay with a separate access.

Under the proposed development controls, the subject land could achieve five storeys in height involving commercial floor space of 480m² gross floor area (GFA) and up to 40 residential units. This would result in 13 residential units more than a three storey development, which is permitted under the current planning controls.



Figure 1 Contextual Locality Plan (source Google Maps)

The planning controls in this location are intended to limit overshadowing of the beach and public open space, allow for view sharing to the water from other B2 Local Centre zoned land, and provide a transition to the lower density residential land to the east.

A set of revised concept plans A000 to A951 dated June 2022 and Design Quality Statement (refer 05 Supporting Documentation - Studies) were submitted outlining the key points related to compliance with the design quality principles in Schedule 1 of *State Environmental Planning Policy No 65*. The concept plans indicate an FSR of 1.75:1, which allows for appropriate building setbacks, building separation, and a stepped-down transition to the low-density residential development to the east.

On 29 June 2021 Council considered the preparation of the Planning Proposal and resolved the following:

- 1 *That Council, pursuant to Section 3.33 of the Environmental Planning and Assessment Act, 1979, prepare a Planning Proposal to amend the Gosford Local Environmental Plan 2014 or Central Coast Local Environmental Plan (if in effect), to:*

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

- a increase the maximum building height from 11.5m to 17m and floor space ratio from 1:1 to 1.75:1 on the following lots:*
- Lot 117 in DP 10650 (No 46 The Esplanade);*
 - Lot 118 in DP 10650 (No 46 The Esplanade);*
 - Lot 119 in DP 10650 (No 46 The Esplanade);*
 - Lot 120 in DP 10650 (No 45 The Esplanade);*
 - Lot 121 in DP 10650 (No 44 The Esplanade); and*
 - Lot 122 in DP 10650 (No 43 The Esplanade), and*
- b to increase the maximum building height and floor space ratio on Lot 2 in DP1249007 and O/SP 99403 (No 49 The Esplanade) to be consistent with the planning controls approved as part of the State Significant Project Approval (MP 09_0121) for this site*
- 2 That Council, pursuant to Section 3.34 of the Environmental Planning and Assessment Act, 1979, forward the Planning Proposal to the Minister requesting a Gateway Determination*
- 3 That Council request delegation for the Chief Executive Officer (or delegate) to finalise and make the draft Local Environmental Plan, pursuant to Section 3.36 of the Environmental Planning and Assessment Act 1979*
- 4 That Council authorise the Chief Executive Officer (or delegate) to enter into a Planning Agreement (PA), and to negotiate and execute all documentation in relation to the finalisation of the PA (if required)*
- 5 That Council undertakes public authority and community consultation in accordance with the Gateway Determination requirements*
- 6 That Council considers a further report on the results of public authority and community consultation*

The Gateway Determination was issued on 21 December 2021 with a timeframe for completion of 1 December 2022.

Current Status

This report responds to the above Council resolution and provides details of the outcome of the Planning Proposal following public exhibition. The Planning Proposal is currently at the stage in the Local Environmental Plan Amendment Process shown in Figure 2.

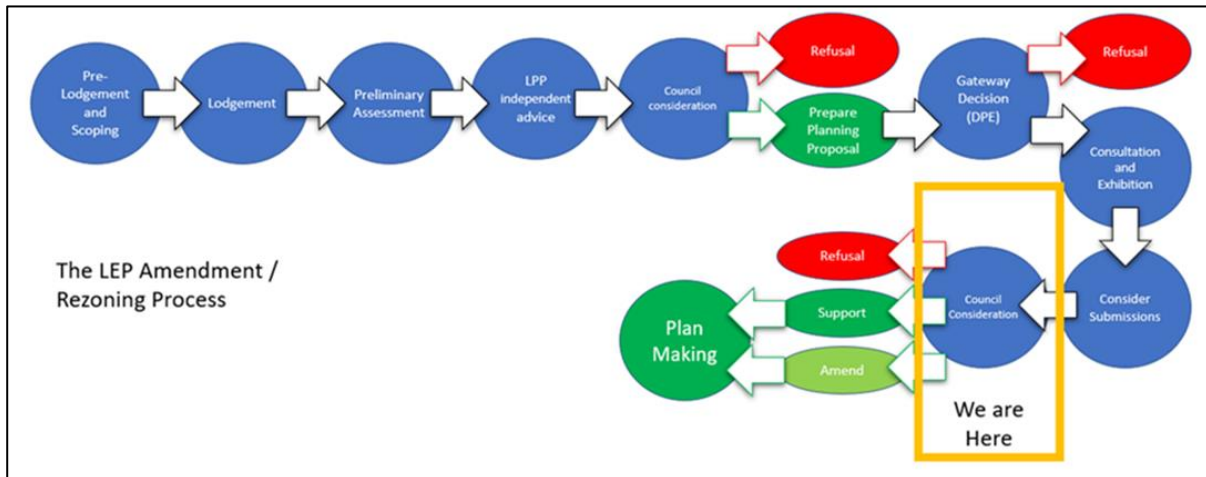


Figure 2 – Local Environmental Plan Amendment/Rezoning Process

The Department of Planning and Environment (DPE) has verbally confirmed that an extension to the Gateway Determination has been extended until 19 March 2023. As the timeframe to comply within the extension cannot be achieved, due to the timing of the Council meeting, a written request has been made for DPE to assume delegation to make the plan.

Report

The Planning Proposal seeks to:

- Apply the maximum building height of 17m to the subject lots; and
- Apply the floor space ratio of 1.75:1 to the subject lots.

The maximum building height of 17m and floor space ratio of 1.75:1 is subject to consolidation of Lots 117 – 122 in DP10650 No. 43 – 46 The Esplanade, Ettalong Beach into a single lot and the development applies to the whole of the consolidated lot.

Draft Local Provisions, *Central Coast Local Environmental Plan 2022*

The Height of Building and Floor Space Ratio maps are proposed to be amended to show a coloured line around the subject site and wording “The Esplanade” to enable bonus height and floor space ratio subject to lot consolidation. The draft local clauses are:

4.3A Exceptions to height of buildings—general

The maximum height of a building on land identified as “The Esplanade” on the [Height of Buildings Map](#) is 17m if—

- (a) the site area is at least 3,000m²

4.4B Exceptions to floor space ratio—town centres and village centres

The maximum floor space ratio for a building on land identified as “The Esplanade” on the [Floor Space Ratio Map](#) is 1.75:1 if—

- (a) the site area is at least 3,000m²

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

If the lots are not consolidated, the current building height of 11.5m and FSR of 1:1 will continue to apply to the subject lots. Lot consolidation will ensure that the development site has sufficient frontage and site area to accommodate a development with the permitted heights and floor space ratios, whilst limiting amenity impacts, such as overshadowing, view sharing, servicing.

The accompanying site-specific DCP Chapter (refer to Section 3 Building Form, of the DCP) details urban design controls to:

- limit the overshadowing of the beach, public open space and bushland in the area,
- allow for view sharing to the water from other developments in the Ettalong Beach local centre,
- provide acceptable building separation and setbacks,
- incorporate active street frontages,
- provide a transition in height to the adjacent low density areas,
- facilitate lot consolidation, and
- design excellence.

The accompanying Planning Agreement is for a voluntary contribution for public domain improvements in the area as a public benefit

The rezoning of the land to amend the maximum building height and floor space ratio has strategic merit, for the following reasons:

- The proposal for infill mixed use development within an established urban centre (zoned B2 Local Centre), reinforces a compact settlement pattern, optimises the use of existing infrastructure and services and reduces car dependency (*Central Coast Regional Plan 2041* Objective 3 – 15 minute mixed use neighbourhoods),
- The proposal is well located in relation to services, facilities and social support in Ettalong Beach Centre and public transport (bus stop and ferry services) as well as nearby cycleways and pedestrian pathways, which provides access to a wider range of employment opportunities, facilities and services,
- The proposal will enable activation of the centre by providing new mixed-use development opportunities and public domain improvements (to the laneway and frontages) with flow on effects to the economy, and
- A public benefit, in the form of agreed public domain improvements, will be delivered through a Planning Agreement.

Lot 2 in DP1249007 and O/SP 99403 (No 49 The Esplanade) formed part of the Planning Proposal but is not included in the concept plans of the future development. The planning controls for this lot will be reviewed (as the current controls do not reflect the State Significant Project Approval for the site) under a separate Local Environmental Plan amendment.

Consultation

The Planning Proposal, draft DCP chapter and draft Planning Agreement were publicly exhibited from 24 October to 21 November 2022 in accordance with the Department of Planning and Environment's *Guide to preparing Local Environmental Plans* and the Gateway Determination. Owners of land included in the Planning Proposal and adjoining landowners were also notified of the exhibition.

The following submissions were received during the public exhibition process:

- 23 submissions were received outlining support for the proposal,
- 1 submission maintaining a neutral position, and
- 95 submissions objecting to the proposal.

The matters raised in the submissions are grouped and responded to in Attachment 1. The main concerns raised by the community are summarised below:

1. Building Scale and Amenity

In terms of building scale, concerns were raised regarding:

- Building shadow cast over the beach,
- Height transition to the beach and low density areas to the east, and
- Loss of views.

Staff Comment:

The diagrams that form part of the Planning Proposal are indicative concepts by the proponent. Council has prepared a site-specific DCP (exhibited with the Planning Proposal), which details appropriate urban design controls to address these concerns.

Section 3 Building Form of the DCP contains the following objectives:

- *To minimise impacts upon the amenity of nearby residential properties with regard to bulk and scale, access to sunlight, privacy and views*
- *To minimise overshadowing of the beach and public open space*

Section 3.1 Building Height and Density identifies the building height transition requirements as described below:

- a. The building heights of the development are to provide for a transition down from west to east, to respond to the heights of existing and proposed adjoining development*
- b. A maximum of 8.75 metre high, 2 storey podium applies to all frontages of the site*
- c. The building form is to step down toward the foreshore to decrease the bulk and scale and to respect the natural attributes of the locality*

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

Section 3.2 Views contains specific requirements related to view sharing, as identified below:

- a. New development shall be designed to minimise loss of views from adjoining and adjacent properties identified in the site analysis process, while still providing opportunities for views from the proposed development*
- b. Design solutions shall respond graphically to the site analysis outcomes through the issue of plans, elevations, photographs and photomontages to demonstrate how view sharing is to be achieved*
- c. A visual analysis illustrating the impacts of the proposed development upon views may be required for developments which have the potential to obstruct views. This analysis will be required to outline the impact of the development on the views of all affected properties*
- d. Important public views and vistas beyond the site shall be protected and maintained where possible, through responsive building form and treatment including roof design and increased setbacks*

The DCP will apply to any future development on the subject site. This will limit overshadowing of the beach, ensure that the building is stepped down to integrate with existing low density development (to the east) and the beach front and provide for view sharing.

2. Environment

Environmental concerns related to:

- Location being dangerously close to the eroding foreshore,
- Basement being liable to flooding and impact from groundwater, and
- Excessive noise and pollution during construction.

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

Staff Comment:

The site is located landward of The Esplanade and is not subject to immediate coastal hazards as per current the *Brisbane Water Zone Management Plan* (Brisbane Water CZMP). From a coastal engineering perspective, the rezoning proposal is considered suitable to progress within the confines of Chapter 3.2 Coastal Management of CCDCP 2022. DPE's Biodiversity and Conservation Division has been consulted and raised no concerns.

The revised concept plans (ADG Architects) dated June 2022 indicates the required 52 car parking spaces sleeved behind commercial frontage at ground level, with no basement parking proposed.

All residents, visitors and workers must comply with noise-restriction regulations under the *Protection of the Environment Operations Act 1997*.

3. Infrastructure

Infrastructure concerns related to:

- Capacity of road and parking infrastructure and the inability to cater to the increased traffic volume,
- Ettalong Beach having inadequate infrastructure and facilities for further growth (cumulative impact), and
- Safety of pedestrians and road users.

Staff Comment:

The subject site is located within an established local centre, close to a range of services and transport connections including a regular bus service with connections to Woy Woy railway station and Erina Fair, as well as a ferry service to Palm Beach in the Northern Beaches area of Sydney. The Ettalong Beach Foreshore Reserve includes children's play areas, barbecue facilities, cycleway/shared pathway and landscaping. The shared pathway on the south side of The Esplanade links Ettalong Beach with Umina Beach to the south.

The traffic and parking assessment indicates that the development will have no adverse impact on the performance of the local road network.

The higher density development in Ettalong Beach is located within an established urban centre (zoned B2 Local Centre) to reinforce a compact urban settlement pattern, utilize existing infrastructure and services and reduce car dependency (refer to Objective 3 – 15 minute mixed use neighbourhoods – *Central Coast Regional Plan 2041*).

The Peninsula Urban Directions Strategy together with the related DCP Character Statements formed the basis for the planning controls in the Ettalong Beach local centre. These documents were developed with significant community input.

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

Vehicular access is proposed from the northern service laneway, along with access to other building utilities, thereby limiting traffic impact and improving pedestrian safety on The Esplanade and Picnic Parade. This will also enable the existing parking spaces along the road frontages to be retained. Improvements to the public domain (laneway, footpaths) are proposed under the Planning Agreement. The design of roads and footpaths for resident safety will be a matter addressed through a future Development Application.

4. Central Coast Development Control Plan 2022 (CCDCP)

In terms of CCDCP 2022, the following comments were made:

- Proposed development being inconsistent with the character statements for the area in the CCDCP 2022,
- DCP chapter related to this proposal applies only for this site, is overly complex and too specific to a particular design. This is not good planning practice,
- CCDCP 2022 was adopted in August 2022 it does not need to change so soon, and
- Minor amendments suggested to improve the DCP – The Esplanade.

Staff Comment:

The Character Statement in CCDCP 2022 describes the existing character of the Ettalong Beach – Mainstreet Centre as follows: *'Incorporating a variety of small scale shops and business premises, as well as substantial freestanding developments that includes a club, weekend market and cinema, plus foreshore reserve, this town centre provides a significant range of services to local residents and visitors. Separating the main street from the scenic waterfront, the foreshore precinct contains substantial open-lot carparks and sites currently undergoing redevelopment, plus a reserve with tall planted shrubs and an amenities building that block panoramic vistas from public streets and the town centre. At the western end, a substantial four storey club building forms a local landmark, adjacent to an eight storey resort hotel building facing the waterfront, proposed as two stepped wings separated by a central landscaped courtyard.'*

The proposed development is generally consistent with the existing character of the Ettalong Beach centre.

The CCDCP 2022 – Peninsula Centres also states that developments in the Ettalong Beach *'are to be designed to integrate the foreshore area to the village centre and residential development within the town centre should be able to enjoy view lines to the waterway, including Lion Island, and not be obscured by inappropriate bulky buildings.'*

Council has prepared a site-specific DCP – The Esplanade (exhibited with the Planning Proposal), which details appropriate urban design controls to address this requirement, and include the following objectives (refer to Section 3 Building Form Objectives):

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

- *To minimise impacts upon the amenity of nearby residential properties with regard to bulk and scale, access to sunlight, privacy and views*
- *To minimise overshadowing of the beach and public open space*

Section 3.1 Building Height and Density refers to the required building height transition:

- a. The building heights of the development are to provide for a transition down from west to east, to respond to the heights of existing and proposed adjoining development*
- b. A maximum of 8.75 metre high, 2 storey podium applies to all frontages of the site*
- c. The building form is to step down toward the foreshore to decrease the bulk and scale and to respect the natural attributes of the locality*

The site-specific DCP includes additional urban design controls that are not included in Chapter 4.2 Peninsula Centres of the CCDCP 2022. The proposed additional controls are necessary to address possible amenity impacts of future development of the site.

Staff have incorporated suggested minor amendments into the draft DCP.

5. Planning Agreement

In terms of the planning agreement, concerns were raised regarding:

- Voluntary Planning Contribution is only \$250,000 AUD,
- It is not specific on what it will be spent, and
- Timeframe is not specified.

Staff Comment:

The voluntary contribution of \$250,000 (indexed for inflation) will be made to Council (prior to the issuing of a Construction Certificate, should development consent be granted) to fund public domain improvements in the area, as determined by Council.

The appropriate public domain improvements and timing will be determined at the DA stage as part of the development assessment process.

6. Miscellaneous

Other miscellaneous concerns raised include:

- No allowance for public input until now, despite a petition with almost 2,000 signatures,
- Time allowed for the public to respond, 28 days, does not match the gravity of such a momentous change to the LEP and the local foreshore. This should be increased to at least 90 days,

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

- The Council is under administration and very understaffed. This should not be a priority, and
- Negative impact of the proposal on the financial status of the 14 (primarily) owner occupied residences to the north.

Staff Comment:

It is noted that the petition was submitted to Rob Stokes MP, the former Minister for Planning and Public Spaces, prior to the Gateway Determination issued by the Department of Planning.

The Planning Proposal for 43-46 The Esplanade Ettalong Beach was prepared and exhibited in accordance with the following statutory process:

<https://www.planning.nsw.gov.au/Plans-for-your-area/Local-Planning-and-Zoning/Making-and-Amending-LEPs> Accordingly, the Planning Proposal and supporting documents were placed on public exhibition at Stage 5, following the Gateway Determination by DPE.

Following a request by the Peninsula Residents Association, Council agreed to provide additional time to supplement a submission (until 16 January 2023 – 90 days) to anyone who made a formal submission or request by 24 November 2022. Twelve people requested additional time (until 16 January 2023) to prepare a supplementary submission.

The Planning Proposal was lodged with Council in 2019 and obtained a Gateway Determination in December 2021. The Gateway Determination issued by DPE obligates Council to complete the assessment within a strict timeframe.

The proposed increase in building height is expected to result in approximately 13 additional units (over two floors) when compared to a three storey development, which is permitted under the current planning controls. The two upper levels of the proposed development have been setback and incorporate a central communal landscaped terrace to allow for view sharing from neighbouring developments.

The proposed DCP – The Esplanade, which will apply to the proposal, includes controls to ensure view sharing from neighbouring developments.

Property value is based upon many variables, including economic policy and location, and is not a relevant planning consideration.

Post Exhibition Changes to the DCP Chapter and Planning Agreement

Following consideration of matters raised during exhibition, minor changes to the DCP Chapter have been made as follows:

- 1.4 Relationship to other Plans - remove Ch 2.5 Commercial Development as this does not apply to centres that have a special chapter for that area

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

- 2.0 Lot Consolidation – insert a requirement to ensure that lot consolidation is achieved as part of the development application
- 3.1 Building Height and Density – insert an objective to minimize overshadowing of the beach and public open space
- 5.1 Size and Depth of Tenancies – insert an objective to allow for commercial development of sufficient size to support a wide range of uses
- 6.0 Public Domain and Landscape - insert an objective for the laneway outlining the vision
- 7.0 Services - insert heading for REQUIREMENTS underneath the Objectives.

In addition, minor changes were also made to the Planning Agreement as follows:

- 3.3, 6.1, 6.2, 6.3 Add the words 'indexed' in relation to the monetary contribution
- 6.3 Delete the words 'to the Proponents satisfaction'
- 6.4 Add the clause regarding the calculation of indexation
- 4.0 Add the definitions for Consumer Price Index and Monetary Contributions.

Agency Consultation

The Gateway Determination specified that the NSW Government agency to be consulted was DPE's Biodiversity and Conservation Division (BCD). BCD has reviewed the documentation and has raised no concerns.

Internal Consultation

Centres Planning and Urban Design

Following initial review by Council staff, a set of revised Concept Plans and Design Quality Statement – June 2022 were submitted; outlining the key points (below) related to compliance with the design quality principles in Schedule 1 of *State Environmental Planning Policy No 65*.

The revised concept plans are considered to be consistent with the design quality principles and relevant planning objectives. The requested increase in the maximum building height and an increase in the maximum floor space ratio could be supported for the following reasons:

- The concept plans indicate a single storey podium at the ground floor that is set back from the boundary with two small residential towers that are further set back with an overall maximum building height of 17m. The single storey podium setback of 6m from the boundary to Picnic Parade will appropriately address the lower-scale residential zone to the east.
- The maximum height of 17m (or 5 storeys) only applies to two small areas, that are setback from boundaries, and is considered as an appropriate transition from the

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

Mantra Resort (1-9 storey) and the Atlantis (5-7 storey) developments to the west, the Ettalong Hotel (4 storey) to the north, down to the 1-2 storey residential to the east. The proposed development complies with the setback to the laneway (3m) and the setback to the residential zoned land (4m minimum required).

- The concept plans also indicate an FSR of 1.75:1, which allows for appropriate building setbacks, building separation, and a stepped-down transition to the neighbouring low-density residential development to the east. The building form generated with an floor space ratio of 1.75:1 allows for carparking, at ground floor sleeved behind commercial/retail development and two small towers of residential development. There is an appropriate choice of development on the ground floor with a commercial uses addressing The Esplanade, Picnic Parade and the western laneway
- On-site car parking is provided in accordance with relevant DCP provisions.
- In addition, an appropriate public benefit of agreed public domain improvements is proposed under a Planning Agreement.

Thus, based on the submitted concept drawings and combined with the building form generated by the floor space ratio of 1.75:1, the maximum building height of 17 metres could be supported on the subject site (43-46 The Esplanade).

Amendments to CCLEP 2002 and DCP 2022 to include site-specific LEP and DCP provisions will be required to ensure relevant planning objectives are achieved.

Floodplain Management

The subject property is not affected by overland flooding in the 1% AEP event (*Brisbane Water Foreshore Floodplain Risk Management Study and Plan 2015*).

The minimum floor level in this proposal satisfies floodplain development requirements.

Environment and Public Health

The land is mapped as Class 3 Acid Sulphate Soils (ASS). Field samples were collected to a maximum depth of 4 m BGL and analysed for ASS. The results of the field testing and analytical screening indicate that actual ASS is not present on the land up to the proposed depth for this development. Therefore, an ASS Management is not required, provided excavations do not exceed 4 m BGL.

Previous and existing land uses include residential and commercial (motel) which are not potentially contaminating activities. However, stockpiles of building rubble and fill including asbestos containing material (ACM) were observed during the site inspection. The existing motel was built prior to 1978, therefore it is considered that hazardous building materials, including ACM, are present within the structure. Samples collected to test for ASS encountered

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

fill material including possible ACM below the ground surface. Groundwater was encountered at a minimum depth of 2.5 m BGL.

The Preliminary Site Investigation Report's recommendations are supported, including:

- Preparation of a pre demolition hazardous building material survey by an occupational hygienist,
- all demolition work to be completed by a licensed asbestos demolition contractor and a clearance certificate provided post demolition by an occupational hygienist, and
- a Stage 2 contaminated site assessment to be prepared post demolition (so that soils under the structures can be accessed) and a Stage 3 Remediation Action Plan prepared. A Stage 4 Validation plan would also be required.

Coastal Management

The site is located landward of The Esplanade and is not subject to immediate coastal hazards as per the current *Brisbane Water CZMP*.

From a coastal engineering perspective, the rezoning proposal is considered suitable to process within the confines in Chapter 3.2 Coastal Management of CCDCP 2022.

It is noted that the beach area on the southern side of the Esplanade fronting the site is being stabilised with established dune vegetation.

Natural Assets and Biodiversity

As the subject site is located within an urban area that has been completely cleared of native vegetation and does not contain native bushland, the likelihood that there would be a significant impact on threatened species, populations or endangered ecological communities is considered extremely low.

Development Engineering

The site is within an established urban centre located close to a range of services and transport connections including a regular bus service with connections to Woy Woy railway station and Erina Fair as well as a ferry service to Palm Beach in the Northern Beaches area of Sydney. The Ettalong Beach Foreshore Reserve includes children's play areas, barbecue facilities, cycleway / shared pathway and landscaping. The shared pathway on the south side of The Esplanade links Ettalong Beach with Umina Beach to the south.

A traffic and parking assessment indicated that the development would have no adverse impact on the performance of the local road network.

There were no traffic impact objections to the Planning Proposal.

Water Assessment

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

All required services are currently available or can be suitably upgraded to accommodate an intensification of residential development of the subject land.

Roads and Drainage Infrastructure

The subject site falls within the established retail/commercial and residential sector of Ettalong Beach fronting The Esplanade which has kerb and gutter and sealed pavement together with stormwater drainage, power, water, sewer and telecommunications. The subject lots have secondary frontage to the rear laneway which is bitumen sealed but without kerb and gutter. Kerb side car parking is available adjacent to the development on The Esplanade.

Social and Economic

The proposal will result in positive social and economic impacts in the area. The proposal will lead to increased residential densities, which will support the various retail shops and services in the Ettalong Beach local centre. A mix of housing sizes and price points will also cater for different socio-economic groups and life stages.

The Planning Proposal will result in a number of short-term economic benefits. The increased density will permit a development, which has a higher capital value and generates more construction jobs than a smaller development permitted under the existing controls.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Adoption of the staff recommendation has no direct bottom line budget implications for Council. The direct cost to Council is the preparation of the Planning Proposal, which will be charged as per Council's fees and charges on a cost recovery basis. Relevant local infrastructure / public domain requirements are dealt with via the Planning Agreement and applied to future development at the development application stage.

Link to Community Strategic Plan

Theme 4: Responsible

Goal I: Balanced and sustainable development

R-12: Ensure all new developments are well planned with good access to public transport, green space and community facilities and support active transport.

Risk Management

Any risks identified to the natural and built environment associated with this proposed amendment to CCLEP 2022 and CCDCP 2022 have been assessed as part of the Planning Proposal and are considered appropriate in light of the rezoning outcomes that will be achieved. Further assessment of these risks will be undertaken at the Development Application stage.

Options

- 1 Adopt the proposed amendments to CCLEP 2022, CCDCP 2022, and the Planning Agreement, as the Planning Proposal has strategic merit. This is the **recommended option**. The basis for this recommendation is:
 - The proposal for infill mixed use development within an established urban centre (zoned B2 Local Centre), reinforces a compact settlement pattern, optimises the use of existing infrastructure and services and reduces car dependency (*Central Coast Regional Plan 2041* Objective 3 – 15 minute mixed use neighbourhoods)
 - The proposal is well located in relation to services, facilities and social support in Ettalong Beach Centre and public transport as well as nearby cycleways and pedestrian pathways, which provides access to a wider range of employment opportunities, facilities and services
 - The proposal is expected to enable activation of the centre by providing new mixed-use development opportunities and public domain improvements (to the laneway and frontages) with flow on effects to the economy.
- 2 Refuse to support the Planning Proposal. This option is not recommended. Should the Planning Proposal not be supported, an opportunity will be missed to enable activation of the centre by providing new mixed use development opportunities.

2.12 Outcome of exhibition of Planning Proposal related to 43-46 The Esplanade Ettalong Beach (contd)

Attachments

1	Public Submissions	Provided Under Separate Cover	D15528866
			
2	Development Control Plan - The Esplanade	Provided Under Separate Cover	D15528876
			
3	Planning Agreement - Final	Provided Under Separate Cover	D15528898
			



Item No: 2.13
Title: Gosford Waterfront- Utilisation of Internal Restrictions (Land Development)
Department: Environment and Planning

28 February 2023 Ordinary Council Meeting

Reference: F2022/02375 - D15529408
Author: Ben Brown, Senior Property Development Manager. Economic Development and Property
Manager: Jamie Barclay, Unit Manager Economic Development and Property
Executive: Alice Howe, Director Environment and Planning

Recommendation

That Council:

- 1 *Endorse the draft Gosford Waterfront Revitalisation (Concept Plan) Consultation Report (Attachment 1).***
- 2 *Based on the favourable feedback received through the consultation period, continue to progress the waterfront revitalisation project, as amended by consultation feedback, to support a NSW Government investment decision.***
- 3 *Allocate \$2,218,000 to the waterfront project, funded from Council's Land Development Reserve.***
- 4 *Continue to advocate to the NSW Government for funding to progress the waterfront revitalisation project.***

Report purpose

The purpose of this report is to seek Council support to continue to progress the Gosford waterfront revitalisation project, based on the positive feedback received during the recent consultation.

Executive Summary

Feedback received during the recent public exhibition of the *Gosford Waterfront and Stadium Concept Plan* has been favourable, with opt-in consultation and independent market research survey reporting a 81.5% and 93% positive feedback, respectively.

2.13 Gosford Waterfront- Utilisation of Internal Restrictions (Land Development) (contd)

This consultation identified a number of areas for improvement of the concept, which are proposed to be investigated.

Council has also received favourable feedback from local members of parliament, but to date has not secured the \$8.5 million required to progress the business case for the project that would inform a potential NSW Government investment decision.

In order to maintain momentum on the project, it is proposed that Council fund the early works elements required to support the business case, and continue to advocate for NSW Government funding for the project.

Background

At its Ordinary Council meeting, held on 27 September 2022, Council resolved the following:

157/22 Resolved

That Council:

- 1. Adopt Option 1 as the preferred Gosford Waterfront and Stadium Concept Plan on which to develop a draft Waterfront Masterplan.*
- 2. Adopt the revised Gosford Waterfront Renewal Framework to progress feasibility analysis of the waterfront revitalisation proposal.*
- 3. Seek community feedback to inform development of a draft Waterfront Masterplan, based on the adopted Gosford Waterfront and Stadium Concept Plan.*
- 4. Seek funding from the NSW Government to progress a business case for the adopted Gosford Waterfront and Stadium Concept Plan to inform a potential NSW Government investment decision.*

At its Ordinary Council Meeting, held on 13 December 2022, Council resolved the following:

261/22 Resolved

That Council:

- 1. Note the positive feedback in support for the Gosford Waterfront Concept Plan received during the consultation period.*
- 2. Continue to work with NSW Government to progress the Gosford waterfront renewal project to Gateway 2, as outlined in the adopted Gosford Waterfront Renewal Framework, to support a NSW Government investment decision.*

The Council report of 13 December 2022 demonstrated support for the concept plan. In particular, Council's channels indicate overall support for the revitalisation of the Gosford waterfront, with 59.4% of participants supportive of the concept plan, 22.1% were neutral and 18.5% were not supportive. This opt-in consultation confirms the positive sentiment around the project, with both supportive and neutral achieving a combined 81.5% favourable rating.

The independent market research survey, undertaken to obtain a statistically valid sample size, indicates overall support for the revitalisation of the Gosford waterfront, with 77% of participants supportive of the concept plan, 16% neutral and 7% not supportive. The independent market research confirms the positive sentiment around the project, with both supportive and neutral achieving a combined 93% favourable rating.

Feedback studied across social media channels also indicates a large amount of support for the revitalisation of the Gosford waterfront.

Based on the positive feedback received, and in accordance with resolution 261/ 22, a final Consultation Report was proposed to be issued to Council in the first quarter of 2023.

The consultation report (Attachment 1) not only highlights the positive results outlined above, but additionally that Council received 25 written submissions, 380 responses via the online feedback form and 676 comments placed in the interactive concept plans generating 2084 reactions (1797 thumbs up and 287 thumbs down or in percentage terms, 86% thumbs up).

Feedback across the consultation activity revealed the following:

- Suggestions for additional parking and the availability of parking within Gosford
- Comments about public land being used for residential development
- Support for increased recreational opportunities along the Gosford waterfront
- Options for traffic management, particularly the Central Coast Highway should be explored
- The connectivity revitalisation of the Gosford waterfront will offer is a significant advantage of the plan
- The waterfront will be a catalyst in creating and supporting an activated Gosford City
- There is support for the Gosford waterfront revitalisation concept plan and a desire to get it happening as soon as possible.

The consultation report further outlines Council's actions to progress this project that are in line with community expectations in the next Gateway Review. Council will use the feedback received to further evolve and improve the concept plan. The key themes that need to be thoroughly investigated are outlined in Figure 1.



Figure. 1 Gosford waterfront areas for investigation in Gateway Review 2, following community feedback

A series of technical studies are required to progress the business case for the project and inform the detailed masterplan. These studies include biodiversity geotechnical and hydrological studies to understand site constraints, detailed land and bathymetry survey, flooding and coastal hazard analysis, transport investigations, and updates to the architectural design to reflect community feedback.

Current Status

The progress of the Gosford Waterfront cannot progress without additional funding.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council:

2.13 Gosford Waterfront- Utilisation of Internal Restrictions (Land Development) (contd)

It is proposed to increase the budget allocation by \$2,218,000 to enable key elements of the project to progress, and to fund this increase from Council's Land Development Reserve. This reserve was established through the sale of Kibbleplex. The application of funds from this reserve to the waterfront project is considered consistent with the intended reserve purpose. Should Council receive funding from the NSW Government for the waterfront project, it is intended that the Land Development Reserve would be reimbursed.

It is proposed that \$316,856 will be allocated to Council's 2022-2023 budget, with the remainder allocated to Council's 2023-2024 budget. This budget allocation will affect Council's budgeted operating result, by reducing Council's projected budget surplus by the amount recommended in this report.

Link to Community Strategic Plan

Theme 2: Smart

Goal C: A growing and competitive region

S-C1: Target economic development in growth areas and major centres and provide incentives to attract businesses to the Central Coast.

Risk Management

This resolution will allow de-risking of the project and further progression of the revitalisation of the Gosford waterfront in line with the Consultation Report and Gosford Renewal Framework.

Options

- 1 Council allocates the requested budget, funded from the Land Development Reserve to maintain momentum around the waterfront revitalisation project.
This is the recommended option.
- 2 Council doesn't provide funds and awaits confirmation of funding from the NSW Government. (Not recommended)

2.13 Gosford Waterfront- Utilisation of Internal Restrictions (Land Development) (contd)

Critical Dates or Timeframes

Approval of the budget increase is required to continue to progress the waterfront revitalisation project.

Attachments

1	Consultation Report - Gosford Waterfront Revitalisation	Provided Under Separate Cover	D15540874
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Item No: 2.14
Title: Street Design Manual & Technical Specifications
Department: Environment and Planning



28 February 2023 Ordinary Council Meeting

Reference: F2021/00898 - D15523999
Author: Philip Clegg, Senior Urban Designer, Strategic Planning Projects
Manager: Deanne Frankel, Section Manager Strategic Planning Projects
Executive: Alice Howe, Director Environment and Planning

Recommendation

That Council:

- 1 *Publicly exhibit the draft Central Coast Street Manual and draft Landscape Works Specification for not less than 28 days.***
- 2 *Consider a further report following conclusion of the public exhibition period.***

Report purpose

To present the draft *Central Coast Council Street Design Manual* (Attachment 1) and *Landscape Works Specification* (Attachment 2) to Council for the purposes of community consultation.

Executive Summary

The draft *Central Coast Street Design Manual* and accompanying *Landscape Works Specification* form the first set of public domain guidelines for the Central Coast. The purpose of the Manual is to provide cohesive design guidance and construction standards for built works within our streets and public spaces separate to but coordinated with all other engineering works.

Local Council's commonly develop and utilise a set of public domain guidelines to ensure the delivery of high-quality public domain works within their towns, streets, and local centres. The Manual and Specification have been developed to ensure a consistent and coordinated approach is taken when delivering public domain projects across the local government area. These documents have been developed in consultation with relevant Council units and in consultation with NSW Government.

The draft *Street Design Manual* and draft *Landscape Works Specification* are presented for consideration and are proposed to be publicly exhibited prior to finalisation.

Background

Street design on the Central Coast is currently subject to requirements contained in either the *Central Coast Council Development Control Plan 2022* (CCDCP 2022) or Council's *Civil Works Design Guidelines, Construction Specification and Standard Drawings*. This information is generally limited to engineering works. The *Street Design Manual* has been developed to create a vision and provide guidance for works not adequately addressed in existing documents such as paving, landscaping, street trees, public art, and heritage interpretation.

Current Status

Council does not currently have a set of guidelines or standards for the coordinated public domain works, except for information contained within CCDCP 2022 or site-specific conditions of consent related to landscape works.

Report

Public streets need to balance the needs of the community as well as providing a range of functional requirements. The competing demands of vehicles, public transport, pedestrians, cyclists, services and waste collection need to be considered but the way we design our roads and streets plays a role in the success of our towns and neighbourhoods.

The draft *Street Design Manual* and draft *Landscape Specifications* have been developed in consultation with Council stakeholders responsible for the design, delivery and maintenance of our roads and streets. This document forms the basic set of guidelines on how to develop a more complete approach to street design, with the four key aims of making streets safe and attractive, community focused, green and sustainable, healthy and smart.

These guidelines also aim to provide guidance for Council staff working in planning, design or project management, private developers, external design professionals, infrastructure authorities working in the public domain and for residents working on minor residential developments.

Council has an opportunity to improve the way it designs and delivers its streets, and these documents will help support existing design standards and guidelines to ensure the development of healthy and more liveable neighbourhoods.

Consultation

It is proposed to publicly exhibit the documents for a period of not less than 28 days in alignment with Council's *Community Participation Plan*. At the end of the exhibition period, submissions will be reviewed and responded to. Where appropriate, amendments may be made to the final set of documents for consideration by Council.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Generally, the guidelines will improve the public domain being delivered as part of private development or subdivision works; however, the recommendations in this report could potentially entail additional costs to Council over the long term in relation to increased asset management or maintenance, or through increased construction costs in some areas. The proposed *Street Design Manual* will create more streamlined and efficient processes for addressing public domain improvements with limited internal resources.

Link to Community Strategic Plan

Theme 5: Liveable

Goal L: Healthy lifestyle for a growing community

B-A4: Enhance community safety within neighbourhoods, public spaces and places.

B-B4: Activate spaces and places to complement activity around town centres, foreshores, lakes and green spaces for families, community and visitors.

S-C2: Revitalise Gosford City Centre, Gosford Waterfront and town centres as key destinations and attractors for business, residents, visitors and tourists

R-H2: Improve pedestrian movement safety, speed and vehicle congestion around schools, town centres, neighbourhoods, and community facilities.

L-K2: Design and deliver pathways, walking trails and other pedestrian movement infrastructure to maximise access, inclusion and mobility to meet the needs of all community members.

L-K1: Create a regional network of interconnected shared pathways and cycle ways to maximise access to key destinations and facilities.

Risk Management

Streets are important public spaces that can improve local towns and neighbourhoods, encourage business and tourism and contribute to more active healthy lifestyles for our local residents. It is important for Council to have a set of design guidelines in place to ensure private development contributes adequately to the public domain and that the various Council teams involved can work in a coordinated manner. The proposed guidelines will provide a clear statement on how Council intends to develop its streets and public spaces in collaboration with any existing design guidelines and standards.

Internal council stakeholder groups have been consulted with extensively during development of these guidelines, and public exhibition of the document will also allow the community and developers to review the manual and provide input prior to finalisation.

Options

- 1 Endorse the draft *Street Design Manual* and draft *Landscape Works Specification* for community consultation. This will reinforce Council's commitment to an efficient, coordinated, and complete approach to the design and development of streets and public spaces across the central coast. **This is the recommended option.**
- 2 Resolve not to endorse the draft documents for exhibition. Not recommended.

Critical Dates or Timeframes

If Council resolves the recommendations in this Report, the draft *Street Design Manual* and draft *Landscape Works Specification* will be publicly exhibited for a period of not less than 28 days.

Post-exhibition, a report on the outcomes of public exhibition will be prepared and reported to Council. Where appropriate, amendments will be made to the documents in response to submissions.

Attachments

1	Draft Central Coast Street Design Manual	Provided Under Separate Cover	D15528379
2	Draft Central Coast Landscape Works Specification	Provided Under Separate Cover	D15349019



Item No: 2.15
Title: Rationalisation of Long Term Ownership and Management - Car Parking Woy Woy CBD
Department: Environment and Planning

28 February 2023 Ordinary Council Meeting

Reference: F2023/00236 - D15541907
Author: Chris Barrett, Commercial Property Manager, Commercial Property
Manager: Jamie Barclay, Unit Manager Economic Development and Property
Executive: Alice Howe, Director Environment and Planning

Recommendation

- 1** *That Council note that Transport for NSW has a long term lease, to 2065, over the 700 space commuter car park at 93 Blackwall Road, Woy Woy, and that any transfer of ownership of this car park would retain commuter access.*
- 2** *That Council note that its Option to acquire 220 car parking spaces in the shopper car park at Deepwater Plaza Shopping Centre, 52 Railway Road, Woy Woy is surplus to Council's requirements.*
- 3** *That Council authorise the CEO to negotiate and execute an agreement on a commercially satisfactory basis with the current or future owner of Deepwater Plaza shopping centre to extinguish Council's Option Deed to acquire car park spaces in the shopper car park at 52 Railway Road, Woy Woy.*
- 4** *That extinguishment of the Option Deed be conditional on the owner of Deepwater Plaza shopping centre entering into a simultaneous agreement to purchase the adjacent Commuter Car Park at 93 Blackwall Road, if required to do so by Council, within 12 months of the date of extinguishment.*
- 5** *That Council authorise the CEO to negotiate and execute an agreement on a commercially satisfactory basis with the current or future owner of Deepwater Plaza shopping centre for the sale of the commuter car park at 93 Blackwall Road, Woy Woy for not less than its net value to Council.*
- 6** *That factors to establish the net value to Council of the commuter car park be noted as:*
 - the land value of 93 Blackwall Road determined by the Valuer General*
 - the book value of improvements at 93 Blackwall Road*
 - future depreciation and maintenance charges at 93 Blackwall Road*
 - nominal income from the Transport for NSW lease at \$1 a year to 2065.*
- 7** *That Attachment 1 be kept confidential in accordance with Section 10A(2)(c) of the Local Government Act 1993 on the basis that it includes information that*

would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.

Report purpose

To advise Council of the opportunity to transfer responsibility for the commuter car park at Woy Woy and Council's Option over part of the shopping car park at Deepwater Plaza shopping centre to the new owner of Deepwater Plaza shopping centre, while retaining or enhancing parking availability for both commuters and shoppers.

Executive Summary

Council currently leases the commuter car park at 93 Blackwall Road, Woy Woy to TfNSW. The lease returns a peppercorn (\$1/year) and is until 2065. Council also has an Option to purchase part of the shopper car park at 52 Railway Road, Woy Woy, currently owned by Dexu (the owner of Deepwater Plaza shopping centre), which is exercisable for a peppercorn fee in December 2032. Council has no direct need for either of these car parks.

Dexu is in the process of selling Deepwater Plaza shopping centre to Raptis Investments. Raptis has approached Council seeking to purchase both the Option over part of the shopper car park and the commuter car park, and is prepared to commit to retaining both the commuter and shopper car parks.

The offer provides a unique opportunity to retain or enhance both commuter and shopper parking in Woy Woy CBD, while simplifying management and ownership arrangements.

Background

Council has actual or potential ownership interests in two adjacent sites used for commuter and shopper car parking in Woy Woy CBD.

The location of the two car parks and their relationship to other key sites in Woy Woy CBD (Woy Woy train station and Deepwater Plaza shopping centre) is shown in Figure 1.

Council is the owner of a multistorey commuter car park located at 93 Blackwall Road, Woy Woy (Lot 9951/DP1169224). This car park accommodates about 700 cars and is leased to Transport for NSW (TfNSW) until 2065 at a peppercorn rental of \$1 a year.

The area of the land on which the car park sits is 6,457m² and the most recent valuation of the land by the Valuer General is \$3,300,000 inclusive of GST.

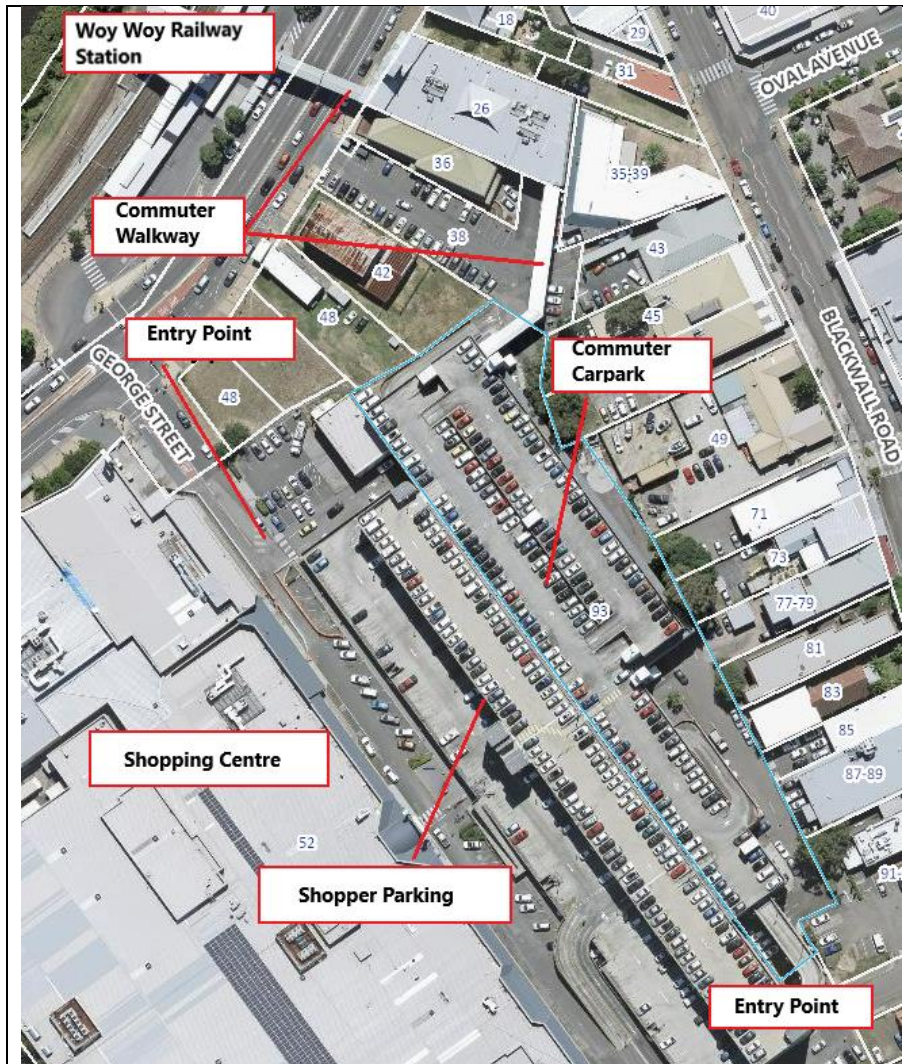


Figure 1 – Locality plan

Council is also the beneficiary of an Option Deed to purchase half (expressed by area and by number of car spaces) of two levels of the shopper car park at 52 Railway Road, Woy Woy (Lot 30/DP1152193) which services the adjacent Deepwater Plaza shopping centre.

The Option Deed is exercisable at a peppercorn fee in December 2032. The area on offer to Council accommodates about 220 cars over two levels.

The Option Deed arises out of an arrangement between Council and the original developer of the shopping centre in about 1982. The Option Deed was entered in to following a land swap and leaseback, which involved a number of Woy Woy CBD sites.

There are about 220 car spaces in the balance of the shopper car park that are owned by the owner of the Deepwater Plaza shopping centre.

Current ownership arrangements for the Woy Woy CBD car parks are summarised in Figure 2.

2.15 Rationalisation of Long Term Ownership and Management - Car Parking Woy Woy CBD (contd)

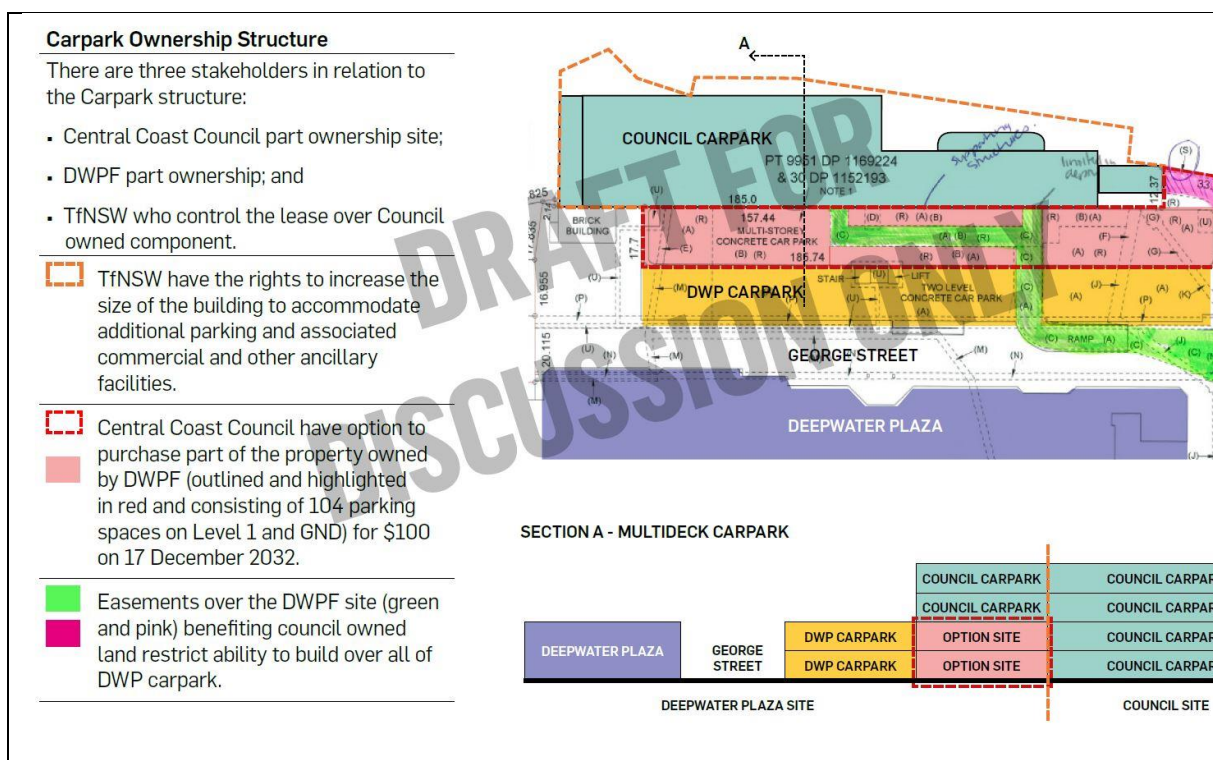


Figure 2 – Car park ownership arrangements in the vicinity of Deepwater Plaza shopping centre

Current Status

The current owner of Deepwater Plaza shopping centre is the Dexu Property Group.

Dexu has announced the sale of Deepwater Plaza shopping centre to Raptis Investments, an established owner and operator of regional shopping centres, which has a conditional and time-limited contract to buy the property. Raptis has identified exercise of the Option Deed as a major risk to the future value of the shopping centre. The sale hinges on a satisfactory outcome in relation to the Option Deed.

Raptis has indicated in a series of contacts with Council that it is agreeable either to extinguishing the Option Deed or, in combination, extinguishing the Option Deed and at the same time purchasing the commuter car park.

Late last November, Raptis submitted a unsolicited and conditional offer to Council to purchase the commuter car park and extinguish the Option Deed.

Should the recommendations in this report be adopted, Council staff will advise Raptis that Council will deal with the offer as a priority and will provide a commercially realistic period of time for the proposed transactions to be finalised.

Report

The offer from Raptis presents an opportunity for Council to consider whether it is advantageous to continue to retain its interests in car parking in Woy Woy CBD via the two adjacent (commuter and shopping) car parks.

The two primary beneficiaries of the car park assets that Council has an interest in are Deepwater Plaza (for shopping centre customers) and TfNSW (for commuter rail customers). Both TfNSW and the owner of Deepwater Plaza shopping centre have a vital interest in maintaining ongoing access for their respective customers to these car park assets.

TfNSW has ensured very long term access for commuters to the commuter car park through a lease with Council that runs until 2065, that is, for another 40 years.

- It has done this at a very low ongoing cost
- TfNSW may be able to introduce paid parking in the future to manage patronage of the commuter car park so as to exclude non-commuter parkers.
- This could occur with agreement from Council (or a subsequent owner) for the necessary paid parking infrastructure to be installed.
- TfNSW has indicated that it seeks to retain commuter car parking under a lease agreement, and does not wish to procure the site from Council.

Under the current arrangements, access for shopping centre customers could be less secure:

- Access to spaces in the commuter car park could be targeted to rail commuters in future
- Diminished (or nil) access could apply to half the parking in the shopper car park were the Option Deed to be exercised by Council in December 2032.
- Council might negotiate post 2032 with TfNSW to provide commuters with access to spaces that are now used as shopper parking.
- This could be done by way of on-sale or by way of a commercial lease.

In summary, the owner of the Deepwater Plaza shopping centre has good reason to be interested in retaining and extending long-term control and influence over car parking spaces in the commuter car park and the shopper car park.

Consultation

There have been a series of interactions between Raptis and Council since late November 2022. The matters discussed have included overall commercial, strategic and legal considerations, the elements of the process to progress the unsolicited offer through Council, the potential for an improvement in the offer price by Raptis, and refinements in the way the offer might be structured to facilitate orderly processing by Council.

2.15 Rationalisation of Long Term Ownership and Management - Car Parking Woy Woy CBD (contd)

Consultation has been undertaken with TfNSW in relation to future ownership and management of the commuter car park, and in particular the current offer from the prospective owner of Deepwater Plaza. TfNSW has indicated that it wishes to retain its lease over the commuter car park.

Policy considerations

The Council policy of relevance is the *Land Transactions Policy*. The proposed sale has a number of disparate elements but overall is not inconsistent with the *Land Transactions Policy*. The overall sale price will be above the value of the land to be sold, as most recently assessed by the Valuer General.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council. The offer from Raptis represents a unique opportunity to rationalise car parking arrangements in Woy Woy CBD on a basis that is significantly cash positive to Council. Due to the confidentiality of commercial negotiations, the exact value of the combined transactions (the Option Deed extinguishment and the commuter car park sale) cannot be publicly disclosed as yet. In any case, the value will be in excess of the land value for the commuter car park, as determined by the Valuer General.

Link to Community Strategic Plan

Theme 4: Responsible

Choose Focus Area

R-H3: Create parking options and solutions that address the needs of residents, visitors and businesses.

Risk Management

Review of documents relating to the following has taken place and has revealed:

- The circumstances of the initial creation (in and around 1982) and the reconfirmation (in 2014) of the shopper car park Option Deed;
- The circumstances of the funding and construction of the initial commuter car park infrastructure (in 1994) and the expansion of the commuter car park infrastructure (in and around 2010); and
- The initial lease over the commuter car park to TfNSW (in about 1994) and updating and extension of the lease (in and around 2011).

No legal or regulatory matters have been identified that would impede the extinguishment of the Option Deed or the commuter car park sale.

In order to manage any residual unidentified impediment that might exist in relation to the sale of the commuter car park, the sale will be conditioned so that it can be initiated by Council at any time in the 12 months from the date of Option Deed extinguishment.

This will allow ample time to finalise the financial review outlined in the body of the report and the confidential attachment to the report and to finalise external legal review. To date, it is reiterated, no impediment to the sale has been identified despite considerable diligence.

In relation to the Option Deed, no impediment to extinguishment has been identified. Accordingly, the relevant contract will be unconditional. As extinguishment is considered advantageous, providing a timely indication to Raptis that Council is willing to move forward on a commercial basis is considered essential.

Options

Four options have been identified in relation to rationalisation of long-term ownership and management of commuter and shopper car parking in Woy Woy CBD.

1. Council agrees to extinguish the Option Deed and sell the commuter car park to the owner of the Deepwater Plaza shopping centre on a prudent and commercial basis for the reasons outline in the report. The transactions would be conditioned on long term retention of the affected car parks for shopper and commuter car parking **This is the recommended option.**
2. Council agrees to extinguish the Option Deed but does not sell the commuter car park to the owner of the Deepwater Plaza shopping centre on a prudent and commercial basis. This is **not recommended** because it removes the opportunity to rationalise overall long-term ownership and management of both shopper and commuter car parking in Woy Woy CBD.

2.15 Rationalisation of Long Term Ownership and Management - Car Parking Woy Woy CBD (contd)

3. Council sells the commuter car park as a stand-alone going concern. This is **not recommended** because it removes the opportunity to rationalise overall long-term ownership and management of both shopper and commuter car parking in Woy Woy CBD. Also, despite repeated approaches, no interest in purchase of the site has so far been expressed by the beneficiary of the current lease, namely, TfNSW.
4. Council rejects the unsolicited offer and does nothing. This is **not recommended** because it removes the opportunity to rationalise overall long-term ownership and management of both shopper and commuter car parking in Woy Woy CBD. The opportunity is unlikely to re-occur for many years as change of shopping centre ownership occurs very infrequently, in the case of Deepwater Plaza only twice in over 40 years.

No further opportunity to rationalise arrangements might occur until December 2032, at which time Council would have to weigh up benefits of ownership of car park spaces against costs of maintaining and renewing aging infrastructure for which there are very few potential lessees (essentially, TfNSW and the shopping centre).

Critical Dates or Timeframes

The body of the report has identified that this matter is time sensitive.

It is understood that the time allowed for Raptis to determine whether to proceed with the purchase of the Deepwater Plaza shopping centre is about to expire and may be extended for a limited time only. Accordingly, to manage any possible unidentified residual risk in relation to the commuter car park, the sale will be conditioned to be at Council's discretion.

No residual risk has been identified in relation to the extinguishment of the Option Deed. Accordingly, the relevant contract will be unconditional apart from requiring a commitment to retain adequate shopper parking.

Attachments

1	Confidential Attachment - Assessment of Value -	Provided Under Separate Cover	D15551228
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Item No: 2.16
Title: Management of Natural Disaster site at Wisemans Ferry with Hawkesbury City Council
Department: Infrastructure Services

28 February 2023 Ordinary Council Meeting

Reference: F2022/00493 - D15393435
Author: Michael Ross, Unit Manager Procurement and Project Management
Executive: Boris Bolgoff, Director Infrastructure Services

Recommendation

- 1** *That subject to Hawkesbury City Council concurrence, that Central Coast Council enters into a Memorandum of Understanding with Hawkesbury City Council, enabling Hawkesbury City Council to manage a portion of Natural Disaster remediation works on Settlers Road, Wisemans Ferry on behalf of Central Coast Council.*
- 2** *That Council note that this Memorandum of Understanding will only apply to the section of road spanning between the Wisemans Ferry ramp and the Historic Thomas James Bridge.*
- 3** *That Council note by having Hawkesbury City Council manage these remediations works on behalf of Central Coast Council will add a value option and safety to the reconstruction by having only one Council controlling group in the restricted area whilst they carry out repairs to the nearby bridge with a full road closure in place.*
- 4** *Pursuant to section 11(3) of the Local Government Act 1993, that Attachments to this report remain confidential in accordance with section 10A(2)(d) as they contain commercial information of a confidential manner.*

Report purpose

The purpose of this report is to seek Council endorsement to enter into a Memorandum of Understanding with Hawkesbury City Council that would see them manage a section of Natural Disaster remediation works on behalf of Central Coast Council. This would apply to the section of damaged road located on Settlers Road, Wisemans Ferry, between the Wisemans Ferry Ramp, at chainage 150 and the Historic Thomas James Bridge at chainage 500.

Executive Summary

Central Coast and Hawkesbury City Council, along with many other Councils, suffered extensive damage to road infrastructure within their respective LGA's over the past two years that has been attributed to Natural Disaster. The section of Settlers Road, Wisemans

Ferry that relates to this report impacts both LGA's as the LGA boundary is the centre line of the road and a major landslide on the Central Coast Council side has resulted in a lane closure for approximately 350m.



Figure 1: Boundary map detailing work zone

Both Councils have been working in a collaborative manner as to expedite the remediation effort, and in the instance of the Settlers Rd section of road, Hawkesbury City Council have proposed that the remediation works are consolidated with remediation works they have planned to undertake on the Historic Thomas James Bridge and be managed by Hawkesbury City Council. This is considered as the most suitable option as completing the works concurrently will minimise road closures and subsequent community impact and alleviate some of the risks with associated with operating different civil constructions sites within close proximity of each other.

Background

Recent Natural Disasters have resulted in extensive damage to Councils road network. The State Government through the Australian Government Disaster Recovery Funding Arrangements (DRFA) are providing grant funding to remediate the damages, with full rectification of the damaged assets forecast to take up to three years to complete. Central Coast Council have responded to the Natural Disaster crisis and subsequent damage to road assets with the formation of a project team with a dedicated focus on the remediation effort. Central Coast Council have currently identified over one hundred land slips impacting road assets, expected to cost in the order of \$65 million to rectify.

Recent communications with Transport for NSW and Hawkesbury City Council have identified synergies that can be realised on one of the impacted sections of Settlers Road, Wisemans

Ferry. Both Councils have rectification works to undertake within a 350-meter stretch of road and combining these works for concurrent delivery would reduce road closure durations and minimise impact to the community. Concurrent delivery, managed by one delivery team would also mitigate some of the risks associated with having neighbouring civil construction sites, such as heavy machinery conflict, general WHS risk and competing contractor dispute. The overall remediation costs will also be lower due to streamlining project, safety and contract management effort.

Due to the cost and complexity of Hawkesbury City Councils component of the works exceeding that of Central Coast Council's, Hawkesbury City Council have proposed that they take the lead of the construction management phase. Central Coast Council project staff will maintain control over the design process, and once the design is deemed complete it is proposed that construction management is novated to Hawkesbury City Council under the terms of the Memorandum of Understanding.

The remediation project is completely funded by the Australian Government Disaster Recovery Funding Arrangements (DRFA) administered by Transport for NSW, and the intent of the Memorandum of Understanding is also supported by Transport for NSW.

Current Status

Design consultancy GHD were directly engaged by Transport for NSW in 2022 to undertake investigation, design option analysis and development of a concept design. GHD have subsequently been engaged to finalise the detailed design.

The attached Memorandum of Understanding has been reviewed by both Councils project teams and their respective legal counsel who have agreed the terms are acceptable. Transport for NSW have also agreed that this represents a sound solution for the delivery of the landslip remediation.

Report

The Memorandum of Understanding is only applicable for the remedial works on a 350m section of Settlers Road, Wisemans Ferry from the Ferry Ramp heading northwest, chainage points 100-450. It does not extend beyond this zone of proposed works nor does any boundary of Central Coast Council LGA change.

Preliminary cost estimates indicate the costs to be in the order of \$3,500,000, however this will be subject to final design and will be funded under Australian Government Disaster Recovery Funding Arrangements (DRFA) being administered by Transport for NSW.

Management of cost reimbursement is current being discussed; however, this will occur through either reimbursement between Council's or as a direct finding relationship between the funding body (TfNSW) and Hawkesbury City Council.



Figure 2: Overview of Settlers Rd (Area of Works by HCC)



Figure 3: Landslip Settlers Rd – March 2022



Figure 4: Looking North from Ch 315 on Settlers Rd – September 2022 following the completion of remediation works to maintain access that were undertaken in April 2022.

Consultation

Central Coast Council staff are in regular communication with Hawkesbury City Council, and in consideration of the fact that all residents affected by the remediation works and road closures are residents within the Hawkesbury LGA, Hawkesbury City Council have implemented an advisory committee consisting of the HCC Mayor and six community representatives from affected communities. The intent of the advisory committee is to assist with communicating and providing advice on behalf of their communities.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

The memorandum of understanding provides provisions for the management of eligible and ineligible projects costs, with eligible costs being funded by TfNSW under the Australian Government Disaster Recovery Funding Arrangements (DRFA), and ineligible costs being apportioned between Hawkesbury City Council and Central Coast Council in accordance with their respective interest amounting to 50% each, however it is anticipated that the project in its entirety will be eligible for funding under DRFA. Following final design and final contractor selection an DRFA application will be made to set the upper limit of the funding to cover current market rates and final design considerations.

Link to Community Strategic Plan

Theme 4: Responsible

Choose Focus Area

R-G3: Provide leadership that is transparent and accountable, makes decisions in the best interest of the community, ensures Council is financially sustainable and adheres to a strong audit process.

Risk Management

The proposed methodology and subsequent Memorandum of Understanding with Hawkesbury City Council has been developed to mitigate risks that would arise if these works were to be delivered in two distinct packages of works by each responsible Council. Combining delivery of these two packages of remediation works minimises overall impact to the local residents through the minimisation of road closures and ensures one delivery team has total oversight and control of the work zone.

Central Coast Council officers will maintain project oversight and quality assurance during the remedial works to ensure the completed works meets design requirements and relevant industry standards.

Options

- 1 Central Coast Council enters into a Memorandum of Understanding with Hawkesbury City Council, enabling Hawkesbury City Council to manage a portion of Natural Disaster remediation works on Settlers Road, Wisemans Ferry on behalf of Central Coast Council (recommended).
- 2 Central Coast Council rejects the Memorandum of Understanding and proposed delivery approach in favour of direct management for delivery of these works. This would result in the need to stage phasing of the various works, increase the duration of road closures and increase the overall costs associated with delivery of the remediation works on this section of Settlers Road, Wisemans Ferry (not recommended).

Critical Dates or Timeframes

Hawkesbury City Council are currently planning to close Settlers Road for a 12-month period between April 2023 and March 2024. Hawkesbury City Council representatives have advised that they will have provisions and safety controls in place as to allow for the movement of local residents during the period of road closure as deemed appropriate by their advisory committee.

Attachments

- | | | | |
|---|--|----------------------------------|-----------|
| 1 | CONFIDENTIAL - Memorandum of Understanding -
Hawkesbury City Council and Central Coast Council re
Settlers Road_ FINAL - | Provided Under
Separate Cover | D15546397 |
|---|--|----------------------------------|-----------|

Item No: 2.17
Title: Administrator Expenses and Facilities Report - Rik Hart Administrator Appointment
Department: Corporate Services



28 February 2023 Ordinary Council Meeting

Reference: F2021/00035 - D15536001
Author: Madeleine Bell, Executive Officer to the Administrator
Manager: Edward Hock, Unit Manager Governance, Risk and Legal
Executive: Marissa Racomelara, Director Corporate Services

Recommendation

- 1 *That Council note the Administrator Expenses and Facilities Report for current Administrator appointment.***
- 2 *That Council authorise the CEO to make minor changes to the adopted 21/22 Annual Report, to reflect the additional information presented in this report.***

Report purpose

The purpose of this report is to table a consolidated and comprehensive data set of the provision of expenses and facilities to the current Administrator, Mr Rik Hart, for the duration of his appointment as Administrator from 12 May 2021 to 31 December 2022. Expenses and facilities provided to the Administrator from 1 January 2023 will be reported at six-monthly intervals aligning with financial half years.

Executive Summary

Reporting of expenses and facilities provided to the Administrator has been completed throughout the current period of administration. However, this previously reported data is being condensed into this report to provide a snapshot of accrued expenses and facilities paid during Mr Hart's period as Administrator for the purpose of transparency with the community.

The Councillor Expenses and Facilities Policy, which applies to the Administrator, has been reviewed and is currently on public exhibition seeking community input.

Background

Councillors of Central Coast Council were suspended on 30 October 2020 and an interim Administrator (Dick Persson) was appointed.

The current Administrator of Central Coast Council, Mr Rik Hart, was appointed by the Minister for Local Government on 26 April 2021 and commenced in the role on 12 May 2021. The Office of Local Government advised in its appointment letter to Mr Hart that his salary and reasonable out-of-pocket expenses would be paid by Council during his period of appointment, in accordance with Council's policy under section 252 of the Local Government Act 1993. A copy of Mr Hart's initial letter of appointment is **Attachment 1**.

On 17 March 2022, Minister for Local Government, the Hon Wendy Tuckerman MP, tabled the report into the Public Inquiry of Central Coast Council. Commissioner Roslyn McCulloch made eight recommendations, including that all civic offices at Central Coast Council be declared vacant, effective immediately, and an Administrator be appointed to serve until the Central Coast Council election (scheduled for 14 September 2024). Mr Hart's appointment as Administrator for that term was confirmed by letter dated 17 March 2022 (**Attachment 2**).

The Councillor Expenses and Facilities Policy applies to an Administrator, as provided by the Local Government Act.

At its Ordinary Meeting 10 August 2020, Council resolved:

- 754/20 *That Council note that the Councillor Expenses and Facilities Policy requires at Clause 122 detailed reports on the provision of expenses and facilities to Councillors to be publicly tabled at a Council meeting every six months and published in full on Council's website.*
- 755/20 *That Council resolve that as part of that six monthly report there be the following information:*
- *Statistics regarding Councillor requests including the number of requests submitted by Councillor*
 - *Details of Councillor attendance at Council Meetings*
 - *Details of Councillor attendance at Briefings or Workshops*
 - *Details of Councillor attendance at weekly CEO Updates*
 - *Details of Councillor attendance at Advisory Group meetings of which they are members*
 - *Details of Councillor access to the HUB and review of relevant documents.*

On 23 November 2020, Central Coast Council adopted a Councillor Expenses and Facilities Policy (the Policy) to enable the reasonable and appropriate reimbursement of expenses and provision of facilities to Councillors, to help them undertake their civic duties. The Policy was drafted in accordance with the *Local Government Act 1993* and *Local Government (General)*

2.17 Administrator Expenses and Facilities Report - Rik Hart Administrator Appointment (contd)

Regulation 2005 and complies with the Office of Local Government's Guidelines for the payment of expenses and provision of facilities to Mayors and Councillors in NSW. As outlined above, the Councillor Expenses and Facilities Policy applies to an Administrator, pursuant to the definition of the term 'Council' in the Dictionary to the LG Act.

At its Ordinary Meeting 24 January 2023, Council resolved:

- 8/23
1. *That Council place the draft Councillor Expenses and Facilities Policy on public exhibition for a period of 28 days.*
 2. *That a further report to be presented to Council following the public exhibition period for consideration of any submissions received prior to the Policy being adopted and the current version of the Policy being revoked.*

At the 24 January 2023 Ordinary Council Meeting, Administrator Rik Hart requested that Council prepare a report to its next Ordinary Meeting (28 February 2023) which provides an overview of facilities and expenses incurred during his period of Administration, for transparency to the community.

Current Status

At the 24 January 2023 Council Meeting, Council considered a revised draft Councillor Expenses and Facilities Policy (the draft Policy) (**Attachment 3**), which aligns to the Office of Local Government's (OLG) Model Policy and Guidelines and was updated to explicitly include payment of expenses to the Administrator. The policy states that: *"The operation of this policy, including claims made under the policy, will be included in Council's audit program and an audit undertaken at least every two years."*

The draft Policy is required to be publicly exhibited prior to Council adopting any revision and is currently on public exhibition at Council's community engagement website, www.yourvoiceourcoast.com, until 5pm on Sunday 6 March 2023.

Expenses and Facilities

To ensure accountability and transparency, and to align the costs incurred with community expectations, the Policy provides at clause 120:

- 120
- Detailed reports on the provision of expenses and facilities to Councillors will be publicly tabled at a Council meeting every six months and published in full on Council's website. These reports will include expenditure summarised by individual Councillor and as a total for all Councillors.*

2.17 Administrator Expenses and Facilities Report - Rik Hart Administrator Appointment (contd)

Table 1 provides an overview of expenses and facilities incurred during Mr Hart's entire period of Administration and is presented in line with the requirements of clause 120 of the Policy.

Table 1: Administrator expenses and facilities during the period of Mr Rik Hart's appointment as Administrator

The following data is presented to align with financial year reporting, in six-month blocks beginning from day one of Mr Hart's appointment (12 May 2021), being the following completed periods:

- 12 May – 30 June 2021
- 1 July – 31 December 2021
- 1 January – 30 June 2022
- 1 July – 31 December 2022.

Expense/Facility	12 May – 30 Jun 2021	1 Jul – 31 Dec 2021	1 Jan – 30 Jun 2022	1 Jul – 31 Dec 2022
Employee Travel	0	0	1,486	1,328
Central Coast Residential Accommodation *	4,882	13,200	13,877	27,866
Protective Clothing and Equipment	92	0	0	0
Delivery and Freight Charges	0	0	59	0
Food and Catering Costs	0	719	552	88
Cleaning Services	0	0	99	8
Consultants (Administrator salary)	36,973	153,773	166,248	154,187
Advertising	0	0	0	0
Mayoral Costs - Mayoral Allowance	0	0	0	0
Councillor Costs - Conferences and Seminars	0	0	0	1,225
Councillor Costs - Travelling Expenses	0	0	0	0
Event Expenses	0	0	36	0
Membership Fees Paid	0	1,050	0	0
Postage	0	0	24	0
Stationery and Office Consumables	0	150	228	0
Councillor Costs - Sundry Expenses	0	0	0	0
Internal Expense - Plant and Fleet Permanent Hire	0	5,379	8,279	5,141

2.17 Administrator Expenses and Facilities Report - Rik Hart Administrator Appointment (contd)

Internal Expense - Technology	0	0	0	0
Internal Expense - External Plant Hire	0	1,133	0	0

- * *Residential accommodation expenses on the Central Coast are paid to the Administrator per the appointment letter from the Office of Local Government (OLG). The unique circumstances of administration warrant access being provided to residential property in the local government area (LGA), so that the Administrator can effectively fulfil his obligations and duties. The Crown Employees (Conditions of Employment) Award (at section 26.12), which is applicable to the Administrator as an appointee of the State Government, includes provision for arrangements when a person is required to work from a temporary work location for greater than 35 days. In previous reports to Council, this expense was recorded under 'Employee Travel', however has been separated and recorded as 'Central Coast Residential Accommodation' to provide clarity to the community.*

It is notable that the expenditure on Central Coast Residential Accommodation increased in the period from 1 July 2022 to 31 December 2022. At that time, the accommodation previously sourced for the Administrator on the Central Coast became unavailable, and alternative premises were acquired. Further, during the period from 1 July 2021 to 30 June 2022, the residential accommodation sourced by Council officers for the Administrator's use was heavily discounted in light of Covid-related reduced occupancy, and a long-term occupancy discount was applied by the accommodation provider. Such terms were not offered or elsewhere available from July 2022.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

- 1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.*

The following statement is provided in response to this resolution of Council.

Table 1 of this report provides information on expenses and facilities already incurred and does not propose any future expenditure. This expenditure is within the budgeted parameters and in accordance with the Policy and relevant Award. The suspension of Councillors has continued the result of net savings to Council in relation to expenses and facilities.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G2: Engage and communicate openly and honestly with the community to build a relationship based on trust, transparency, respect and use community participation and feedback to inform decision making.

Risk Management

N/A

Options

N/A

Timeframes

Reports to Council on Administrator expenses and facilities from 1 January 2023 will be provided every six months, as soon as practicable after the end of each financial half year (30 June and 31 December each year).

The last report was provided to the Council Meeting of 13 December 2022 for a six-month period from 1 May 2022 to 31 October 2022. 1 November 2022 to 31 December 2022 are covered in this information report.

For reasons outlined in this report, the timing of Administrator expenses and facilities reports will be changed to align with financial year reporting, in six-month blocks (Q1 & Q2, Q3 & Q4).

Attachments

1	Mr Rik Hart - Appointment Letter - 26 April 2021 - Redacted	Provided Under Separate Cover	D15538271
2	Mr Rik Hart - Appointment Letter - 17 March 2022 - Redacted	Provided Under Separate Cover	D15538281
3	DRAFT Councillor Expenses and Facilities Policy	Provided Under Separate Cover	D15501344

Item No: 2.18
Title: Community Support Grants Program – 14
November 2022 to 31 December 2022
Department: Community and Recreation Services



28 February 2023 Ordinary Council Meeting

Reference: F2017/02117-002 - D15527206
Author: Belinda McRobie, Section Manager Community Development
Manager: Glenn Cannard, Unit Manager, Community and Culture
Executive: Melanie Smith, Director Community and Recreation Services

Recommendation

- 1 That Council allocate \$37,933.48 (inclusive of GST where applicable) from the 2022/23 grants budget to the Community Support Grant program, as outlined below and in Attachment 1.**
 - a SWAMP Central Coast - \$4,350.00**
 - b Central Coast Bonsai Club - \$2,850.00**
 - c Central Coast Triathlon Club Incorporated - \$5,000.00**
 - d Community Environment Network - \$1961.00**
 - e Manno Mens Shed Incorporated - \$2,200.00**
 - f Rotary Club of Erina Incorporated - \$4,895.00**
 - g Deepwater Dragon Boat Club - \$4,250.00**
 - h WIRES Central Coast Branch - \$4,999.98**
 - i Wamberal Surf Life Saving Club - \$4,891.80**
 - j Rotary Club of Erina Incorporated - \$1,010.00**
 - k Terrigal Surf Life Saving Club - \$1,525.70**
- 2 That Council decline applications as outlined below, for the reasons indicated in Attachment 1, and the applicants be advised and where relevant, directed to alternate funding sources.**
 - a Maree Azzopardi - application is ineligible**
 - b Naughty Noodle Fun Haus Incorporated - broader community benefit is not demonstrated**
 - c Volunteering Central Coast Incorporated – application is ineligible**
 - d Copacabana Community Association Incorporated – application is ineligible**
 - e Northern NSW Helicopter Rescue Service Limited - insufficient information to make an accurate assessment**
 - f Central Coast Hockey Incorporated - broader community benefit is not demonstrated.**

Report purpose

To seek endorsement of the recommendations for the Community Support Grant Program.

Executive Summary

This report considers the applications and recommendations for the Community Support Grant Program.

The Community Support Grant Program remains open throughout the year to provide assistance for community activities that require in-kind support through the provision of subsidised access to Council services and financial assistance for community activities that require a smaller amount of support.

This program enables applicants to apply for funding support in a quicker response time.

Background

Council's grant programs are provided to support the community to deliver quality programs, projects or events that build connections, celebrate our local community, that align with the One-Central Coast Community Strategic Plan and build capacity across the entire Central Coast community.

The Community Support Grant Program is provided to support the community to deliver activities which require a small amount of funding and/or in-kind support. The Community Support Grant Program remains open throughout the year to provide assistance for community activities that require:

- 1 In-kind support through the provision of subsidised access to Council services.
- 2 Financial assistance for community activities that require a smaller amount of support. The Community Support Grant Program provides a combined original budget of \$300,000 annually as detailed in table one below.

Table 1: Community Support Grant Program

Program	Original Budget	Opening Period	2022/2023 allocation to date (inclusive of GST where applicable)	Recommendation allocation within this report (inclusive of GST where applicable)	Allocation to date + Recommendation within report (inclusive of GST where applicable)
Community Support Grant Program	\$300,000	Ongoing	\$144,632.46	\$37,933.48	\$182,565.94
TOTAL			\$144,632.46	\$37,933.48	\$182,565.94

Assessment

Seventeen applications were received and assessed by 13 January 2023, with eleven applications recommended for funding in this Council report.

Of the six applications not recommended for funding, three were assessed as ineligible, one had insufficient information to make an accurate assessment and two did not demonstrate broader community benefit. Applicants are advised to discuss their proposals further with Council's Grants Officers prior to resubmission in a future round.

The Community Support Grant applications were assessed by Council's Unit Manager Community and Culture and the Community Grants Team, against the Community Support Grant Program guidelines.

Consultation

Information on Council's Community Grants program is provided on Council's website and promoted through Council's social media platforms.

Regular emails with relevant information were provided to the community grants database.

Council staff conducted two grant writing workshops with 33 attendees and four grant information sessions with 76 attendees.

Additionally, Council staff also undertook three drop -in support sessions with 8 attendees to assist applicants with their submissions where required.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

Council's 2022/2023 Council Operational Expenditure original budget allocates \$300,000 to the Community Support Grant Program.

Expenditure is approved until the end of the 2022-2023 financial year. Unspent funds will lapse on 30 June 2023.

No additional budget is required nor sought through this report. All actions within have been funded through existing and approved operational plan budgets.

Link to Community Strategic Plan

Theme 1: Belonging

Goal A: Our community spirit is our strength

B-A1: Work within our communities to connect people, build capacity and create local solutions and initiatives.

Risk Management

All successful applications will receive a letter of offer outlining Council's requirements of funding, service delivery and accountability for both Council and the funded organisation.

Applications recommended for funding are conditional on all relevant event/activity approvals (including COVID-19 related) being provided prior to the release of funds, and successful applicants are required to return any unspent funds for projects not able to be delivered as planned through COVID-19 related impacts.

All successful applicants are required to submit a final project acquittal report no later than twelve weeks after the agreed completion date of the activity/project with copies of any photos, promotional materials and evidence of payment/purchase for each funded item.

Options

- 1 Approval of all recommended applications as submitted will provide a community benefit to residents of the Central Coast Local Government Area.
This is the recommended option
- 2 Non approval of some or all applications, as recommended, may result in projects not being undertaken if the respective proponents are unable to secure alternate funding. Not recommended.

Critical Dates or Timeframes

Many of these grant applications are dependent upon support via Council's grant program. Should decisions be delayed or not supported projects may not be undertaken.

Attachments

- | | | | |
|----------|---|-------------------------------|-----------|
| 1 | Community Support Grants Program – Recommended and Not Recommended – 14 November 2022 to 31 December 2022 | Provided Under Separate Cover | D15527189 |
|----------|---|-------------------------------|-----------|

Item No: 2.19
Title: Façade Improvement Support Program 2022-2023
Department: Community and Recreation Services



28 February 2023 Ordinary Council Meeting

Reference: F2023/00135 - D15521169
Author: Glenn Cannard, Unit Manager, Community and Culture
Executive: Melanie Smith, Director Community and Recreation Services

Recommendation

1 That Council allocate \$99,590.18 (inclusive of GST where applicable) from the 2022/23 Façade Improvement Support Program, as outlined below and in Attachment 1.

- i. 119 The Entrance Road, The Entrance - \$4,150.00**
- ii. 40-44 Pacific Highway, Wyong - \$5,000.00**
- iii. 246A Main Road, Toukley - \$2,002.50**
- iv. 10-12 Alison Road, Wyong - \$5,000.00**
- v. 23 Rankens Court, Wyong - \$2,242.50**
- vi. 231C Main Road, Toukley - \$400.00**
- vii. 3/266 Main Road, Toukley - \$1,111.50**
- viii. 6/243 Main Road, Toukley - \$2,694.00**
- ix. 110-123 The Entrance Road, The Entrance - \$600.00**
- x. 172 Mann Street, Gosford - \$4,545.00**
- xi. 256 Main Road, Toukley - \$5,000.00**
- xii. 15/23 Hely Street, Wyong - \$5,000.00**
- xiii. 253 Main Road, Toukley - \$1,913.64**
- xiv. 96 Mann Street, Gosford - \$1,743.00**
- xv. 45 Canton Beach Road, Toukley - \$5,000.00**
- xvi. 231 Main Road, Toukley - \$2,163.41**
- xvii. 193 Main Road, Toukley - \$2,447.50**
- xviii. 229C Main Road, Toukley - \$2,580.00**
- xix. 296-300 Main Road, Toukley - \$5,000.00**
- xx. 243-245 Main Rd, Toukley - \$5,000.00**
- xxi. 18/34 Alison Road, Wyong - \$5,000.00**
- xxii. 1-3 Church Street, Wyong - \$4,988.24**
- xxiii. 2/42 Victoria Avenue, Toukley - \$1,982.25**
- xxiv. 1/169 Main Road, Toukley - \$1,659.09**
- xxv. 229C Main Road, Toukley - \$5,000.00**
- xxvi. 6/227 Main Road, Toukley - \$265.68**
- xxvii. 32 William Street, Gosford - \$4,251.87**
- xxviii. 145 The Entrance Road, The Entrance - \$4,990.00**
- xxix. 178 Mann Street, Gosford - \$5,000.00**
- xxx. Shop 7/107 Mann Street Gosford - \$2860.00**

2 That Council decline applications as outlined below, for the reasons indicated in Attachment 1, and the applicants be advised.

- i. 92-96 Pacific Highway, Wyong - application is ineligible**
- ii. 15B William Street, Gosford – application is ineligible**
- iii. 4/219 Main Road, Toukley – application is ineligible**
- iv. 45 Mann Street, Gosford – application is ineligible**

Report purpose

To seek endorsement of the recommendations for the Façade Improvement Support Program.

Executive Summary

This report considers the applications and recommendations for the Façade Improvement Support Program.

The Façade Improvement Support Program provides financial assistance to businesses and commercial property owners located within town centres where a Special Rate Levy is applied (Gosford, Wyong, The Entrance and Toukley) to improve their building facades and enhance accessibility to their premises.

Background

The Façade Improvement Support Program is designed to enhance the amenity, aesthetics, and visitor experience of our key town centres, contribute to town centre revitalisation and renewal, and improve access to business premises to align with the One-Central Coast Community Strategic Plan.

The Façade Improvement Support Program provides dollar for dollar matched funding for the cost of works (labour and materials) to a maximum value of \$5,000 (exclusive of GST) per property. A total annual budget of \$120,000 is available within the program.

All proposed works must be exempt from Development Consent and the heritage status of the building must be considered.

Table 1: Façade Improvement Support Program

Program	Original Budget	Opening Period	Recommendation allocation within this report (Inclusive of GST where applicable)
Façade Improvement Support Program	\$120,000	1 to 30 November 2022	\$99,590.18
TOTAL			\$99,590.18

Current Status

Applications for the Façade Improvement Support Program were open from 1 November 2022 to 30 November 2022.

The program provided dollar for dollar matched funding up to a maximum of \$5,000 (exclusive of GST) to businesses and commercial property owners with commercial premises located in the town centres of Gosford, Wyong, The Entrance and Toukley.

Assessment

Thirty-five applications were received and assessed, with thirty applications recommended for funding in the current round.

One application was formally withdrawn by the applicant and the four applications not recommended for funding were assessed as ineligible. Applicants are advised to discuss their proposals further with Council's Town Centre Coordinators prior to resubmission in a future round.

The Façade Improvement Support Program were assessed by Council's Unit Manager Community and Culture, relevant Town Centre Coordinators and Council's Senior Urban Designer, against the Program guidelines.

Consultation

Information on the Façade Improvement Support Program is provided on Council's website and was promoted through Council's social media platforms.

Information was also provided by email through the town centres databases and Council staff hand delivered information to businesses located in the four town centres.

One-on-one support was provided to applicants as required.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Council's 2022/2023 operating budget allocated \$120,000 to a Town Centre Business Development program; the Façade Improvement Support Program is funded through this project.

Expenditure is approved until the end of the 2022-2023 financial year.

No additional budget is required nor sought through this report. All actions within have been funded through existing and approved operational plan budgets.

Link to Community Strategic Plan

Theme 2: Smart

Goal C: A growing and competitive region

S-C2: Revitalise Gosford City Centre, Gosford Waterfront and town centres as key destinations and attractors for business, local residents, visitors and tourists.

Risk Management

All successful applications will receive a letter of offer outlining Council's requirements of funding, service delivery and accountability for both Council and the funded organisation.

Applications recommended for funding are conditional on all relevant approvals and documentation being provided prior to the release of funds, and successful applicants are required to return any unspent funds for projects not able to be delivered as planned.

All successful applicants are required to submit a final project acquittal report no later than twelve weeks after the agreed completion date of the project with copies of any photos and evidence of payment/purchase for each funded item.

Options

- 1 Approval of all recommended applications as submitted will provide a community benefit to residents of the Central Coast Local Government Area.
This is the recommended option
- 2 Non approval of some or all applications, as recommended, may result in projects not being undertaken if the respective proponents are unable to secure alternate funding. Not recommended.

Critical Dates or Timeframes

Many of these applications are dependent upon support via Council's Façade Improvement Support Program. Should decisions be delayed or not supported projects may not be undertaken.

Attachments

1	Façade Improvement Support Program 2022-2023 – Recommended and Not Recommended	Provided Under Separate Cover	D15521214
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Item No: 2.20
Title: Variations to Development Standards - October to December 2022
Department: Environment and Planning



28 February 2023 Ordinary Council Meeting

Reference: F2020/00039 - D15525882
Author: Matthew Corradin, Unit Manager, Environmental Compliance Services
Executive: Alice Howe, Director Environment and Planning

Recommendation

That Council notes the report on Variations to Development Standards – October to December 2022.

Report purpose

To inform Council of the Development Applications (DAs) determined between 1 October to 31 December 2022, where there has been a variation in relevant development standards under an applicable Environmental Planning Instrument. This is a quarterly requirement under the NSW Government's *Planning Circular PS 2-002 – 'Variation to Development Standards'*.

Executive Summary

Between 1 October to 31 December 2022, 718 DAs were lodged with Council and 763 of these were determined. Of the 763 DAs determined, 33 had a variation to one or more relevant development standards.

Variations to Development Standards

The following consents were granted by the nominated determining authority between 1 October to 31 December 2022 that included a variation to a development standard within the Gosford Local Environmental Plan (GLEP), Wyong Local Environmental Plan (WLEP), or Central Coast Local Environmental Plan (CCLEP):

- 29 Development Applications determined by Central Coast staff; and
- 4 Development Application determined by the Local Planning Panel.

There were no determinations of Development Applications by the Regional Planning Panel or the Land and Environment Court.

Provided as Attachment 1 to this report is the variation to the development standard register for the 1 October to 31 December 2022 period, which includes relevant justifications.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

There are no material financial implications for Council associated with this report. Resources to compile this report and assess Development Applications are included in Council's adopted annual budgets.

Link to Community Strategic Plan

Theme 4: Responsible

Goal I: Balanced and sustainable development

R-13: Ensure land use planning and development is sustainable and environmentally sound and considers the importance of local habitat, green corridors, energy efficiency and stormwater management.

Risk Management

There are no material risk implications for Council associated with this report. Determining applications for development, including those that vary from development standards, is part of the regular business of Council.

Options

This report is being presented to Council for noting only, there are no other options detailed for consideration of the content of this report.

Attachments

1	Variations to Development Standards Register –	Provided Under	D15526275
	October to December 2022 Period	Separate Cover	

Item No: 2.21
Title: Meeting Record of the Catchments to Coast
Advisory Committee Meeting Held 14 December
2022
Department: Environment and Planning



28 February 2023 Ordinary Council Meeting

Reference: F2021/00832 - D15528370
Author: Luke Sulkowski, Unit Manager, Environmental Management
Executive: Alice Howe, Director Environment and Planning

Recommendation

That Council

- 1 Note the meeting record of the Catchments to Coast Advisory Committee held on 14 December 2022.***
- 2 Endorse the recommendation of the Catchments to Coast Advisory Committee to implement an additional intervention trigger as part of the Interim Entrance Management Procedure where actions in accordance with the relevant entrance condition are also implemented if there is a flood level of both 7mAHD on the Yarramalong Water NSW gauge 211014 and 6mAHD on the Ourimbah Creek Water NSW 211013 gauge.***

Report purpose

To note the meeting record of the Catchments to Coast Advisory Committee held on 14 December 2022 and consider the recommendation to Council from the Committee.

Executive Summary

The Catchments to Coast Advisory Committee held a meeting on 14 December 2022. The meeting record was approved by the Coordinator and Chairperson, then circulated to members via email. A copy of the Meeting Record is available on Council's website [here](#).

Background

The Catchments to Coast Advisory Committee held a meeting on 14 December 2022. At that meeting, the Committee considered the agenda items and have made the below recommendations to Council:

"That Council instruct staff to implement an additional intervention trigger as part of the Interim Entrance Management Procedure where actions in accordance with the relevant entrance condition are also implemented if there is a flood level of both 7mAHD on the

Yarramalong Water NSW gauge 211014 and 6mAHD on the Ourimbah Creek Water NSW 211013 gauge."

At the meeting staff brought advice to the committee as part of a historical assessment of floods in Tuggerah Lakes over the past 15 years. Staff had analysed gauge records of the June 2007, April 2008, June 2011, Feb 2013, April 2015, Feb 2020, March 2021, March 2022 and July 2022 floods for the purpose of back testing the current Entrance Management Procedure. These gauge records showed that a flood reaching a level of 1.3mAHD in Tuggerah Lakes is typically associated with rainfall on the upper catchment that will firstly produce flooding in the Ourimbah Creek and Wyong River floodplains.

The intent of the Entrance Management Procedure is to be able to forecast as early as possible the likelihood of the lake possibly flooding to a level of 1.3mAHD or more. Council's Flood Information Tool, which is operated by Manly Hydraulics Laboratory, can forecast flood levels in Tuggerah Lakes up to four days beforehand. This gives Council staff the opportunity to prepare appropriately for any entrance management activities that may be appropriate. This tool relies on Bureau of Meteorology forecast rainfall: the Australian Digital Forecast Database (ADFD25), which produces rainfall data with a 25% chance of exceedance; this is considered a conservative assumption for the Flood Information Tool.

Sometimes the Bureau of Meteorology forecast rainfall data underestimates the actual rainfall that is to come, as was the case for the July 2022 flood. Hence this investigation into this additional intervention trigger, whereby Council staff considered opportunities to improve entrance management actions by potentially triggering action even earlier if actual flood conditions have been realized in the upper catchments. This led to the recommendation above.

Note that based on a review of the gauge data, even with this additional intervention trigger then it still would not have led to an earlier intervention on our recent historical floods, including July 2022. Both triggers were first met early on Tuesday 5 July 2022 and Council earthmoving machinery was operational the same morning by 11am. However, this analysis has found that there remains a chance that such conditions could conceivably occur whereby Bureau of Meteorology rainfall forecast data severely underestimates the flood risk; in this case then this additional intervention trigger would be a prudent backup.

Consultation

Consideration of additional intervention triggers has been pursued by staff, in part, because of enquiries and suggestions made by some members of the community following the 2022 Tuggerah Lakes flood events.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

There are no direct financial impacts of the recommendation. The recommendation has the potential to indirectly reduce costs to Council by providing advance warning of likely flood damages around Tuggerah Lakes.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

G-F1: Protect our rich environmental heritage by conserving beaches, waterways, bushland, wildlife corridors and inland areas, and the diversity of local native species.

Risk Management

The recommendation aims to improve flood risk management by providing advance warning of potential flood impacts.

Options

Options available to Council are to support the recommendation to amend the triggers for entrance intervention to minimise flood risk, not support the recommendation, or support an alternative set of triggers. Council would need to advise staff of any proposed alternative triggers.

Attachments

Nil



Item No: 2.22
Title: Tender - Road Upgrade - Shelly Beach Road,
Empire Bay CPA/4081
Department: Infrastructure Services

28 February 2023 Ordinary Council Meeting

Reference: F2020/01401 - D15417046
Author: Peter Richmond, Section Manager Contracts and Technical
Manager: Michael Ross, Unit Manager Procurement and Project Management
Executive: Boris Bolgoff, Director Infrastructure Services

Recommendation

- 1 That Council notes that no tenders were received for contract CPA/4081 Road Upgrade – Shelly Beach Road, Empire Bay in accordance with Section 178 of the Local Government (General) Regulation 2021.**
- 2 That Council cancel the proposal for the contract under CPA/4081 Road Upgrade – Shelly Beach Road, Empire Bay in accordance with Section 178(3)(a) of the Local Government (General) Regulation 2021.**

Report purpose

To seek a resolution for the tender *CPA/4081 Road Upgrade – Shelly Beach Road, Empire Bay*, following failure to receive any submissions.

Executive Summary

Council called open tenders for the construction of a full road upgrade at Shelly Beach Road, Empire Bay, under *CPA/4081 Road Upgrade - Shelly Beach Road, Empire Bay*. The tender was advertised for 6 weeks but no submissions were received.

Background

The proposed road upgrade works at Shelly Beach Road, Empire Bay, were grant funded under the Urban Congestion Fund, as part of the larger Central Coast Roads Package. The Central Coast Roads Package is an \$86.5M package to improve road safety and travel efficiency, with 21 of the 29 projects completed to date, and with a further 6 in construction stage.

Council called open tenders for *CPA/4081 Road Upgrade – Shelly Beach Road, Empire Bay* in mid-September 2022. No tenders were received during this procurement process.

Current Status

Initial enabling works involving the relocation of the water main were undertaken to allow for the road and drainage upgrade of Shelly Beach Road, Empire Bay

Tenders for *CPA/4081 Road Upgrade – Shelly Beach Road, Empire Bay* closed on 25th October 2022 with no submissions received.

Subsequently, Council was advised by the Federal Government that grant funding for the Shelly Beach Road Upgrade project would have funding deferred as part of changes to the Central Coast Roads Package.

Consultation

The cancellation of the tender is in direct alignment with the Federal Government's direction to defer the project from the Central Coast Roads Package.

The deferment of this projects follows a request from the Federal Government's funding body to reduce current expenditure given the challenges in the construction industry which have impacted both the private and public sector and driven significant cost escalations on many construction projects. Also contributing to the deferment of these project is the related impacts from COVID which are affecting construction resources, contractor availability, and the extended material supply lines. The recent multiple natural disaster events have also required resources to be redeployed to manage emergency recovery and restoration works.

Council will release related media and letter box drops to residents impacted by the change in project status prior to the 28 February 2023 Ordinary Council meeting.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

No impact to Council's financial position.

No impact to Federal Government funding agreements, as the deferral is in alignment with the funding bodies direction to amend timeframes.

Link to Community Strategic Plan

Theme 5: Liveable

Goal H: Delivering essential infrastructure

L-J4: Design long-term, innovative and sustainable transport management options for population growth and expansion.

Risk Management

The proposal to defer the Shelly Beach Road Upgrade is consistent in meeting obligations under the Central Coast Roads Package. Council is introducing alternate models and strategies of delivery to ensure a comprehensive program of work can be delivered.

The recommencement of the project will involve discussions with the Federal Government at the time, with consideration of future construction price escalations.

Options

- 1 That Council cancel the proposal for the contract under *CPA/4081 Road Upgrade – Shelly Beach Road, Empire Bay* in accordance with Section 178(3)(a) of the Local Government (General) Regulation 2021.
(Recommended)
- 2 That Council declines all tenders and negotiates directly with suitable suppliers in accordance with Section 178(3)(e) of the Local Government (General) Regulation 2021. There is no funding in 22/23 FY due to the related Central Coast Roads Package funds being deferred by the Federal Government.
(Not Recommended)
- 3 That Council declines all tenders and invite fresh tenders based on the same details, in accordance with section 167, 168 or 169 of the Local Government Regulation 2021. There is no funding in 22/23 FY due to the related Central Coast Roads Package funds being deferred by the Federal Government.
(Not Recommended)

Attachments

Nil.

Item No: 2.23
Title: Office of the Internal Ombudsman - Proposed changes to the delivery of services
Department: Corporate Services



28 February 2023 Ordinary Council Meeting

Reference: F2019/00883 - D15425545
Author: Edward Hock, Unit Manager Governance, Risk and Legal
Executive: Marissa Racomelara, Director Corporate Services

Recommendation

- 1** *That Council endorses the removal from the organisational structure the position of the Internal Ombudsman.*
- 2** *That Council rescinds, effective 1 April 2023, the Internal Ombudsman Charter.*
- 3** *That Council notes the creation of the position of Disclosures and Investigations Coordinator, a position in the Governance, Risk and Legal Unit, with reporting duties to Council, the Executive Leadership Team, and the Audit, Risk & Improvement Committee, and with the responsibilities outlined in the body of the report.*
- 4** *That the CEO be authorised to make typographical amendments to existing policies and documents to give effect to the removal of the Office of the Internal Ombudsman from Council's organisational structure.*

Report purpose

To consider the most transparent, fair, effective and efficient way of ensuring the prevention of, and investigation into, administrative conduct, corrupt conduct, misconduct, and maladministration.

Executive Summary

Central Coast Council ('**Council**') is committed to ensuring that its decisions are made effectively and independently and are free of any corrupt conduct, misconduct, and maladministration. Council is committed that staff and the community feel empowered to raise assertions of such instances, with confidence and that they will be effectively and independently investigated.

Council currently employs a Chief Internal Ombudsman and an Assistant Internal Ombudsman, reporting directly to the Chief Executive Officer. Those positions are governed by the Internal Ombudsman Charter, adopted in April 2021 ('**the Charter**').

In response to community concerns being raised about the impartiality and independence of the Office of the Internal Ombudsman, as it reports to the Chief Executive Officer, it is considered that more transparent and arms' length options exist for the prevention of, and investigation into, instances of corrupt conduct, misconduct, and maladministration at Central Coast Council. The options detailed in this report recognise the community's appetite for greater transparency into investigations and their outcomes, whilst retaining the best and most effective components of the current model.

This report recommends that the functions of the Internal Ombudsman as defined in the Charter are delivered using alternative methods as outlined in this report. It is proposed that a new position of Disclosures and Investigations Coordinator is established with responsibilities outlined in the body of this report supported by relevant delegations.

Statutory disclosures, and investigations would be undertaken in a hybrid manner between externally engaged investigators and the Governance, Risk & Legal Unit.

To ensure ongoing impartiality and independence, guidelines are to be developed to facilitate the transparent triaging, preliminary investigation, and external investigation pursuant to agreed thresholds. The Disclosures and Investigations Coordinator would also have unfettered access to the Mayor/Administrator, the CEO, and the Chair of the Audit, Risk and Improvement Committee to facilitate increased independence of action.

Background

Council currently employs an Internal Ombudsman, whose role is governed by the Internal Ombudsman Charter, adopted in April 2021 and reviewed annually.

The role was established in response to concerns raised at the former Wyong Shire Council - during the section 430 investigation under the *Local Government Act 1993* in 2011. At the time, the General Manager proposed to establish an Internal Ombudsman as a key means of addressing quality improvement through management of complaints and reviews of Council organisational standards and behaviours.

An internal review consulted with external bodies including the (then) Department of Local Government, NSW Ombudsman and ICAC. Feedback received at the time indicated that all three organisations supported strong complaints management procedures although without preference as to a particular model.

There is no specific legislation, or regulatory requirement, for a Local Government Agency to have an Internal Ombudsman. Rather, councils in New South Wales handle matters regarding administrative conduct, corrupt conduct, misconduct, and/or maladministration in a variety of ways.

Accordingly, careful consideration has been given to alternative models for ensuring that the risk of corrupt conduct, misconduct, and maladministration are controlled and prevented to the extent possible, and, if arising, are investigated and remedied. That consideration has included concerns raised by community members of the potential for perceived or actual conflict in the role, given its reporting line to the CEO.

Current Status

The designated senior staff role of the Senior Internal Ombudsman is a contractual arrangement that expires on 31 March 2023. The Internal Ombudsman Charter (attached) outlines the scope of the role.

Report

Some local government agencies in NSW have a central investigations unit whilst other Councils handle these matters across different departments including Human Resources, Governance, Privacy Contact Officer, Public Officer, Internal Auditor, the General Manager/CEO and Customer Service. Some matters may also be referred to external conduct reviewers or government agencies including the Information and Privacy Commission, Independent Commission Against Corruption, and NSW Ombudsman.

Some Councils (i.e. Paramatta and Liverpool) do have an Internal Ombudsman and while they primarily only deal with **customer complaints** they can deal with the following if necessary:

- Council administrative processes;
- Failure to comply with Council's Code of Conduct, policies or procedures;
- Council's lack of attention to matters, or review of Council's complaint handling procedures;
- Allegations of poor administration, maladministration, corruption, or other alleged improper conduct by Council or Council officials;
- Anonymous complaints if sufficient verifiable evidence and details are provided; or
- Matters referred by Councillors, the Chief Executive Officer or members of staff.

The Internal Ombudsman in those organisations currently refers investigations externally.

In Council's with an Internal Ombudsman, there is potential for duplication of investigations where complaints have also been made to the NSW Ombudsman.

Of further relevance is the current consultation process being undertaken by the Office of Local Government (**OLG**) into councillor misconduct and a proposed new framework to manage these complaints independently of councils. A separate report on that review was furnished to Council in January 2023.

Analysis

A review of Council's Internal Ombudsman Charter ('**the IO Charter**') shows that the Internal Ombudsman role has some overlap with the role of the Privacy Contact Officer, the Public Officer and designated complaints coordinator.

Detailed review of Section 3 - Scope of the Internal Ombudsman Charter:

IO Charter Clause	Comments
a) All Council administrative processes, Council Committees, and other staff matters as determined by the Chief Executive Officer pursuant to Council's Code of Conduct and Complaints and Feedback Management Policy.	Council's mechanisms review investigations under the Local Government Award and the Complaints and Feedback Management Policy.
b) Any failure to comply with Council's Code of Conduct or policies or procedures including but not limited to conflict of interests, tender processes, release of confidential information, secondary employment and gifts and benefits.	The Model Code of Conduct and Procedures provide complaints against staff are referred to for the CEO who can elect to proceed to workplace investigations under the Local Government Award. The OLG is proposing to replace complaints against Councillors with an independent commission.
c) Council's lack of attention to matters or review of Council's complaint handling procedures.	Review and escalation procedures are provided in the Complaints and Feedback Management Policy and associated procedures.

d) Anonymous matters will be considered for review or investigation, but only if adequate detail is provided to allow the matter to be reviewed or investigated.	This is consistent with existing processes for both Council and relevant external agencies.
e) Receipt and referral of allegations of poor administration, maladministration, corruption, breach of privacy or other alleged improper conduct by Council or Council Officials from external agencies including, but not limited to, NSW Independent Commission for Corruption (ICAC), the NSW Ombudsman, NSW Anti-Discrimination Board, Human Rights Commission or the Office of the Local Government.	Receipt and referral of allegations from external agencies will be dealt with by the Disclosure and Investigations Coordinator. Concerns regarding fraud and corruption are covered by mandatory reporting provisions under Section 11 of the <i>ICAC Act</i> .
f) Referral of internal matters from the Chief Executive Officer, Mayor, Internal Audit and Council's Audit, Risk and Improvement Committee.	Referral to existing internal and external agencies is provided under policy or legislation for all items within the IO Charter scope.
g) Public Interest Disclosures and, including, breaches of disclosure obligations.	Council's Internal Reporting Policy provides a number of avenues for Public Interest Disclosures ('PID') including the Disclosures Coordinator and Disclosure Officers. This policy is the preferred basis for investigation as the IO Charter contains insufficient information to comply with the <i>Public Interest Disclosures Act 2022</i> .

h) As the Council is a Water Authority pursuant to s. 285 and Schedule 3 of the Water Management Act 2000, the Internal Ombudsman may review recommendations made by staff in accordance with Council policies.	This function will transfer to the Disclosure and Investigations Coordinator.
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Proposal

It is proposed that Council supports the removal of the role of the Senior Internal Ombudsman and the creation of a Disclosures and Investigations Officer.

The Disclosures and Investigations Officer would coordinate concerns regarding fraud and corruption, provide an avenue for both members of the public and staff to raise concerns, and assist in developing and promoting fraud prevention strategies in the organisation. The role will also manage Council's PID system, liaise with the ICAC and NSW Ombudsman, and coordinate the responses to any individual and systemic issues that are identified via investigations.

This approach will remove any perception of ambiguity or duplication, or perception of independence of investigations into serious matters, by ensuring they are undertaken by either an independent investigator or external body governed by existing legislation which outlines minimum standards of process.

Other roles of the Internal Ombudsman, as identified in the Charter, are important but of relatively low resource intensity, for example responsibilities under the *Children's Guardian Act 2019*. Any reporting responsibilities under existing legislation will transfer to the new position should this proposal be adopted.

The recommended approach also responds to, and anticipates, the Review of the Councillor Misconduct Framework, December 2022, "Focus on Civic Responsibility: Councillor Conduct Accountability in New South Wales" (**the Kellar Report**). This review examined the current administrative framework under which complaints about Councillor misconduct are currently managed and made 49 recommendations including the establishment of independent Councillor Conduct Review Panels to which complaints about Councillor misconduct would be referred.

Roles and Responsibilities for the various types of Complaints

The recommended approach will provide a similar coordination and reporting function as the current IO Office. In order to effectively and efficiently triage the types of concerns and investigations arising in the current Internal Ombudsman space, the following process is proposed:

Staff Complaints:

Grievances – Handled by People and Culture (includes complaints about bullying, harassment and discrimination, and workplace health and safety issues) in compliance with Award and legislative provisions.

Public Interest Disclosures - in relation to **serious wrongdoing** including

- (a) corrupt conduct,
- (b) a government information contravention,
- (c) a local government pecuniary interest contravention,
- (d) serious maladministration,
- (e) a privacy contravention,
- (f) a serious and substantial waste of public money.

All deemed PID Reports handled in accordance with the *PID Act 2022* by PID Officers and the PID Coordinator supported by the adopted Internal Reporting Policy mandated under legislation.

Code of Conduct Complaints – handled in accordance with the Code of Conduct Procedures by the Complaints Coordinator/alternate Complaints Coordinator, the CEO/Mayor or an appointed Conduct Reviewer. Should the legislative changes proposed by the Kellar Report eventuate, the process for Code of Conduct complaints against Councillors will be adapted to meet the new requirements.

Complaints From Members of the Public (excluding service requests/CRMS)

Customer Complaints – Handled in accordance with Council's Complaints Handling Policy and Procedures – Tier 1 complaints handled by relevant section managers in the first instance, Tier 2 complaints coordinated by the Public Officer and Tier 3 complaints may be referred externally to the NSW Ombudsman.

Privacy Complaints – Handled in accordance with the *PPIP Act* and Council's Privacy Officer.

Other Types of Complaints from Staff and the Public

Fraud complaints from members of the public and those that fall short of a PID from staff – Public Officer. Compliance with mandatory reporting provisions under section 11 of the *ICAC Act* will be maintained.

Unreasonable Customer Conduct Complaints from staff or members of the public – Disclosure and Investigations Coordinator in compliance with Council's adopted policy.

All Complaints Identified Above

The Disclosures and Investigation Coordinator would also have unfettered access to the Mayor/Administrator, the CEO, and the Chair of the Audit, Risk and Improvement Committee, so that all levels of the organisation and elected body were subject to equally transparent propriety protection. This would also ensure that staff and the community could be comforted to know that any disclosure would be escalated as appropriate.

Consultation

Consultation has been undertaken with the Chief Internal Ombudsman, Assistant Internal Ombudsman, Unit Manager Governance, Risk and Legal, Director Corporate Services as well as Finance and People and Culture Unit representatives.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

The Office of the Internal Ombudsman cost \$367,135 in financial year 2021/2022 and has a budget of \$379,756 for financial year 2022/2023.

Under the proposed model, the total cost of the service is expected to ~\$150,000 comprised of:

- Staff cost \$106,000
- External investigation cost \$40,000
- Miscellaneous costs \$4,000

Accordingly, it is anticipated that the cost of engaging specialist external investigators will be more than offset by the saving on the expired employment contract for the Senior Internal Ombudsman.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G2: Engage and communicate openly and honestly with the community to build a relationship based on trust, transparency, respect and use community participation and feedback to inform decision making.

Risk Management

Any independence benefit that the Internal Ombudsman provides is arguable. It is inevitable that an employed Internal Ombudsman will build relationships with staff over time including personal relationships. This can lead to reduced actual and perceived independence over time and complacency as processes become familiar. Such issues of perception have been raised with Council staff by community members.

With the right communication and processes it could be argued that the same level of independence can be achieved by establishing a skilled and engaged group of officers across the organisation in the various roles which are required under various acts and regulations.

For example, training and establishing a group of PID officers and a competent PID Coordinator will achieve the same result.

This has been achieved successfully by other Councils and will work for an organisation willing to invest in educating and encouraging a culture of reporting on these matters, such as Central Coast Council.

In order to ensure ongoing transparency and accountability, the Disclosures and Investigations Coordinator will develop guidelines to ensure that all disclosures and investigations are appropriately triaged and, where appropriate, escalated and reported on.

Options

- 1 Effective 31 March 2023:
 - to remove the role of Chief Internal Ombudsman from the organisational structure;
 - create the role of Disclosures and Investigations Coordinator within the Governance, Risk and Legal Unit;
 - commence the investigative functions being undertaken on the basis of the information in this Report;
 - the IO Charter being rescinded and replaced with Disclosure and Investigation Guidelines; and
 - The Complaints and Feedback Management Policy be reviewed for consistency with the adopted approach.**This is the recommended option.**
- 2 To seek expressions of interest for a new Chief Internal Ombudsman to fill the role once it becomes vacant on 31 March 2023.
This is not the recommended option.

Attachments

- | | | | |
|----------|---|-------------------------------|-----------|
| 1 | Internal Ombudsman Charter - Adopted 13 April 2021 - Signed by CEO David Farmer | Provided Under Separate Cover | D14482324 |
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