



Central Coast Council  
Business Paper  
Ordinary Council Meeting  
**28 May 2024**





# 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.

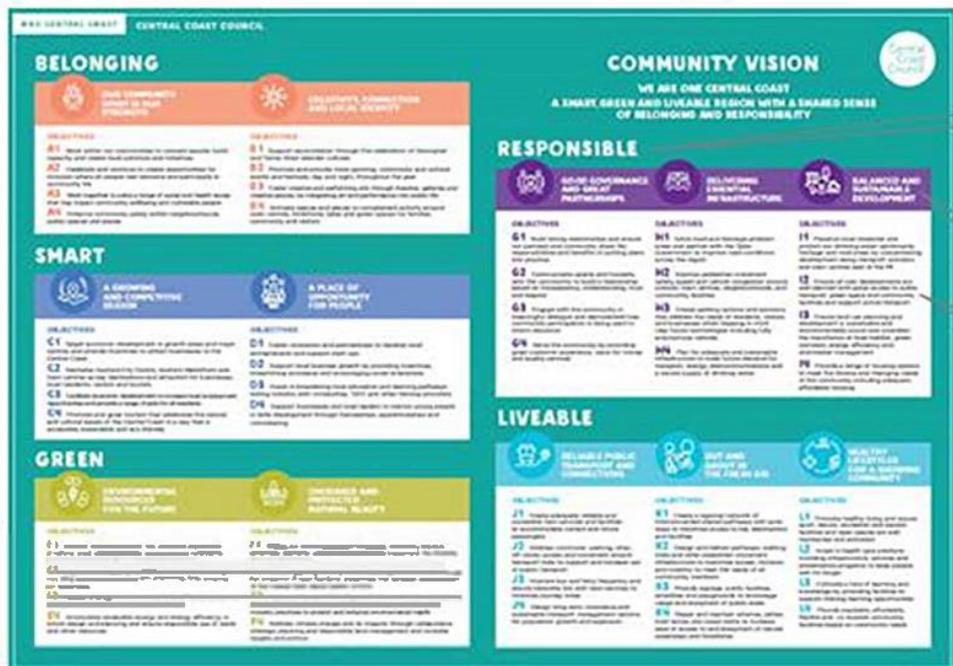
 **Good governance and great partnerships**

**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.



# Meeting Notice

**The Ordinary Council Meeting  
of Central Coast Council  
will be held in the Central Coast Council Chambers,  
2 Hely Street, Wyong  
on Tuesday 28 May 2024 at 6.30pm,  
for the transaction of the business listed below:**

**The Public Forum will commence at 6.00pm, 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](http://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

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28 May 2024 Ordinary Council Meeting

Reference: F2024/00015 - D16050624  
Author: Briony Stiles, Team Leader - Civic Support  
Manager: Teresa Chadwick Hock, Unit Manager Governance, Risk and Legal (Acting)  
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

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28 May 2024 Ordinary Council Meeting

Reference: F2024/00015 - D16050619



### **Recommendation**

***That Council confirms the minutes of the Ordinary Meeting of Council held on 23 April 2024.***

### **Summary**

Confirmation of minutes of the Ordinary Meeting of Council held on 23 April 2024.

### **Attachments**

<b>1</b>	MINUTES - Council Meeting - 23 April 2024	Provided Under Separate Cover	D16161427
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**Item No:** 1.3  
**Title:** Notice of Intention to Deal with Matters in Confidential Session  
**Department:** Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2024/00015 - D16050632

### **Recommendation**

***That Council notes 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,*

### **1.3 Notice of Intention to Deal with Matters in Confidential Session (contd)**

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- 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 April 2024  
**Department:** Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2020/03205 - D16192125  
Author: Leslie Chan, Team Leader Financial Accounting  
Garry Teesson, Section Manager Financial Planning and Business Support  
Manager: Emma Galea, Chief Financial Officer.Finance  
Executive: Marissa Racomelara, Director Corporate Services

## **Recommendation**

***That Council receives the Monthly Financial Report – April 2024.***

### **Report purpose**

To present to Council the monthly financial report for April 2024.

### **Executive Summary**

This report presents the April 2024 monthly financial report.

For 2023-24 FY Council has budgeted, on a consolidated basis, an operating surplus before capital income of \$8.3M. As at 30 April 2024, Council has an operating surplus of \$42.8M, compared to a YTD budget of an operating surplus of \$1.7M. The budgeted net operating position will fluctuate throughout the financial year, reflecting income and expenditure timing.

In accordance with legislative requirements Council has completed the March 2024 Quarterly Budget Review. The outcome of the Review is included in this business paper as a separate item. The budget adjustments in the review, if adopted, will move the 2023-24 FY Council Budget on a consolidated basis, to an operating surplus before capital income of \$25.9M.

It is further noted that Council has budgeted to receive the 2024-25 Financial Assistance Grant entitlement of \$23M in advance, in the 2023-24 financial year. The risk remains regarding the level of, if any, advance payment being received. This has a direct impact on the budgeted operating surplus.

## **Background**

The monthly financial reports have been prepared in accordance with the requirements of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021*, 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.

## **Stakeholder Engagement**

The preparation of the April 2024 monthly financial report included consultation with business units across Council to ensure all revenue and expenditure attributable to the 2023-24 FY is captured.

## **Financial Considerations**

This report presents the financial position of Council as at 30 April 2024. Variations from budgeted amounts are detailed and an explanation provided. For the reporting period, Council is performing better than budget. To date, there are no concerns regarding Council's financial performance for the remainder of the financial year.

## **Consolidated Operating Statement**

As at 30 April 2024, Council has a consolidated net operating surplus of \$42.8M, before capital income, which is favourable to YTD budget by \$41.1M, The variance is driven by a YTD favourable variance in operating income of \$22.9M, and a favourable variance in operating expenses, mostly in materials and services (\$18.6M).

The net operating surplus including capital income is \$115.2M which is favourable to YTD budget by \$66.5M.

## Consolidated Operating Statement

April 2024



	CURRENT MONTH			YEAR TO DATE			Last Year YTD Actuals	FULL YEAR			Year End Forecast
	Actuals	Adopted Budget	Variance	Actuals	Adopted Budget	Variance		Last Year Actual	Original Budget	Adopted Changes (Q2)	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Income</b>											
Rates and Annual Charges	39,474	39,163	311	354,525	353,826	699	326,869	389,283	421,456	62	421,519
User Charges and Fees	12,648	14,164	(1,515)	140,052	137,745	2,307	134,650	164,977	163,782	(12)	163,770
Other Revenue	1,430	1,075	355	18,512	11,904	6,608	16,461	21,086	13,683	425	14,108
Interest	3,049	879	2,169	31,328	21,877	9,451	18,029	23,888	15,244	8,428	23,672
Grants and Contributions	1,238	904	334	21,509	17,196	4,313	20,647	56,621	49,880	(791)	49,089
Gain on Disposal	111	24	87	2,384	764	1,620	2,717	7,785	-	812	812
Other Income	698	732	(34)	8,373	7,990	383	8,008	9,754	8,775	843	9,618
Internal Revenue	4,632	4,820	(187)	46,062	48,529	(2,467)	49,514	61,923	60,701	(1,928)	58,772
<b>Total Income attributable to Operations</b>	<b>63,281</b>	<b>61,762</b>	<b>1,520</b>	<b>622,744</b>	<b>599,831</b>	<b>22,913</b>	<b>576,895</b>	<b>735,318</b>	<b>733,521</b>	<b>7,840</b>	<b>741,361</b>
<b>Operating Expenses</b>											
Employee Costs	15,048	15,120	73	155,119	159,169	4,050	142,377	184,873	195,069	820	195,889
Borrowing Costs	654	567	(87)	7,817	8,857	1,040	8,526	13,073	13,746	1,243	14,989
Materials and Services	16,970	19,691	2,721	174,817	193,394	18,577	169,271	216,095	237,509	(1,902)	235,607
Depreciation and Amortisation	16,956	15,903	(1,054)	162,274	160,210	(2,064)	144,096	174,925	192,226	3,020	195,246
Other Expenses	2,329	2,946	618	35,491	36,374	883	35,443	44,044	44,523	214	44,737
Loss on Disposal	192	-	(192)	5,086	6	(5,079)	3,650	17,193	-	6	6
Internal Expenses	3,787	3,845	58	39,362	40,164	802	40,183	50,087	47,634	(1,079)	46,555
Overheads	0	0	-	(0)	(0)	-	0	0	(0)	-	(0)
<b>Total Expenses attributable to Operations</b>	<b>55,935</b>	<b>58,072</b>	<b>2,138</b>	<b>579,966</b>	<b>598,174</b>	<b>18,208</b>	<b>543,547</b>	<b>700,290</b>	<b>730,708</b>	<b>2,321</b>	<b>733,029</b>
<b>Operating Result after Overheads and before Capital Amounts</b>	<b>7,347</b>	<b>3,689</b>	<b>3,657</b>	<b>42,778</b>	<b>1,657</b>	<b>41,121</b>	<b>33,349</b>	<b>35,028</b>	<b>2,813</b>	<b>5,519</b>	<b>8,332</b>
Capital Grants	14,841	143	14,698	44,177	28,939	15,239	27,704	48,684	59,854	9,371	69,226
Capital Contributions	5,868	940	4,927	28,287	18,138	10,149	19,477	63,141	17,500	6,634	24,133
Grants and Contributions Capital Received	20,709	1,083	19,626	72,465	47,077	25,388	47,181	111,824	77,354	16,005	93,359
<b>Net Operating Result</b>	<b>28,055</b>	<b>4,772</b>	<b>23,283</b>	<b>115,243</b>	<b>48,734</b>	<b>66,509</b>	<b>80,530</b>	<b>146,852</b>	<b>80,167</b>	<b>21,524</b>	<b>101,691</b>

An overview of consolidated financial performance against budget, and variance analysis is as follows:

### Operating Revenue – \$22.9M favourable to YTD Budget

- **Rates +\$0.2M**  
Overall Rates are on track (within 0.1% of budget).
- **Annual charges +\$0.5M**  
Overall Annual charges are on track (within 0.3% of budget).
- **User charges (\$0.2M)**  
Overall Annual charges are on track (within 0.3% of budget).
- **Fees +\$2.5M**
  - \$1.0M favourable variance on RMS User Charges.
  - \$0.7M favourable variance in Pool Fees.
  - \$0.3M favourable variance from statutory and regulatory function fees.
  - \$0.3M favourable variance from CCB Childcare Fee Relief.
  - \$0.2M favourable variance in Tourist Park fees.

- **Other revenue +\$6.6M**
  - \$5.1M favourable variance in unrealised gain on investments, floating rate notes and bonds. Net unrealised gain of \$4.2M April YTD.
  - \$0.9M favourable variance in fines income.
  - \$0.4M favourable variance in insurance recoveries.
  - \$0.2M favourable variance in miscellaneous sales income.
  
- **Interest +\$9.5M**

Favourable variance predominantly from an increased interest rate environment, hence receiving more interest on investments than budgeted.
  
- **Operating Grants +\$4.5M**

Favourable, timing only difference relating to:

  - \$1.8M in operating grants relating to Bushfire and Emergency Services.
  - \$1.4M in operating grants relating to Environmental Programs.
  - \$0.7M in Financial Assistance Grant Top Up Payment (total grant to be received in 23/24 is still unknown).
  - \$0.6M in operating grants relating to Other Roads and Bridges funding.
  
- **Operating Contributions (\$0.2M)**

Overall Operating Contributions are on track (within 3.8% of budget).
  
- **Gain on Disposal +\$1.6M**
  - \$0.9M favourable variance from disposals of Operational land.
  - \$0.7M favourable variance from disposals of plant & equipment.
  
- **Other Income +\$0.4M**
  - \$0.3M favourable variance in Community Facilities rental income.
  - \$0.1M favourable variance in Facilities hire income.
  
- **Internal revenue (\$2.5M)**
  - (\$0.9M) unfavourable variance in plant pool hire.
  - (\$0.6M) unfavourable variance in tipping fees.
  - (\$0.6M) unfavourable variance in plant and fleet permanent hire.
  - (\$0.3M) unfavourable variance in plant and fleet casual hire.
  - (\$0.1M) unfavourable variance in road rehabilitation income.

**Operating Expenses – \$18.2M favourable to YTD Budget**

- *Employee costs + \$4.0M*
  - \$4.0M favourable variance due to staff vacancies.
  
- *Borrowing costs + \$1.0M*
  - \$1.0M favourable variance due to timing difference regarding repayment of loans.
  
- *Materials and services + \$18.6M*
  - \$12.8M favourable variance in contract, labour hire and consultant costs.
  - \$2.2M favourable variance in materials purchased.
  - \$1.1M favourable variance in software licenses, memberships and software expenses.
  - \$0.7M favourable variance in training costs.
  - \$0.4M favourable variance in green waste processing contract costs.
  - \$0.3M favourable variance in electricity and gas costs.
  - \$0.4M favourable variance in legal expenses.
  - \$0.3M favourable variance in postage expenses.
  - \$0.3M favourable variance in street lighting expenses.
  - \$0.1M favourable variance in recycling processing contract costs.

Some of these variances are timing differences only.

- *Depreciation (\$2.1M)*  
Unfavourable, due to higher than anticipated capitalisations as at the reporting period in:
  - Sewerage Network (\$0.6M)
  - Buildings (\$0.6M)
  - Other Open Space/Recreational Assets (\$0.6M)
  - Plant & Equipment (\$0.3M)
  
- *Other expenses + \$0.9M*
  - \$1.6M favourable variance in EPA Waste Levy.
  - \$0.2M favourable variance in levy payable on Crown Land.
  - (\$0.9M) unfavourable variance in unrealised decrements in investments. Net unrealised gain of \$4.2M April YTD.

## 2.1 Monthly Finance Report April 2024 (cont'd)

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- **Loss on Disposal (\$5.1M)**  
Unfavourable due to disposals of assets that were unbudgeted for, including:
  - Roads (\$2.3M)
  - Sewerage Network (\$1.1M)
  - Stormwater Drainage (\$0.7M)
  - Open Space/Recreation Assets (\$0.4M)
  - Bridges (\$0.2M)
  - Buildings (\$0.2M)
  - Plant and Equipment (\$0.1M)
  - Footpaths (\$0.1M)
  
- **Internal expenses +\$0.8M**
  - \$1.0M favourable variance in Plant and Fleet Permanent Hire.
  - (\$0.2M) unfavourable variance in Casual Hire.

### **Capital Items – \$25.3M favourable to YTD Budget**

- **Capital Grants +\$15.2M**  
Timing only difference relating to:
  - \$3.8M of capital grants relating to RMS.
  - \$3.4M of capital grants relating to Parks, Gardens and Beaches.
  - \$3.4M of capital grants relating to Roads to Recovery.
  - \$3.2M of multiple other capital grant categories.
  - \$0.8M of capital grants relating to Community Centres.
  - \$0.6M of capital grants relating to Environmental Programs.
  
- **Capital Contributions +\$10.1M**  
Favourable timing only differences relating to:
  - \$4.4M of Non-cash contributions in roads works, roads land, open space works, community facilities works and shire wide works.
  - \$1.3M of Community Facilities works.
  - \$1.2M of Open Space works.
  - \$1.1M of s7.12 capital contributions.
  - \$0.9M of other small amounts from multiple categories of capital contributions.
  - \$0.7M of Road works.

- o \$0.4M of Water Quality works.

## Financial Performance by Fund

The following tables summarise the financial performance for the reporting period by Fund.

Total General (+ Drainage & Waste) Fund											
Operating Statement											
April 2024											
	CURRENT MONTH			YEAR TO DATE				FULL YEAR			
	Actuals \$'000	Adopted Budget \$'000	Variance \$'000	Actuals \$'000	Adopted Budget \$'000	Variance \$'000	Last Year YTD Actuals \$'000	Last Year Actual \$'000	Original Budget \$'000	Adopted Changes \$'000	Year End Forecast \$'000
<b>Operating Income</b>											
Rates and Annual Charges	26,857	26,763	94	262,560	262,126	435	252,724	302,073	312,872	428	313,300
User Charges and Fees	6,035	6,444	(410)	64,353	61,718	2,634	64,271	79,306	72,227	988	73,216
Other Revenue	1,421	1,075	346	17,304	11,904	5,399	15,313	19,957	13,683	425	14,108
Interest	2,236	471	1,765	23,445	15,650	7,795	13,853	18,149	12,336	4,233	16,569
Grants and Contributions	1,211	887	323	21,284	17,026	4,258	20,424	56,253	49,880	(935)	48,885
Gain on Disposal	111	24	87	1,781	764	1,018	2,717	7,785	-	812	812
Other Income	698	732	(34)	8,373	7,990	383	8,006	9,752	8,763	855	9,618
Internal Revenue	4,205	4,621	(416)	43,795	46,533	(2,738)	47,630	59,248	58,030	(1,928)	56,102
<b>Total Income attributable to Operations</b>	<b>42,773</b>	<b>41,018</b>	<b>1,755</b>	<b>442,895</b>	<b>423,711</b>	<b>19,184</b>	<b>424,938</b>	<b>552,521</b>	<b>527,792</b>	<b>4,819</b>	<b>532,610</b>
<b>Operating Expenses</b>											
Employee Costs	12,383	12,718	335	127,796	132,770	4,975	121,621	156,491	163,347	(680)	162,667
Borrowing Costs	122	60	(62)	1,646	2,810	1,164	2,085	5,280	5,358	1,265	6,622
Materials and Services	13,733	16,090	2,358	142,267	157,954	15,687	142,052	181,380	190,650	741	191,391
Depreciation and Amortisation	10,200	9,485	(715)	97,264	95,908	(1,357)	84,812	102,748	113,759	3,564	117,323
Other Expenses	2,318	2,946	629	35,281	36,374	1,093	35,101	43,291	44,523	214	44,737
Loss on Disposal	192	-	(192)	3,872	6	(3,865)	3,647	15,015	-	6	6
Internal Expenses	2,830	2,791	(39)	29,003	29,282	279	30,488	37,851	35,857	(1,839)	34,018
Overheads	(2,067)	(2,067)	-	(20,667)	(20,667)	-	(18,884)	(20,067)	(24,801)	-	(24,801)
<b>Total Expenses attributable to Operations</b>	<b>39,710</b>	<b>42,024</b>	<b>2,314</b>	<b>416,461</b>	<b>434,436</b>	<b>17,975</b>	<b>400,922</b>	<b>521,989</b>	<b>520,692</b>	<b>3,271</b>	<b>531,963</b>
<b>Operating Result after Overheads and before Capital Amounts</b>	<b>3,063</b>	<b>(1,007)</b>	<b>4,069</b>	<b>26,434</b>	<b>(10,725)</b>	<b>37,158</b>	<b>24,015</b>	<b>30,533</b>	<b>(900)</b>	<b>1,547</b>	<b>647</b>
Capital Grants	13,952	(478)	14,429	35,398	20,273	15,125	15,051	30,264	35,318	22,013	57,330
Capital Contributions	5,059	500	4,559	22,616	13,089	9,527	13,742	54,647	10,964	7,239	18,203
<b>Grants and Contributions Capital Received</b>	<b>19,011</b>	<b>22</b>	<b>18,988</b>	<b>58,013</b>	<b>33,362</b>	<b>24,652</b>	<b>28,793</b>	<b>84,911</b>	<b>46,282</b>	<b>29,251</b>	<b>75,533</b>
<b>Net Operating Result</b>	<b>22,074</b>	<b>(984)</b>	<b>23,058</b>	<b>84,447</b>	<b>22,637</b>	<b>61,810</b>	<b>52,809</b>	<b>115,443</b>	<b>45,381</b>	<b>30,799</b>	<b>76,180</b>

<b>Total Water &amp; Sewer Fund</b>											
<b>Operating Statement</b>											
April 2024											
	CURRENT MONTH			YEAR TO DATE				FULL YEAR			
	Actuals	Adopted Budget	Variance	Actuals	Adopted Budget	Variance	Last Year YTD	Last Year Actual	Original Budget	Adopted Changes	Year End Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Income</b>											
Rates and Annual Charges	12,617	12,400	217	91,965	91,701	264	74,145	87,209	108,584	(366)	108,218
User Charges and Fees	6,614	7,719	(1,106)	75,699	76,027	(327)	70,380	85,672	91,555	(1,000)	90,555
Other Revenue	9	-	9	1,209	-	1,209	1,148	1,130	-	-	-
Interest	813	408	404	7,882	6,227	1,656	4,176	5,739	2,908	4,195	7,103
Grants and Contributions	28	17	11	225	170	55	223	368	-	204	204
Gain on Disposal	-	-	-	602	-	602	-	-	-	-	-
Other Income	-	-	-	-	-	-	2	2	12	(12)	-
Internal Revenue	428	199	229	2,267	1,996	271	1,883	2,676	2,671	-	2,671
<b>Total Income attributable to Operations</b>	<b>20,508</b>	<b>20,744</b>	<b>(236)</b>	<b>179,849</b>	<b>176,120</b>	<b>3,729</b>	<b>151,958</b>	<b>182,796</b>	<b>205,729</b>	<b>3,021</b>	<b>208,750</b>
<b>Operating Expenses</b>											
Employee Costs	2,665	2,402	(263)	27,324	26,398	(925)	20,756	28,383	31,722	1,500	33,222
Borrowing Costs	532	506	(25)	6,171	6,048	(123)	6,442	7,794	8,389	(22)	8,367
Materials and Services	3,237	3,601	364	32,550	35,440	2,890	27,219	34,716	46,859	(2,644)	44,216
Depreciation and Amortisation	6,757	6,418	(339)	65,010	64,302	(708)	59,284	72,177	78,468	(544)	77,924
Other Expenses	11	-	(11)	210	-	(210)	342	752	-	-	-
Loss on Disposal	-	-	-	1,214	-	(1,214)	3	2,178	-	-	-
Internal Expenses	956	1,054	98	10,359	10,883	524	9,695	12,236	11,777	760	12,537
Overheads	2,067	2,067	-	20,667	20,667	-	18,884	20,067	24,601	-	24,601
<b>Total Expenses attributable to Operations</b>	<b>16,225</b>	<b>16,048</b>	<b>(177)</b>	<b>163,505</b>	<b>163,738</b>	<b>234</b>	<b>142,625</b>	<b>178,301</b>	<b>202,015</b>	<b>(950)</b>	<b>201,065</b>
<b>Operating Result after Overheads and before Capital Amounts</b>	<b>4,284</b>	<b>4,696</b>	<b>(412)</b>	<b>16,345</b>	<b>12,382</b>	<b>3,963</b>	<b>9,333</b>	<b>4,495</b>	<b>3,713</b>	<b>3,971</b>	<b>7,685</b>
Capital Grants	889	620	269	8,780	8,666	114	12,653	18,420	24,537	(12,641)	11,895
Capital Contributions	808	440	368	5,672	5,050	622	5,735	8,494	6,536	(605)	5,931
<b>Grants and Contributions Capital Received</b>	<b>1,698</b>	<b>1,061</b>	<b>637</b>	<b>14,452</b>	<b>13,715</b>	<b>736</b>	<b>18,388</b>	<b>26,913</b>	<b>31,072</b>	<b>(13,246)</b>	<b>17,826</b>
<b>Net Operating Result</b>	<b>5,982</b>	<b>5,757</b>	<b>225</b>	<b>30,796</b>	<b>26,097</b>	<b>4,699</b>	<b>27,721</b>	<b>31,409</b>	<b>34,786</b>	<b>(9,275)</b>	<b>25,511</b>

## Financial Performance Benchmarks

Below is a summary of Council's performance, on a consolidated basis against main industry financial performance benchmarks set by the Office of Local Government.

Financial Performance Ratio	Industry Benchmark	Ratio as at 30/04/24
Operating Performance Ratio	> 0%	<b>8.2%</b>
Own Source operating Revenue Ratio	> 60%	<b>85.4%</b>
Unrestricted Current Ratio	> 1.5x	<b>4.4x</b>
Cash Expense Cover Ratio	> 3 months	<b>7.1 months</b>
Buildings and Infrastructure Renewals Ratio	> = 100%	<b>84.7%</b> (year to date)

As at the end of the April 2024, on a consolidated basis, Council exceeded the mandated benchmark for the operating performance ratio, achieving 8.2%.

Council has also performed favourably against the unrestricted current ratio, achieving 4.4x against a benchmark of > 1.5x. This ratio considers all assets and liabilities, including cash. Council maintained positive performance regarding the cash expense cover. Council is in a strong liquidity position.

## 2.1 Monthly Finance Report April 2024 (cont'd)

As at 30 April 2024, Council was tracking well to meet the building and infrastructure renewals benchmark by the end of the financial year.

### Cash and Investments

Details on cash and investments as at April 2024 is included in the Monthly Investment Report April 2024, included as a separate report in this business paper.

### Restricted Funds

A summary of restricted and unrestricted funds is as follows:

<b>Fund</b>	<b>General Fund</b>	<b>Drainage Fund</b>	<b>Consolidated General Fund</b>	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Domestic Waste Fund</b>
	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>
External Restricted Funds	229,667	38,464	268,131	17,725	28,670	105,926
Internal Restricted Funds	117,752	68	117,820	974	935	45
<b>Total Restricted Funds</b>	<b>347,419</b>	<b>38,532</b>	<b>385,951</b>	<b>18,699</b>	<b>29,605</b>	<b>105,971</b>
Unrestricted Funds	100,304	(31,830)	68,474	14,452	132,345	12,574
<b>Total funds by Fund</b>	<b>447,723</b>	<b>6,702</b>	<b>454,425</b>	<b>33,151</b>	<b>161,950</b>	<b>118,545</b>

Details on Council's restriction balances as at April 2024 is included in the Monthly Investment Report April 2024, included as a separate report in this business paper.

### Emergency Loans

In 2020 Council obtained emergency loans totalling \$150M. These loans were required to finance Council's working capital, cash reserves, maturing debt facilities and capital expenditure.

In December 2023, the \$100M Emergency Loan was settled and repaid in full, extinguishing the requirement to refinance any amount.

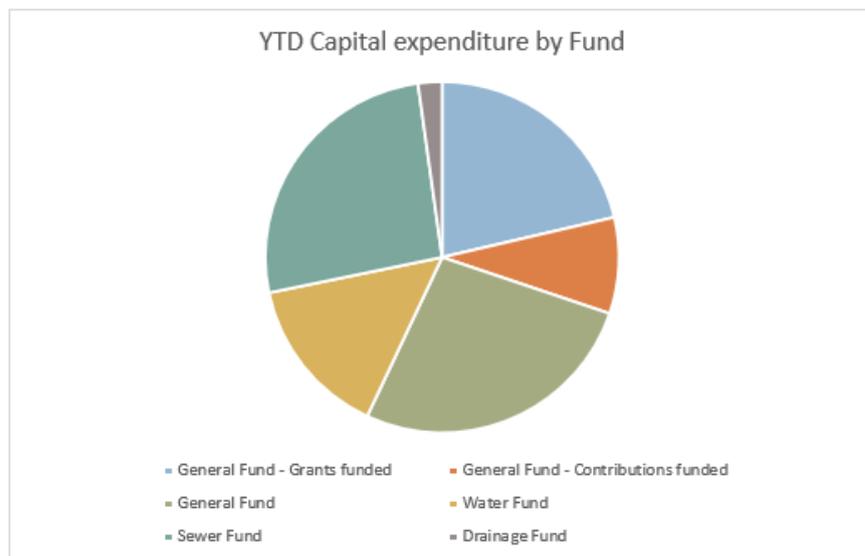
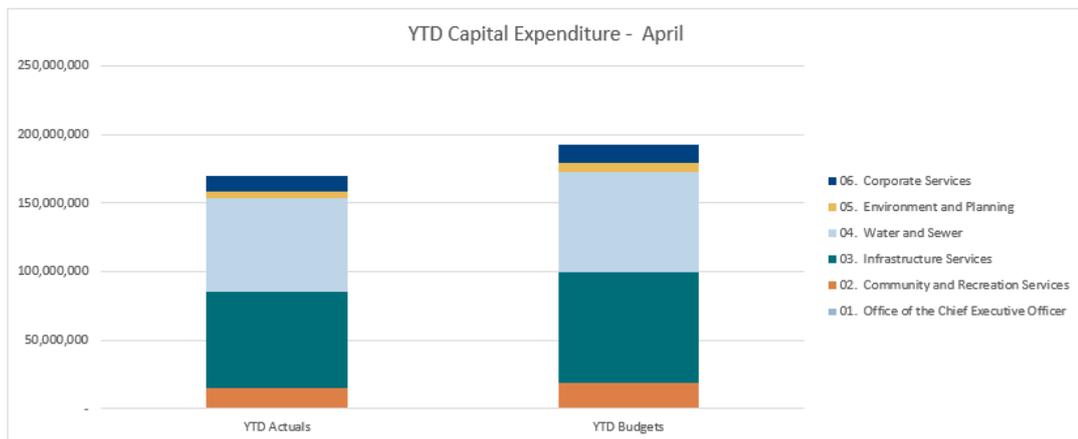
## 2.1 Monthly Finance Report April 2024 (cont'd)

Council will continue to internally restrict funds with the aim of settling the remaining \$50M in November 2025, without the need to refinance any amount. The interest rates environment will be monitored and the timing and amount of any repayment or extinguishment of the loan will be optimised accordingly.

### Capital Works

As at 30 April 2024 capital expenditure is \$169.4M against a YTD budget of \$192.1M for the same period, and a 2023-2024 FY budget of \$254.8M.

Department	YTD Actuals	YTD Budgets	YTD Variance	YTD Variance %	Full Year Approved Budget
01. Office of the Chief Executive Officer	-	-	-	-	-
02. Community and Recreation Services	15,349,238	19,203,696	3,854,458	79.9%	25,592,876
03. Infrastructure Services	69,453,601	80,014,109	10,560,508	86.8%	107,094,893
04. Water and Sewer	69,162,549	73,413,350	4,250,801	94.2%	92,767,570
05. Environment and Planning	4,656,496	6,404,118	1,747,622	72.7%	11,142,489
06. Corporate Services	10,728,545	13,031,414	2,302,869	82.3%	18,236,000
<b>Total</b>	<b>169,350,429</b>	<b>192,066,687</b>	<b>22,716,258</b>	<b>88.2%</b>	<b>254,833,828</b>



**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**

*Nil.*



**Item No:** 2.2  
**Title:** Investment Report for April 2024  
**Department:** Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2004/06604 - D16192135  
Author: Leslie Chan, Team Leader Financial Accounting  
Manager: Emma Galea, Chief Financial Officer.Finance  
Executive: Marissa Racomelara, Director Corporate Services

## **Recommendation**

### ***That Council:***

- 1 *Notes the Investment Report for April 2024.***
- 2 *Allocates the required unrestricted funds available in the General Fund to meet its April 2024 unrestricted funds deficit of \$31.83M in the Drainage Fund.***

## **Report purpose**

To present the monthly Investment Report in accordance with cl. 212 of the *Local Government (General) Regulation 2021* 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 as at 30 April 2024.

**Background**

Council's investments are made in accordance with the Local Government Act 1993, Local Government (General) Regulation 2021, Council's adopted Investment Policy, 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 \$768.07M as at 30 April 2024. A summary of investments as at 30 April 2024 is attached as Attachment 1 to this report.

**Table 1 - Council's Cash and Investment Portfolio by Type**

Type	Value (\$'000)
Investment Portfolio	\$633,268
Transactional accounts and cash in hand	\$134,804
<b>Total</b>	<b>\$768,072</b>

During April 2024, Council's total cash and investments increased by \$21.53M from \$746.54M to \$768.07M. Council's cash inflows including investment maturities have been used to manage outflows with maturities during the month re-invested taking into consideration operational cashflow requirements.

**Table 2 – Council's Portfolio by Fund**

Council's Portfolio is held in separate funds by purpose and is 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	229,667	38,464	268,131	17,725	28,670	105,926
Internal Restricted Funds	117,752	68	117,820	974	935	45
<b>Total Restricted Funds</b>	<b>347,419</b>	<b>38,532</b>	<b>385,951</b>	<b>18,699</b>	<b>29,605</b>	<b>105,971</b>
Unrestricted Funds	100,304	(31,830)	68,474	14,452	132,345	12,574
<b>Total funds by Fund</b>	<b>447,723</b>	<b>6,702</b>	<b>454,425</b>	<b>33,151</b>	<b>161,950</b>	<b>118,545</b>

## 2.2 Investment Report for April 2024 (cont'd)

*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. The unrestricted funds balances above, across the five funds will increase and decrease during each financial year as revenues are received and expenditures occur.

Council has now commenced setting aside funds to enable extinguishment of the remaining emergency loan in November 2025 restricting \$1.4M each month for this purpose.

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 \$31.83M. From 2026-2027 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 \$31.83M in the Drainage Fund is proposed to be funded through the General Fund's available unrestricted cash balance as at 30 April 2024 of \$100.30M.

### Portfolio Management

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

The total value of Council's investment portfolio as at 30 April 2024 is outlined in Table 3 below. Total net return on the portfolio for Council in April 2024, comprising entirely of interest earned, was \$2.80M.

**Table 3 – Portfolio Movement (Investments only)**

Description	2022-23 Financial Year	Jul-Sep Qtr	Oct-Dec Qtr	Jan-Mar Qtr	Apr-24	FYTD
	\$'000	2023/24 \$'000	2023/24 \$'000	2023/24 \$'000	2023/24 \$'000	2023/24 \$'000
<b>Opening Balance</b>	<b>628,005</b>	<b>707,301</b>	<b>745,827</b>	<b>696,817</b>	<b>663,227</b>	<b>707,301</b>
movement in cash at call, additions and disposals	76,828	37,117	-50,368	-35,114	-29,915	-78,280
Movement in Market Value	2,468	1,409	1,358	1,524	-44	4,246
<b>Closing Balance</b>	<b>707,301</b>	<b>745,827</b>	<b>696,817</b>	<b>663,227</b>	<b>633,268</b>	<b>633,268</b>
Interest earnings	22,168	8,346	9,204	8,736	2,795	29,081

The market value of Council's investment portfolio, excluding interest, as at 30 April 2024 is \$633.27M.

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.

## 2.2 Investment Report for April 2024 (cont'd)

A summary of the term deposit and floating rate notes maturities is presented in Table 4 below.

**Table 4 - Investment Maturities**

Time Horizon	Percentage Holdings	Maturity on or before	Value \$'000
<b>At Call</b>	3.51%	Immediate	22,207
<b>Investments</b>			
0 - 3 months	11.29%	Jul-2024	71,487
4 - 6 months	13.81%	Oct-2024	87,456
7 - 12 months	7.63%	Apr-2025	48,311
1 - 2 years	29.17%	Apr-2026	184,726
2 - 3 years	31.58%	Apr-2027	199,971
3 - 4 years	0.00%	Apr-2028	0
4 - 5 years	3.02%	Apr-2029	19,110
<b>Total Investments</b>	<b>96.49%</b>		<b>611,060</b>
<b>Total Portfolio</b>	<b>100.00%</b>		<b>633,268</b>
<b>Interest Accrued to March 2024 (Excluding Interest on call accounts)</b>			5,741
<b>Market Value of Investment per Portfolio Valuation Report (Attachment 5)</b>			<b>639,008</b>

The investment portfolio is concentrated in AA (17.44%), A (46.14%), and BBB (36.42%).

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. In this regard, all of Council's investments were within policy guidelines as at 30 April 2024.

The current spread of investments and counterparty exposure for April 2024 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 in Attachment 1 and are highlighted in green.

Council currently holds 2.53% or \$16.03M in ESG investments as at 30 April 2024.

### **Portfolio Return**

Interest rates on investments in the month, ranged from 1.15% to 6.40%. The monthly Bank Bill Swap Rate (BBSW) benchmark was 4.30%. Changes in economic conditions have led to the Reserve Bank of Australia (RBA) maintaining the cash rate at 4.35% at its meeting in April 2024. The next RBA meeting is scheduled for 8th May 2024. BBSW has also followed cash rate

## 2.2 Investment Report for April 2024 (cont'd)

trends 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 2023	3.35%	3.28%
April 2023	3.60%	3.54%
April 2023	3.60%	3.60%
May 2023	3.85%	3.81%
June 2023	4.10%	4.07%
July 2023	4.10%	4.10%
August 2023	4.10%	4.05%
September 2023	4.10%	4.05%
October 2023	4.10%	4.08%
November 2023	4.35%	4.26%
December 2023	4.35%	4.29%
January 2024	4.35%	4.31%
February 2024	4.35%	4.30%
March 2024	4.35%	4.30%
April 2024	4.35%	4.30%

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 April 2024 is 4.66%. Performance Statistics for Council are shown in Table 1 in Attachment 3.

Trading Limits are detailed in Attachment 4. 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.

### Financial Considerations

Council's investment portfolio includes rolling maturity dates to ensure that Council has sufficient liquidity to meet its ongoing obligations.

### 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 Investment as at 30 April 2024	Provided Under Separate Cover	D16192890
 2	Restrictions as at 30 April 2024	Provided Under Separate Cover	D16193876
 3	Investment Report Graphs and Table for April 2024	Provided Under Separate Cover	D16192895
 4	Trading Limits Reports as at 30 April 2024	Provided Under Separate Cover	D16192898
 5	Portfolio Valuation Report as at 30 April 2024	Provided Under Separate Cover	D16192901



**Item No:** 2.3  
**Title:** 2023-24 Quarter 3 Review  
**Department:** Environment and Planning and Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2022/02276 - D16165388  
Author: Sharon McLaren, Section Manager Corporate Planning and Reporting  
Garry Teesson, Section Manager Financial Planning and Business Support  
Manager: Shannon Turkington, Unit Manager Strategic Planning  
Emma Galea, Chief Financial Officer  
Executive: Luke Sulkowski, Director Environment and Planning (Acting)  
Marissa Racomelara, Director Corporate Services

## Recommendation

### ***That Council:***

- 1 Adopts the Quarter 3 (Q3) Business Report 2023-24 as provided in Attachment 1.***
- 2 Adopts the amendments to the 2023-24 Full Year Budget as outlined in this report.***
- 3 Allocates up to \$1.9M from the Future Projects internal restriction to the Gosford Regional Library project in accordance with the project budget as approved at the Council meeting on 27 June 2023.***

## Report purpose

To report on Central Coast Council's performance as measured against the organisation's Operational Plan for 2023-24. The *Q3 Business Report* (Attachment 1) covers the progress on the Operational Plan activities and financial performance for the period 1 January 2024 to 31 March 2024. It also provides Council's financial performance and financial position for:

- The third quarter of the 2023-24 financial year (Q3); and
- The resulting financial position including proposed Budget variations.

## Executive Summary

### Operational Plan Action and Target Progress

At the end of Q3, the overall performance against the original adopted Operational Plan actions and indicators shows:

- 10 out of 127 actions have been Completed;
- 89 are On Track for delivery by the end of the financial year;
- 26 are Delayed; and
- 1 is On Hold.

### Financial Performance

Council is required to review its progress in achieving the financial objectives set out in its Operational Plan within two months of the end of each quarter.

The Responsible Accounting Officer has revised Council's income and expenditure for the 2023-24 financial year and recommends revising estimates in line with Council's financial performance as at the end of March 2024, and as projected for the remainder of the financial year.

The *Q3 Business Report* (Attachment 1) recommends Budget adjustments that result in an improved projected operating result for the 2023-24 financial year, on a consolidated basis.

The proposed Q3 adjustments will move the 2023-24 budgeted operating surplus (excluding capital grants and contributions) from \$8.3M to a budgeted operating surplus of \$25.9M, on a consolidated basis. Including capital grants and contribution, the budgeted operating surplus will move from \$101.7M to \$109.5M.

The proposed Q3 capital expenditure budget adjustment is an increase of \$8.7M, which will result in a revised 2023-24 full year capital works program of \$263.6M.

More information and details of progress and financial performance are provided in the *Q3 Business Report* (Attachment 1).

### **Background**

As required under the NSW Integrated Planning and Reporting Framework, Council must report on progress with respect to its actions and targets against the objectives of the Operational Plan, at least every six months.

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 (QBRS) that shows a revised estimate of the income and expenditure for that year.

This QBRS is presented in the necessary format (see Attachment 1) and is considered to satisfy relevant legislative requirements.

### **Current Status**

#### Operational Plan Actions and Targets

The table below is a summary of the overall progress on the actions and indicators for Q3. The information contained in Attachment 1 includes specific details of progress.

Theme:	Belonging	Smart	Green	Responsible	Liveable	Total
Completed	1	0	0	7	2	10
On Track	10	5	9	48	17	89
Delayed	0	1	8	16	1	26
Scheduled	0	0	0	0	0	0
On Hold	0	0	0	1	0	1
Closed	0	0	0	1	0	1
<b>Total</b>	<b>11</b>	<b>6</b>	<b>17</b>	<b>73</b>	<b>20</b>	<b>127</b>

### Financial Performance

As at the end of Q3 Council has a consolidated net operating surplus of \$35.4M, before capital income, which is favourable to budget by \$37.5M and a net operating surplus including capital income of \$87.2M, which is favourable to budget by \$43.2M. These results reflect the amortisation of annual rates and charges.

## Consolidated Operating Statement



March 2024

	YEAR TO DATE			FULL YEAR			
	Actuals	Adopted Budget	Variance	Original Budget	Full Year Budget	Proposed Q3 Budget Changes	Proposed Full Year Budget after Q3 Changes
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Income</b>							
Rates and Annual Charges	315,051	314,663	388	421,456	421,519	232	421,751
User Charges and Fees	127,403	123,581	3,822	163,782	163,770	(696)	163,075
Other Revenue	17,082	10,830	6,253	13,683	14,108	5,824	19,932
Interest	28,279	20,998	7,281	15,244	23,672	10,089	33,762
Grants and Contributions	20,271	16,292	3,979	49,880	49,089	2,498	51,587
Gain on Disposal	2,272	739	1,533	-	812	1,445	2,258
Other Income	7,674	7,258	416	8,775	9,618	(94)	9,524
Internal Revenue	41,429	43,710	(2,280)	60,701	58,772	(2,100)	56,673
<b>Total Income attributable to Operations</b>	<b>559,463</b>	<b>538,070</b>	<b>21,393</b>	<b>733,521</b>	<b>741,361</b>	<b>17,200</b>	<b>758,561</b>
<b>Operating Expenses</b>							
Employee Costs	140,071	144,049	3,977	195,069	195,889	598	196,487
Borrowing Costs	7,164	8,291	1,127	13,746	14,989	(2,330)	12,659
Materials and Services	157,847	173,703	15,855	237,509	235,607	(6,641)	228,965
Depreciation and Amortisation	145,318	144,307	(1,011)	192,226	195,246	599	195,845
Other Expenses	33,162	33,427	265	44,523	44,737	793	45,530
Loss on Disposal	4,894	6	(4,887)	-	6	5,168	5,175
Internal Expenses	35,575	36,319	744	47,634	46,555	1,421	47,976
Overheads	(0)	(0)	-	0	0	-	0
<b>Total Expenses attributable to Operations</b>	<b>524,031</b>	<b>540,102</b>	<b>16,071</b>	<b>730,708</b>	<b>733,029</b>	<b>(393)</b>	<b>732,636</b>
<b>Operating Result after Overheads and before Capital Amounts</b>	<b>35,432</b>	<b>(2,032)</b>	<b>37,464</b>	<b>2,813</b>	<b>8,332</b>	<b>17,593</b>	<b>25,925</b>
Capital Grants	29,336	28,796	540	59,854	69,226	(11,047)	58,179
Capital Contributions	22,420	17,198	5,222	17,500	24,133	1,265	25,399
<b>Grants and Contributions Capital Received</b>	<b>51,756</b>	<b>45,994</b>	<b>5,762</b>	<b>77,354</b>	<b>93,359</b>	<b>(9,781)</b>	<b>83,578</b>
<b>Net Operating Result</b>	<b>87,188</b>	<b>43,962</b>	<b>43,226</b>	<b>80,167</b>	<b>101,691</b>	<b>7,811</b>	<b>109,502</b>

It is noted that as part of the Q3 Budget review process, the phasing of planned income and expenditure has been reviewed to ensure changes to projections required to reflect Budget trend are captured in a timely manner.

As at Q3, Council's overall performance was better than Budget as financial discipline continues to be applied to all expenditure and trends are monitored. Actual financial performance as at the end of Q3 has been considered when revising projections as part of the Q3 QBRS.

*Capital Works*

Actual Q3 YTD capital expenditure is \$150.5M against the Q3 YTD budget of \$166.6M.

*Financial Performance Benchmarks*

Below is a summary of Council's performance, against the main financial performance benchmarks set by the Office of Local Government.

<i>Financial Performance Ratio</i>	<i>Industry Benchmark</i>	<i>Ratio as at 31/03/24</i>
Operating Performance Ratio	> 0%	<b>7.6%</b>
Own Source operating Revenue Ratio	> 60%	<b>87.2%</b>
Unrestricted Current Ratio	> 1.5x	<b>4.5x</b>
Cash Expense Cover Ratio	> 3 months	<b>6.9 months</b>
Buildings and Infrastructure Renewals Ratio	> = 100%	<b>85.9%</b> <small>(year to date)</small>

As at the end of the March 2024, on a consolidated basis, Council exceeded the mandated benchmark for the operating performance ratio, achieving 7.6%.

Council has also performed favourably against the unrestricted current ratio, achieving 4.5x against a benchmark of >1.5x. This ratio considers all assets and liabilities, including cash.

Council maintained positive performance regarding the cash expense cover. Council is in a strong liquidity position.

*Restricted Funds*

A summary of restricted and unrestricted funds is as follows:

<b>Fund</b>	<b>General Fund</b>	<b>Drainage Fund</b>	<b>Consolidated General Fund</b>	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Domestic Waste Fund</b>
	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>
External Restricted Funds	226,620	38,834	265,454	17,725	28,695	106,001
Internal Restricted Funds	116,382	68	116,450	974	935	45
<b>Total Restricted Funds</b>	<b>343,002</b>	<b>38,902</b>	<b>381,904</b>	<b>18,699</b>	<b>29,630</b>	<b>106,046</b>
Unrestricted Funds	85,844	(33,681)	52,163	12,058	130,433	15,605
<b>Total funds by Fund</b>	<b>428,846</b>	<b>5,221</b>	<b>434,067</b>	<b>30,757</b>	<b>160,064</b>	<b>121,651</b>

### Proposed Budget Adjustments

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. Details on the proposed budget adjustments are provided in Attachment 1.

### *Capital Works Program*

Council's capital works program adopted as part of the 2023-24 Operational Plan totalled \$202.1M. Budget adjustments of \$52.7M were added during the year to date, resulting in a full year budget of \$254.8M.

Actual Q3 YTD capital expenditure is \$150.5M against the Q3 YTD budget of \$166.6M. An increase of \$8.7M is proposed as part of this Q3 review.

Changes to the capital works program include:

- Increases totalling \$14.5M relating to new grant funded projects, emergency works, unexpected cost increases, necessary scope change, and multi-year projects that are progressing ahead of schedule. Details of all capital works budget increases are included in Attachment 1.
- It is noted that in the intervening period between the end of Q3 and June 2024 there may be the opportunity to advance project milestones for some projects that are budgeted across 2023-24 and 2024-25. This may result in the budget allocation for those projects to be exceeded in 2023-24, to allow for timely awarding of contracts associated with the relevant milestones.
- Reductions totalling \$5.74M relating to projects delivered with savings, and projects not proceeding or deferred. Details of all capital works budget decreases are included in Attachment 1.
- Council has not purchased any assets for the quarter ended 31 March 2024 that are not already included in the current budget.

*Capital Works continuing in 2024-25*

It is noted that as part of reviewing the delivery status of projects that have budgets allocated in 2023-24, the projects that are likely to continue in the 2024-25 FY have been identified. Details of all capital works projects identified as likely to continue in 2024-25 are included in Attachment 1.

Alignment of project milestones delivery with a financial year is impacted by various factors including, but not limited to, availability of external resourcing, ongoing adverse weather conditions and natural disasters, challenges encountered during the planning and delivery of projects, as well as opportunities to advance works earlier than anticipated.

The unexpended budgeted funds associated with the above projects will be reviewed as part of the adoption of the 2024-25 Capital Works program included in the Draft Operational Plan, at the June Council meeting.

*Gosford Regional Library:* At its meeting on 27 June 2023 Council resolved to increase the capital budget for the Gosford Regional Library by \$5M, increasing the overall budget from \$27.7M to \$32.7M. Currently there are available funds allocated to the project that total \$30.8M which leaves a funding shortfall of \$1.9m. It is proposed that this funding shortfall is addressed through the Future Projects internal restriction, to the extent it cannot be funded from other funding sources. The utilisation of this funding source is in accordance with Council's adopted Restrictions Policy.

**Stakeholder Engagement**

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

**Link to Community Strategic Plan**

Theme 4: Responsible

**Goal G: Good governance and great partnerships**

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.

**Options**

Quarterly reporting of Council's operational and 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 QBRS to the Council within two months of

the end of each quarter (excluding June). This requirement is met by adoption of the *Q3 Business Report* (Attachment 1), which is due by 31 May 2024.

**Attachments**

- 1  2023-24 Q3 Business Report Provided Under Separate Cover D16206137



**Item No:** 2.4  
**Title:** Determination of water, wastewater and stormwater drainage charges for 2024-25  
**Department:** Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2024/00101 - D16191445  
Author: Andrew Rodham, Senior Accountant  
Manager: Emma Galea, Chief Financial Officer.Finance  
Executive: Jamie Loader, Director Water and Sewer

## **Recommendation**

### ***That Council:***

- 1 Determines, for the purposes of s.315(1)(d) of the Water Management Act 2000, that the service charges be levied in accordance with the Independent Pricing and Regulatory Tribunal (IPART's) Final Determination dated 24 May 2022 included as Attachment 1 to this report.***
- 2 Determines, for the purposes of s.315(1)(a) the Water Management Act 2000, that the amount of revenue it proposes to raise in 2024-25 by way of service charges including the usage of the service is an estimated amount of \$249,161,565. This is calculated based on the Independent Pricing and Regulatory Tribunal (IPART's) Final Determination dated 24 May 2022.***
- 3 Determines, for the purpose of s.315(1)(b) of the Water Management Act 2000, that land is to be classified for the purpose of levying services charges according to the following factors:***
  - a) the purpose for which the land is actually being used,***
  - b) the intensity with which the land is being used for that purpose,***
  - c) the purposes for which the land is capable of being used,***
  - d) the nature and extent of the water or wastewater services connected to the land.***
- 4 Determines, for the purposes of s.315(1)(c) of the Water Management Act 2000 that services charges be levied on the following bases, as applicable to each charge:***
  - a) the availability of the service***
    - i) the classification of land***
    - ii) the size of the water meter registering supply***
    - iii) the cost of providing the service (i.e. wastewater discharge factor)***

## **2.4 Determination of water, wastewater and stormwater drainage charges for 2024-25 (cont'd)**

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- b) the usage of the service**
  - i) the volume of water supplied (as measured or estimated by Council)**
  - ii) the degree of use (i.e., wastewater discharge factor)**
- 5 Approves the Water, Wastewater (Sewerage) and Stormwater Drainage Fees and Charges set out in Attachment 2.**
- 6 Requests that the Chief Executive Officer seek the Minister's approval under s315(3) of the Water Management Act 2000 for the service charges in accordance with the above determinations.**

### **Report purpose**

To report the details of the water, wastewater (sewerage) and stormwater drainage fees and charges for the 2024-25 charging year.

### **Executive Summary**

This report seeks adoption of water, wastewater and stormwater drainage fees and charges for the 2024-25 charging year in line with IPART four-year price determination for the period 1 July 2022 to 30 June 2026.

Council's water, wastewater and stormwater drainage charges are also subject to approval by the Minister for Water under s. 315(3) of the Water Management Act 2000, subsequent to adoption by Council.

### **Background**

Under cl. 6(a) of *the Local Government (Council Amalgamations) Proclamation 2016*, from 12 May 2016 Central Coast Council is the "water supply authority" for the Central Coast local government area, for the purpose of the *Water Management Act 2000*.

Section 315 of the *Water Management Act 2000* requires Council to make various determinations in respect to water, wastewater, and stormwater drainage service charges that it will impose no later than one month before the beginning of each "charging year". Council's next "charging year" starts 1 July 2024.

On 24 May 2022, the Independent Pricing and Regulatory Tribunal ("IPART") made a four-year determination concerning Council's water, wastewater, and stormwater drainage charges, for the period 1 July 2022 to 30 June 2026.

## 2.4 Determination of water, wastewater and stormwater drainage charges for 2024-25 (cont'd)

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As the final determination was made in 2022-23 dollars, annual CPI adjustments for inflation are applied to service charges. The CPI multiplier as per the IPART determination is the consumer price index All Groups index number for the weighted average of eight capital cities, published by the Australian Bureau of Statistics. The maximum prices in the determination are to be adjusted for inflation by multiplying the specified price in 2022-2023 dollars by the specified CPI multiplier.

For 2024-25 the CPI multiplier is calculated as the percentage change from the March Quarter 2022 to March Quarter 2024, which equals 10.9% as published by the Australian Bureau of Statistics on 24 April 2024. This is a 2-year indexation rate comprising of the CPI increase for the March Quarter 2022 to March 2023 (7.0%) and the CPI increase for the March Quarter 2023 to March Quarter 2024 (3.6%).

See Attachment 1 for a copy of IPART's Final Determination.

Council's water, wastewater and stormwater drainage charges are also subject to approval by the Minister for Water under s. 315(3) of the *Water Management Act 2000*.

### Current Status

The (estimated) revenue to be raised in 2024-25 from Water, Wastewater and Stormwater Drainage Service Charges based on the IPART's Final Determination issued on 24 May 2022 and adjusted for inflation is \$249,161,565.

The following table summarises the forecast 2024-25 Annual Service Charges and budgeted revenue, including indexation and growth.

<b>Service Charge</b>	<b>Basis</b>	<b>2024-2025 Estimated Revenue</b>
Water	Per property per annum	\$ 123,870,285
Wastewater (Sewerage)	Per property per annum	\$ 104,297,379
Stormwater Drainage	Per property per annum	\$ 20,993,901
<b>Total service charges including usage component</b>		<b>\$249,161,565</b>

## 2.4 Determination of water, wastewater and stormwater drainage charges for 2024-25 (cont'd)

The following tables estimate the 2024-25 annual service charges for a typical residential house customer with a comparison to those levied in the 2023-24 charging year. These estimates are based on water consumption of 150kL per year and wastewater usage of 125kL per year.

<b>Charge</b>	<b>Charge Basis</b>	<b>2023-24 Charges</b>	<b>2024-25 Charges Per IPART's Determination</b>	<b>Movement in 2024-25 Charges</b>
Water Service Charge	Per property per annum	\$234.08	\$339.66	\$105.58
Wastewater (Sewerage) Service	Per property per annum	\$492.02	\$530.34	\$38.32
Stormwater Drainage Service	Per property per annum	\$139.17	\$144.25	\$5.08
Water Usage (150KL)	Per property per annum	\$370.50	\$384.00	\$13.50
Wastewater (Sewerage) Usage	Per property per annum	\$128.75	\$132.50	\$3.75
<b>Total estimated charges</b>	<b>Per property per annum</b>	<b>\$1,364.52</b>	<b>\$1,530.75</b>	<b>\$166.23</b>

### Stakeholder Engagement

IPART reviewed the maximum prices that Central Coast Council can charge for its water, wastewater, stormwater drainage and other water-related services. Council submitted its [pricing proposal](#) on 10 September 2021, and IPART released its [Issues Paper](#) on 28 September 2021.

During October 2021 IPART sought feedback on Council's pricing proposal and Issues Paper, and held an [online public hearing](#) for the review on 26 October 2021. 175 Community submissions were received and over 1,000 responses to a 'Have Your Say Survey'.

IPART undertook further investigation and analysis, and considered all feedback made through submissions, survey responses, and at the public hearing before releasing its Draft Report seeking further community feedback in March 2022. A second public hearing was held in April 2022 and Final Determination was handed down on 24 May 2022.

## **2.4 Determination of water, wastewater and stormwater drainage charges for 2024-25 (cont'd)**

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Council's proposed Fees and Charges (including the water, wastewater, and stormwater drainage charges) for the 2024-2025 charging year are based on the IPART's Final Determination issued on 24 May 2022 and were publicly exhibited with Council's Draft Operational Plan from 29 April 2024 until 27 May 2024.

The Fees and Charges that were put on public exhibition were calculated using an estimated CPI multiplier of 4.1% for the March Quarter 2023 to March Quarter 2024. The actual CPI multiplier for this period was 3.6% as published by the ABS on 24 April 2024. As a result, the final Fees and Charges for the 2024/25 charging year are all slightly lower than those put on public exhibition. At the time of writing this report the public exhibition period was still in progress.

### **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 estimated revenue to be raised from Water, Wastewater and Stormwater Drainage Service Charges based on the IPART Determinations for 2024-2025 is \$249,161,565.

### **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.

## 2.4 Determination of water, wastewater and stormwater drainage charges for 2024-25 (cont'd)

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### Critical Dates or Timeframes

Under s.315 of the *Water Management Act 2000* Council is required to adopt the pricing at least one month prior to imposing the charges. Accordingly, in order for the charges within this report to be implemented, Council needs to make the relevant determinations by 31 May 2024. If these determinations are made, Council must then seek the approval of the Minister under s.315(3)(a) of the *Water Management Act 2000* and publish in the NSW Government Gazette prior to 30 June 2024.

### Attachments

<b>1</b>	Final IPART Determination issued 24 May 2022.	Provided Under	D15176884
		Separate Cover	
<b>2</b>	2024-25 Water, Wastewater and Stormwater	Provided Under	D16203246
	Drainage Charges	Separate Cover	



**Item No:** 2.5  
**Title:** Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal  
**Department:** Environment and Planning

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28 May 2024 Ordinary Council Meeting

Reference: F2021/00583 - D16193563  
Author: Rianan Rush, Senior Strategic Planner Local Planning and Policy  
Rodney Mergan, Senior Strategic Planner. Local Planning and Policy  
Manager: Scott Duncan, Section Manager. Local Planning and Policy  
Executive: Luke Sulkowski, Director Environment and Planning (Acting)

## **Recommendation**

### ***That Council:***

- 1 Endorses the Planning Proposal for Deferred Matters Lands as amended in response to issues raised during the public exhibition in line with the changes shown in Attachment 1.***
- 2 Requests the Minister for Planning and Public Spaces to proceed with steps for drafting and making the amendment to Central Coast Local Environmental Plan 2022, as identified under the Deferred Matters Planning Proposal.***
- 3 Amends the Central Coast Development Control Plan 2022 in response to issues raised during the public exhibition in line with the changes as shown in Attachment 1.***
- 4 Resolves that the Chief Executive Officer (CEO) may make other minor post exhibition alterations to the Deferred Matters Planning Proposal and Central Coast Development Control Plan 2022 subject to advice from the Department of Planning, Housing and Infrastructure as deemed necessary to finalise the plan.***
- 5 Notifies all those who made submissions during public exhibition of Council's decision.***

## **Report purpose**

To advise Council of the outcomes of the public consultation period for the Deferred Lands Planning Proposal and seek endorsement to proceed to Finalisation and Notification of the amending Local Environmental Plan (LEP).

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

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### Executive Summary

The Deferred Matters Lands (DM Lands) are those lands excluded from the *Central Coast Local Environmental Plan 2022* (CCLEP 2022) Land Application Map, and generally located in hinterland areas east of the M1 Pacific Motorway and south of Ourimbah. There are currently 3,440 properties within the DM area.

The DM Lands and the planning provisions associated with them, are required to be integrated into the current LEP in accordance with the *Standard Instrument (Local Environmental Plans) Order 2006*, which requires all LEPs to be standardised across NSW.

The majority of DM Lands are zoned for environmental purposes and it is proposed to retain an environmental zoning of these lands under CCLEP 2022. Lands are proposed to be converted to one or more of three standard zones; C2 Environmental Conservation; C3 Environmental Management, or C4 Environmental Living. These zones are applied where the protection of the environmental significance of the land is the primary consideration.

It is recommended that the Planning Proposal proceed to finalisation.

### Background

Council resolved at the Ordinary Council Meeting of 27 April 2021 to prepare a Planning Proposal for the integration of DM Lands into CCLEP 2022.

The planning instruments that currently apply to the DM Lands are the *Gosford Planning Scheme Ordinance* (GPSO) and *Interim Development Order 122* (IDO 122). The GPSO and IDO 122 were originally gazetted in 1968 and 1979 respectively. IDO 122 is the dominant instrument in place over the DM Lands with only a small group of land parcels remaining subject to the GPSO.

Following the introduction of *The Environmental Planning and Assessment Act 1979* (EP&A Act), IDOs were progressively phased out and replaced by LEPs. IDO 122 contains provisions that allow for a financial contribution to Council to make variations to the minimum lot size of certain land. These provisions cannot be carried over into an LEP and options to retain such provisions have been extensively looked at in the past. Gosford City Council was hesitant to repeal IDO 122 given the bonus lot provisions provided valuable income source for the purchase and dedication of conservation land. Additionally, all land which is subject to IDO 122 is treated as rural land and not conservation land for the purposes of vegetation management. Therefore, the responsibility of tree removal and enforcement rests with Local Land Services (LLS) and not Council.

The Department of Planning and Environment (now known as and referred to throughout this report as the Department of Planning, Housing and Infrastructure (DPHI)) would not permit

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

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any modification to IDO 122 since GLEP 2014 came into force. The IDO is outdated and lists land uses that are not consistent with Standard Instrument land use definitions, exempt and complying development provisions that do not align with the rest of the State and land use zones and other terminology that do not appear under contemporary planning instruments.

The former Gosford City Council resolved to bring the IDO 122 and GPSO matters in line with the current Standard Instrument LEP within five years of the Gazettal of *Gosford LEP 2014 (GLEP 2014)*. This work was underway and scheduled prior to the amalgamation of Gosford and Wyong Councils and as such this process was rolled into the LEP Consolidation process.

Following the consideration of public submissions to the LEP Consolidation process, Council resolved at its meeting of 14 December 2020 to “defer the inclusion of lands currently identified as Deferred Matters under GLEP 2014 from CCLEP (2022)” for further consideration.

This matter was referred to the Central Coast Local Planning Panel (LPP) on the 8 April 2021. The LPP recognised the need for this work to be undertaken as a priority and supported a Planning Proposal being forwarded for a Gateway determination. On 27 April 2021, Council resolved to seek a Gateway Determination from the DPHI for the Deferred Matters Planning Proposal.

The Planning Proposal forms part of a staged program to review environmental lands across the LGA. The current stage aims to convert existing zoning provisions into the Standard Instrument format and is not a comprehensive review of environmental lands.

As reported to Council 9 March 2021, the Deferred Matters Lands and Environmental Zone Review process for the Central Coast is being undertaken in three phases:

- Phase 1: rezoning of Council owned Deferred Matters land (complete);
- Phase 2: rezoning of the remaining Deferred Matters land (underway); and
- Phase 3: standardisation of zoning for all environmental lands subject to the CCLEP 2022 (not yet commenced)

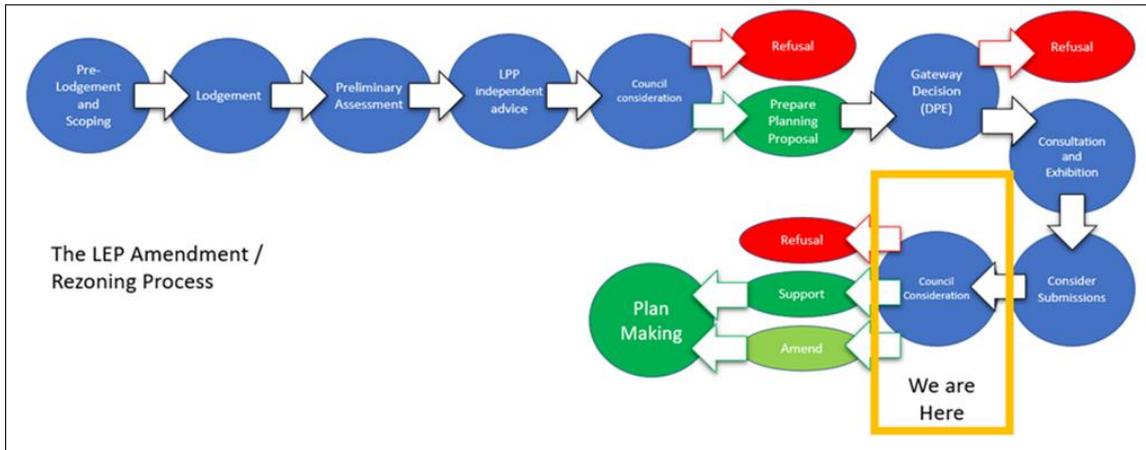
Council received a Gateway Determination from DPHI to proceed with the phase 2 Planning (rezoning) Proposal on 27 October 2022.

### Current Status

Phase 1 of the Environmental Zone Review process was endorsed by Council 9 March 2021 and incorporated into CCLEP 2022, coming into force 1 August 2022. This report relates to Phase 2 of the process mentioned above.

Figure 1 identifies the stages in the Planning Proposal (LEP Amendment) Process and the current status of this Planning Proposal.

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)



**Figure 1 – LEP Amendment Process**

If Council resolves to support the Planning Proposal, the process of Plan Making commences. Council has not been issued Delegation to undertake the Plan Making process for the DM Lands Planning Proposal. Therefore, the finalisation process will be undertaken by DPHI, the Minister or the Minister's Delegate.

### Report

The DM Lands Planning Proposal aims to incorporate the Deferred Lands into CCLEP 2022 as required by the *Standard Instrument (Local Environmental Plans) Order 2006*, which requires all LEPs to be standardised across NSW. By incorporating the provisions from IDO 122 and GPSO into CCLEP 2022, the Planning Proposal provides a more consistent zoning framework for environmental lands across the Local Government Area (LGA).

The Planning Proposal addresses actions within the *Central Coast Regional Plan 2041* and Council's Local Strategic Planning Statement and is consistent with the Community Strategic Plan.

The Planning Proposal has been prepared in accordance with the *Local Environmental Plan Making Guideline (August 2023)*. The intended outcome of the Planning Proposal is to:

- Apply environmental protection zones to land identified as 'Deferred Lands' using standardised zones in CCLEP 2022;
- Apply minimum lot sizes to land identified as 'Deferred Lands' generally consistent with the minimum lot sizes applied under CCLEP 2022;
- Amend the Land Application Map to include the 'Deferred Lands' in the Central Coast Local Environmental Plan;
- Modify Clause 4.1F 'Exception to minimum lot size for subdivision of land that includes deferred matter' (it is intended to retain this clause in a modified format to permit excision of undersized lots where required to facilitate a conservation or similar purpose);
- Amend clause 4.1E(3)(b) to require resulting lots to have a 1ha lot size;

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

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- Make minor amendments to the Central Coast DCP 2022 to remove any references to Deferred Matters Zones;
- Transfer heritage listed items from Schedule 2 of IDO 122 to Schedule 5 of CCLEP 2022;
- Transfer additional permitted land uses from IDO 122 to CCLEP 2022
- Retire the bonus lot provision clause under IDO 122 (proposals to be considered under CCLEP 2022 clause 4.1E only).

Associated LEP mapping for the DM Lands has been developed and has been provided to the DPHI in a digital geodatabase. This mapping was made available on Council's Website at the commencement of the public exhibition process and remains publicly available. The zoning methodology applied to the DM Lands Planning Proposal was based on guidance from DPHI. LEP Practice Note *PN 09-002 Environment Protection Zones* provides guidance to councils on the environment protection zones in the Standard Instrument and how they should be applied in the preparation of LEPs (see Attachment 2).

The environment protection zones C2 through to C4 are applied where the protection of the environmental significance of the land is the primary consideration. The following advice is provided on each of the zones in LEP Practice Note PN 09-002 – Environmental Protection Zones as follows:

### C2 Environmental Conservation

*This zone is for areas with high ecological, scientific, cultural or aesthetic values outside national parks and nature reserves. The zone provides the highest level of protection, management and restoration for such lands whilst allowing uses compatible with those values. It is anticipated that many councils will generally have limited areas displaying the characteristics suitable for the application of the E2 (now C2) zone. Areas where a broader range of uses is required (whilst retaining environmental protection) may be more appropriately zoned E3 Environmental Management.*

### C3 Environmental Management

*This zone is for land where there are special ecological, scientific, cultural or aesthetic attributes or environmental hazards/processes that require careful consideration/management and for uses compatible with these values.*

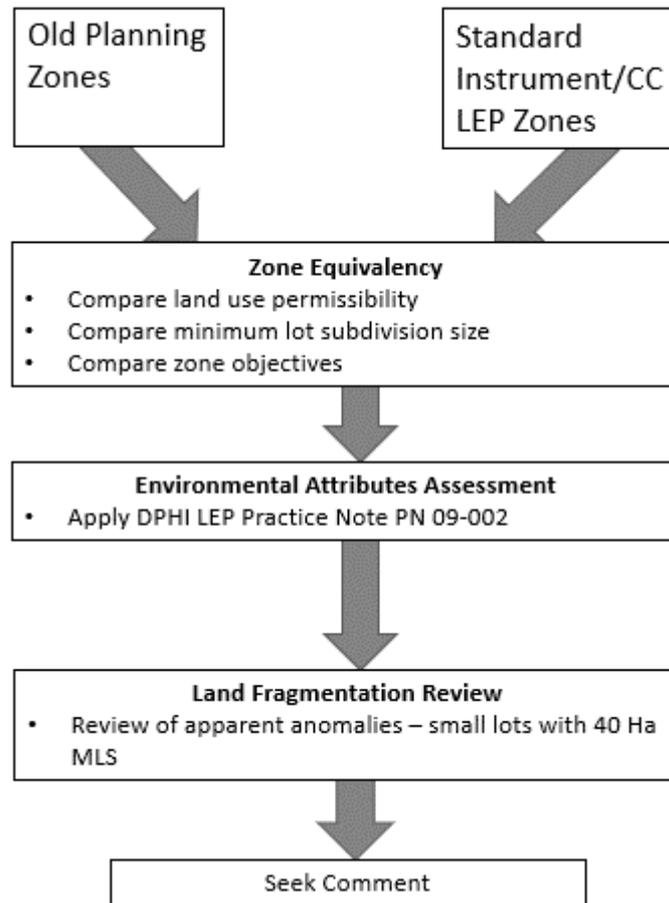
### C4 Environmental Living

*This zone is for land with special environmental or scenic values and accommodates low impact residential development. As with the E3 zone, any development is to be well located and designed so that it does not have an adverse effect on the environmental qualities of the land.*

**Zoning methodology**

The methodology for reviewing the Deferred Lands was undertaken considering PN 09-002 and in three stages as follows:

1. Zone Translation  
An initial 'equivalency test' which compared the current zones and zone objectives in IDO 122 and GPSO against the mandated zones and zone objectives in the standard instrument.
  
2. Environmental Attribute Assessment  
An assessment of the environmental attributes of each site using environmental data from the digital geodatabase. A change to the zoning established under the 'equivalency test' was required for some sites at this point, including application of 'split zonings' (a lot with two or more zones) where land of higher ecological value is converted to C2 Environmental Conservation. This approach is consistent with advice provided in PN 09-002. The environmental criteria considered against each zone is provided in Attachment 2.
  
3. Land Fragmentation Analysis  
An analysis of proposed C3 – Environmental Management and C4 – Environmental Living zones based on site constraints and hazards, existing zoning and lot size, native vegetation, and servicing arrangements with the intention of maintaining existing character and controls.



**Figure 2 – Simple Methodology Flowchart**

### Development Control Plan (DCP)

As part of the Deferred Matters Exhibition process minor changes to certain Chapters of Central Coast DCP 2022 were proposed to ensure that the DCP Chapters would no longer reference Deferred Lands or land use zonings under IDO 122.

These DCP Chapters are:

- Chapter 3.5 Tree and Vegetation Management
- Chapter 5.14. Various Suburbs (specifically 5.14.6 Green Point/Erina Terrigal)
- Chapter 5.16 Yattalunga

Notably Chapter 3.5 Tree and Vegetation Management currently applies tree and vegetation approval requirements to the Central Coast and will now also apply these same requirements to the DM Lands. This coincides with Council assuming the role as the responsible authority for land clearing or similar activities on the DM Lands, once it is mapped under CCLEP 2022. This role is currently the responsibility of Local Land Services (LLS). Development applications, where vegetation removal is proposed, will continue to be rigorously assessed and dealt with on merit. The introduction of the updated land use zones does not alter this situation and does not permit the removal of vegetation within the DM Lands area without assessment.

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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It is also proposed that some minor changes to other DCP Chapters be undertaken as an outcome of public exhibition and this is further discussed below.

### **Stakeholder Engagement**

The DM Lands comprise 3,440 parcels of land. One week prior to public exhibition, letters were mailed out to all landowners of DM zoned land notifying of the upcoming consultation period. The Planning Proposal was publicly exhibited from 11 October 2023 to 15 November 2023. During the public exhibition period a total of 6,464 visits to the public exhibition webpage were recorded which also included 4,200 recorded visits from individual users. Staff conducted over 200 'one on one' meetings both online and in person with residents and other parties that were seeking additional information. Staff also took and responded to many phone calls or direct emails in relation to this project.

A total of 328 submissions were received during the public exhibition period, with a total of 230 objections to the proposal, and 79 in support.

All submissions have been reviewed, the issues summarised and addressed (attachment 3). Council received submissions from landowners, other interested members of the public and other groups and organisation. One such submission submitted by the Community Environment Network contains comments that have been reiterated in other submissions objecting to the proposal. As this submission was over 100 pages in length, the response to this submission is dealt with separately under attachment 4.

The following are key issues raised during the public consultation period.

#### **1. Mapping Accuracy for Deferred Matters Lands - Individual landowners requesting a review of the zone boundaries, generally relating to the C2/C3 Zone boundary on proposed split zoned lots.**

##### **Staff Comment**

As this Planning Proposal relates to 3,440 parcels of land it was impractical for all sites to be inspected to ensure that the mapping and other information used to inform the draft land use zones were completely accurate with regard to the actual circumstances of individual sites. Through the FAQ section of Council's Webpage and during meetings and phone conversations, landowners were invited to lodge submissions to have the proposed land use zoning reviewed.

A desktop assessment of these sites, and a series of independent site inspections were undertaken to confirm the accuracy of the data. Any inaccuracies were noted as generally related to the application of slope mapping, the extent of the NSW Government's Biodiversity Values Map and the identification of buildings located under dense vegetation cover.

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

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It is proposed that minor zone position adjustments be made to some 33 lots to reflect the outcome of the submission review and site inspection findings. It is considered that given that this will affect less than 1% of land parcels the overall process undertaken has been successful.

Attachment 1 contains the list of properties where zone boundary adjustments are proposed.

### **2. Council should re-evaluate all the existing C2 boundaries established under Wyong LEP 2013 and CCLEP 2022 to adjust for errors and other omissions made evident from more recent site-specific studies.**

#### **Staff Comment**

The vegetation mapping used to inform the DM Lands boundaries is more up to date and accurate than the mapping which was used to establish zone boundaries under the CCLEP 2022 and Wyong LEP 2013. It is important that the most up to date vegetation mapping be used to inform the establishment of environmental zone boundaries across the Local Government Area.

Of the 3440 land parcels within the DM Lands, Council was requested through the public consultation process to review the zone boundaries of 29 parcels or 0.8% of parcels of land. Site inspections of this and other land has been undertaken following public exhibition to review issues identified by landowners and to ensure that the mapping being used is suitable and accurate.

Some submissions have mentioned, that detailed ecological assessments conducted with site specific development or rezoning proposals, sometimes show EEC's and other environmental constraints at a more refined level than conservation zone boundaries defined by broadscale strategic work such as the DM Planning Proposal. This is not unusual, and it would not be practical to apply extremely expensive and detailed ecological survey programmes over extensive areas of the DM Lands study area. In any case, anyone who seeks to conduct removal of native vegetation through the DA process is required to undertake detailed ecological assessments, no matter the zoning of the land.

Any proposal for rezoning or development must be supported by comprehensive studies and reports in accordance with the BC Act 2016, *National Parks and Wildlife Act 1974* and other Federal, State and Local Policies and Plans as required.

C2 and C3 Zone boundary locations will be reviewed as part of a future LGA Wide Environmental Zones Review Project for the Central Coast. When this is done the latest vegetation mapping information will be used. If there is other suitable and mappable

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

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ecological data which can be used to better define zone boundaries it may also be used as part of any future Environmental Zones Review Project.

### 3. Land Use Permissibility in the C3 and C4 zones.

The conversion of land currently zoned 7(a) Conservation under IDO 122 to the C3 zone will introduce the permissibility of additional land uses as does the conversion of 7(c2) zoned land to the C4 Zone.

#### Staff Comment

Interim Development Order 122 was introduced in 1979, replacing and extending the provisions of the preceding IDO 100. LEPs in general have evolved over this time to define and include more land uses in environmental zones that did not previously exist, such as Eco-tourist facilities, Environmental facilities, Environmental protection works, flood mitigation works, research stations, water supply systems and the like. Many of these additional land uses are permissible under other relevant Environmental Planning Instruments such as *State Environmental Planning Policy (SEPP) Transport and Infrastructure* or are identified under the Standard Instrument LEP as land uses that are mandatory as permissible in these land use zones.

This Planning Proposal does not introduce new permissible land uses in the C3 and C4 Zones. The permissible land uses in the C2, C3 and C4 zones were considered in the consolidation of GLEP 2014 and WLEP 2013 following consultation with the public, government agencies and DPHI. The relevant [Planning Proposal](#) as exhibited 6 December 2018 to 28 February 2019 including a section on Land Use Provisions and included information on which existing uses from the former instruments were considered for inclusion or exclusion in each zone.

Land uses that have received some attention through the public exhibition process include uses such as Animal boarding and training establishments, Community facilities, Dual occupancies, Veterinary hospitals, Home occupation (sex services), Child care facilities and the like.

Impacts of development, including amenity, noise and odour impacts are considered as part of the merit assessment process at the time a Development Application is assessed. Development remains subject to Council's Development Control Plan and the provisions of the BC Act, there is no change to the assessment of biodiversity as a result of this Planning Proposal.

A review of the CCLEP 2022 land use table will be undertaken as part of a comprehensive review of the environmental zones for all environmental lands subject to the CCLEP.

**4. Additional permitted land uses will result in extensive land clearing and biodiversity loss.**

**Staff Response**

The zoning of land to a land use zone other than C2 does not permit the removal of vegetation. As is currently the case in the 7(a) Zone (where large dwelling houses, ancillary development and other development is currently permissible), any proposal that involves the removal of vegetation in any of these land use zones requires detailed site-specific studies to be undertaken and is subject to rigorous assessment. Environmental zones are somewhat unique amongst the categories of land use zones in so far as they are applied in accordance with the Standard Instrument LEP and PN 09-002 based on the environmental qualities of the land, yet all proposals that involve vegetation removal are still subject to detailed on site studies no matter which land use zone the land falls within.

Any new application for development consent that involves the removal of vegetation or modification to an approved development under Part 4 of the EP&A Act are subject to the biodiversity assessment requirements of the BC Act. The BC Act introduced the Biodiversity Offsets Scheme (BOS). A Biodiversity Development Assessment Report (BDAR) must be submitted with applications for development which trigger entry into the scheme. The BDAR must be prepared by an Ecologist who is an Accredited Assessor under the BC Act. Accredited Assessors are listed on a public register.

The biodiversity impacts of developments that do not trigger the BOS will continue to be assessed under s.4.15 of the EP&A Act and Council's [Flora and Fauna Guidelines](#). The proponent for a development needs to determine whether the BOS applies to their proposal. Evidence that the BOS threshold is not triggered needs to be submitted with these development applications.

In April 2024 the Minister for Environment released the *Biodiversity Assessment Method 5-Year Review Report*. The report identifies groups of recommendations that will be implemented by the State Government. The BC Act and BAM process will continue to be updated and thoroughly reviewed for currency and effectiveness in the future.

**5. Concerns regarding the limited use of the C2 Zone and it not being applied to all areas of native vegetation, the location of identified threatened species and aboriginal archaeological sites and other environmentally sensitive land.**

**Staff Response**

LEP Practice Note 09-002 lists the type of land where the C2 zone can be applied, being land of 'high ecological, scientific, cultural or aesthetic value'. Where relevant reliable mapping is available suitable for consideration in the drafting of land use zones this mapping has been applied.

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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The location of threatened species relies on 'point data sources' (e.g. fauna sightings) and therefore does not lend itself to being applied to land use zoning. There is not adequate or systematically collected mapped areas of threatened species habitat available at this time to map areas for this purpose based on these criteria. Similarly, sites of Aboriginal cultural heritage value are point data sources and locations are often distorted or not made public. The current and proven practice is to assess this information at the Development Application stage in order to ensure that environmental legislative requirements are met.

Threatened Species Habitat and Aboriginal archaeological sites are located in the 7(a) zone of the DM Lands but can be located in any zone across the LGA. A change or update in land use zoning does not change the assessment process for the assessment of development proposals or other activities under the EP&A Act, BC Act and other relevant, Federal, State and Local Plans and Policies.

Environmental zones are somewhat unique amongst the categories of land use zones in so far as they are applied in accordance with the PN 09-002 based on the environmental qualities of the land, yet all significant proposals that involve land clearing are still subject to detailed on site studies no matter which land use zone the land falls within, as it is not possible to have this type of information for an entire LGA and to ensure it is current.

It should be noted that the main reason the DM Lands were further deferred from CCLEP 2022 was due to the unusual land use outcomes which were produced from the GIS scoring methodology under the *Environmental and Urban Edge Zone Review 2016*, which used point source and grid-like habitat mapping information. This methodology attempted to apply all criteria DPHI listed under PN-09-002 for application in applying the C2 Zone. From the outcomes of this process it was clear that the accuracy of the information used is a critical consideration.

### **6. Concern regarding potential additional residential development and subdivision.**

#### **Staff Comment**

The Planning Proposal generally does not change minimum lot sizes and does not propose to rezone land for residential purposes.

### **7. Concern regarding potential impact on infrastructure due to the introduction of additional residential land uses such as secondary dwellings.**

#### **Staff Comment**

The expansion of locations where secondary dwellings and detached dual occupancies are permissible with consent is not anticipated to warrant additional road and other infrastructure.

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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Any impacts to existing services and infrastructure will be considered through the development application process along with other potential issues such as on-site sewer management, flooding and bushfire. Secondary dwellings in conservation or rural zones require Council consent, that is, they cannot be approved through the Complying Development process.

Though the land use is permissible, approval may not be possible due to the need for consideration of the issues mentioned above and all the relevant considerations as per s.4.15 of the EP&A Act.

With regard to secondary dwellings a large proportion of enquiries related to aging in place or provision of accommodation for extended family and supported the inclusion of these provisions. As is the case for all permissible land uses in these zones, they require development consent and consideration of potential constraints such as on-site sewer management, any vegetation removal or other issues.

### **8. The mapping does not account for creek lines and other environmental features in the proposed C4 zone.**

#### **Staff Comment**

As per page 18 of the exhibited Planning Proposal:

- the C4 is to be applied to land currently zoned 7(c2) except in the exceptional circumstances where land is identified as having high environmental value or the land is subject to environmental hazards.
- parcels that initially met the C3 Zone criteria with a lots size less than 2 hectares are generally recommended a zone of C4 Environmental Living.

It is impractical to alter the land use zone for very small areas of environmentally sensitive land on relatively small land parcels which are generally between 1-2 ha in size. Ecological impacts of development are considered at the development assessment phase for individual sites and are subject to the provisions of the BC Act 2016. There is no change to the assessment of biodiversity issues as a result of this Planning Proposal.

### **9. The proposal is not a like for like conversion of land use zones.**

#### **Staff Comment**

Any reference to the words "like for like" in the information Council provided in support of this Planning Proposal relate to moving from one set of historic conservation/environmental zones to the most appropriate equivalent Standard Instrument Zone available. It is acknowledged that the permissible uses within available zones in the standard instrument do not exactly align with the uses provided for existing DM lands. No conversion to residential,

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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commercial or other categories are being considered in this process. It is not possible to make no change to current zones and meet the Standard Instrument LEP criteria.

### **10. Request for residential zone or 'upzone'.**

#### **Staff Comment**

The intention of this Planning Proposal is to phase out the provisions under IDO 122 and GPSO and replace these with the modern Standard Instrument zoning provisions that currently apply under the CCLEP 2022. This Planning Proposal is unable to consider a change in zoning that is outside this objective; such proposals would need to be pursued separately through the LEP process and would most likely be done through landowner-initiated Planning Proposals.

### **11. Determination under Administration.**

#### **Defer the Planning Proposal until an elected Council is in place.**

#### **Staff Comment:**

Council must continue to resolve planning matters in the absence of an elected Council and proceed with resolutions of Council to meet its obligations under the Local Government Act 1993.

Council Resolved 27 April 2021 as follows:

- *That Council prepare a Planning Proposal for the integration of Deferred Matters land under Central Coast Local Environmental Plan into Central Coast Local Environmental Plan*
- *That Council submit the Planning Proposal to the Minister for Planning and Public Places, in accordance with Section 3.35(2) of the Environmental Planning and Assessment Act 1979, requesting a Gateway Determination, pursuant to Section 3.34 of the Environmental Planning and Assessment Act 1979.*

The Gateway Determination issued by the Minister for Planning requires the Planning Proposal process to be completed by 2 September 2024. Tasks that must be undertaken following Council endorsement includes, Council's submission and DPHI's acceptance of the Planning Proposal for Finalisation, Ministerial Consideration and Approval, completion and approval of new digital LEP mapping and legal review of the changes to the Planning Instrument (CCLEP2022). This process has been allocated 3 months to complete. Council is obliged to follow this condition of the Gateway Determination.

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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### **12. Zone methodology – promote direct conversion of 7(a) to C2 and 7(c2) to C3 as was used under Gosford LEP 2014.**

#### **Staff Comment:**

The way the zoning for the E2, E3 and E4 zones (now known as C2, C3, C4) were applied under Draft GLEP 2009 and what was eventually Gazetted as GLEP 2014 did not change and pre-dated the introduction of DPHI Practice Note PN 09-002 as a consideration. There was no review undertaken by Council or DPHI against PN 09-002 in the interim.

This approach, while appropriate at the time without any further guidance, does not investigate the current environmental characteristics of the land. Within the DM lands study area there is only 1 lot entirely zoned 7(a) which is above the 40 Ha minimum lot size. The remaining 1037 lots within the Deferred Matters area that are currently zoned 7(a) (i.e. not split zoned) are all below the 40 Ha minimum lot size. A breakdown is provided below:

- 258 lots have an area of less than 550 m<sup>2</sup> or
- 599 have an area of less than 2Ha or
- 838 are less than 3Ha or
- 901 are less than 4 Ha

The creation of these undersized lots is a product of:

- historical subdivisions made prior to the introduction of planning provisions which created the 40 Ha minimum lot size provision.
- provisions available under IDO 122 and its predecessor IDO 100 which allowed 7(a) zoned land to be subdivided into small lots. These provisions were abandoned in 1980.
- enabling clauses inserted into IDO 122 which permitted smaller lot sizes via site-specific LEP amendments.

All these circumstances have markedly diluted the intent of the 40 Ha minimum lot size for 7(a) zoned land to a point where now the characteristics of land within this zone vary significantly. As such it is considered appropriate for any Planning Proposal to investigate the characteristics of the land which also needs to consider land fragmentation contained within the 7(a) Zone and would recommend changes to the current provisions in place under IDO 122 (1979).

The zone recommendations in this Planning Proposal have been established using environmental mapping that reflects the environmental attributes on the site in accordance with LEP Practice Note 09-002. Generally, areas mapped as C2 Environmental Conservation are identified as having Endangered Ecological Communities and/or other ecologically significant attributes; dwelling houses are prohibited in the C2 zone in areas outside of the deferred lands.

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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For many years the former Gosford Council pursued the introduction of an additional E5 zone to better protect COSS lands. DPHI denied this request and has supported the appropriate application of the C2 zone to protect these lands.

### **13. Unsuitable buffer to National Parks, COSS land and land containing Endangered Ecological Communities and C3 Environmental Management zone should not be used as a buffer to National Parks, COSS land and land containing EEC.**

#### **Staff Comment:**

The Department of Planning Practice Note PN 09-002 describes the C3 Environmental Management zone as a suitable transition zone between C1 (National Park) or C2 (includes COSS) Zones and other land. As is the case for the 7(a) Zone (where development is currently permissible), any development of C3 zoned land is subject to the provisions of the BC Act 2016 and the EP&A Act 1979, and other relevant Acts, Plans and Policies, with consideration given to scenic and amenity impacts and environmental impacts.

Where a development proposal adjoins such land considerations such as Council's Flora and Fauna Guidelines and the BC Act will apply and require buffers and other protections for any development permitted in the vicinity of sensitive lands.

### **14. Flooding**

#### **Concern over introducing additional land uses to flood affected areas.**

#### **Staff Comment:**

Development on flood affected land is subject to the flood controls in Council's Development Control Plan, CCLEP 2022 Cl. 5.21 Flood Planning, Cl. 5.22 Special Flood Considerations and Guidance under the NSW Flood Risk Management Manual Changes to considerations in relation to flooding and development proposals have been introduced following the *NSW Flood Inquiry 2022*. This includes Cl 5.22 which restricts development in high risk areas and requires rigorous consideration of issues such as evacuation and safety before consent for any proposal can be issued.

### **15. Removal of Permitted Land Uses – Place of public worship is currently permissible in the 7(c2) zone under IDO 122 but not under the C4 Zone.**

#### **Staff Comment**

The land use Place of Public Worship is currently prohibited in the C4 Zone under Central Coast LEP 2022 and was previously prohibited development in the C4 Zone under Wyong LEP 2013 and Gosford LEP 2014. Any lawful place of public worship within these zones currently operates under existing use rights dating back to when zones such as 7(c2) applied to this

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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land and the land use was permissible. This Planning Proposal seeks to align the DM Lands with the LEP that applies to the rest of the Central Coast.

Amongst other constraints, C4 zoned land on the Central Coast is generally not serviced by sewer, is not located on major public transport routes and are located on road networks not designed to accommodate significant traffic. At the time IDO 122 came into effect the nature and scale of places of worship were not at the scale they are now, as they have since evolved. It is considered appropriate that this land use remain prohibited in the C4 zone and existing places of public worship continue to operate under existing use rights or that a Planning (rezoning) Proposal be pursued where it is considered a rezoning to an appropriate zone for this land use can be justified and supported. Similar circumstances apply to Seniors Housing and some isolated historic agricultural uses (as listed under the Planning Proposal) previously permissible in the 7(c2) Zone but not listed as a permissible land use in the C4 Zone under CCLEP 2022.

### **16. Support for Planning Proposal**

#### **Staff Comment**

A significant number of submissions were received in support for the Planning Proposal. In addition, it is noted that many individuals have viewed the supporting information provided on Councils Website and have not commented on/objected to the proposal. While many of the submissions in support do not provide additional comment it is noted that general themes were support for completion of this process after many years and support for the permissibility of secondary dwellings through the adoption of the current provisions under CCLEP 2022 for the C3 and C4 zones.

With regard to secondary dwellings, a large proportion of enquiries related to aging in place or provision of accommodation for extended family. As is the case for all permissible land uses in these zones they require development consent on site sewer management, any vegetation removal or other constraints.

### **17. Location of Dual Occupancy Development - Placing a nominal distance from primary dwelling of 50 metres for a dual occupancy does not allow for the most appropriate placement with regards to individual blocks e.g. use of cleared sites, location from neighbours, impact on water ways, native fauna as well as not being keeping with local aesthetics.**

#### **Staff Comment**

With the introduction of the C3 and C4 zones under CCLEP 2022 into the Deferred Matters area, secondary dwelling and detached dual occupancy would now be permissible with consent. This has generally been supported through submissions and agency consultation given it will introduce the possibility of additional housing choice opportunities, affordable

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

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rental accommodation, the ability for those looking to downsize to age in place and the regularisation of existing land uses.

Submissions have identified some issues with Councils existing controls relating to these land uses within rural and conservation zones most notably a 50 m requirement for co-location of dual occupancy development. It is understood that this control is consistently varied to ensure the most appropriate environmental outcome i.e. – already cleared land or land that is not sloped and requires significant earthworks etc. The DCP will retain a control that requires that 'each building is to be accessed from a common driveway. Additional separate access crossings will not be supported for dual occupancy development'.

Attachment 1 contains the list of proposed post exhibition DCP changes.

**18. Access for Secondary Dwellings - For secondary dwellings in residential areas, there is a requirement for a common access location, for the principal dwelling and secondary dwelling to restrict additional exclusive access from laneways or similar. This is consistent with the requirements for dual occupancy. No such control is currently identified for secondary dwellings proposed on rural and conservation lands.**

### **Staff Comment**

It is agreed for consistency and to curtail potential environmental impacts this control should be introduced for secondary dwellings for secondary dwellings in rural or environmental zones.

Attachment 1 contains the list of proposed post exhibition DCP changes.

**19. Landowners concerned existing lot has an area of less than the minimum lot size proposed. Concerned about how this can occur and what are the impacts.**

### **Staff Comment**

The term 'minimum lot size' can often be misinterpreted by the general public. Another way of referring to this control is 'minimum subdivision lot size'. For example, if land has a minimum lot size of 2Ha (such as the C4 or 7(c2) zones) then a lot would need to be at least 4Ha or more in size to allow for land subdivision to be considered.

Many land parcels within the Deferred Matters area have a lot size below the current minimum lot size. This is due to various historical controls that have been in place at different times over many years that have allowed subdivision to occur.

There is generally no change in minimum lot sizes (for subdivision) proposed as part of this Planning Proposal. In the vast majority of instances, the 40 Ha minimum lot size of the 7(a)

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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zone is transferred to the C2 and C3 Zones and the 2Ha minimum lot size of the 7(c2) zone is transferred to the C4 Zone.

There is no impact for landowners whose land does not meet the current or proposed minimum lot size and they will be able to continue to use their land as they currently do.

### **20. The expansion of COSS is undermined by the Planning Proposal through inflating the value of proposed COSS and not providing a mechanism for the funding to purchase more COSS lands.**

#### **Staff Comment**

Privately owned land that has been previously identified as proposed COSS is generally proposed to be zoned C2 or C3 depending on the environmental qualities of the land. Proposed COSS land is not identified for future acquisition under Council's LEP and must be treated the same as other privately owned land. The land use zoning applied is based on the land's environmental value and Council cannot zone land based on prospective purchase.

IDO 122 contains provisions that allow for a financial contribution to Council to permit variations to the minimum lot size of certain land. This provision cannot be carried over into an LEP. Funds that have previously been collected for the purchase of COSS Lands in the former Gosford LGA and also through previous similar provisions that were in place in the former Wyong LGA, are to be used for these purposes only. Moving forward, the Central Coast Conservation Fund will use contemporary mechanisms such as Biodiversity Stewardship Agreements to allow Council to add to its property portfolio where it is considered appropriate.

### **21. Council should preserve the "bonus" subdivision opportunities contained in IDO 122 to allow landowners to subdivide and to allow for the expansion of COSS land through the continuation of permitting funds to be collected through this process.**

#### **Staff Comment**

IDO 122 contains 'bonus lot' provisions that allows a variation in minimum lot size of 7(c2) zoned land from 2 Ha to 1 Ha subject to the dedication or conservation of a set amount of 7(a) zoned land that is contained on the existing parcel or a cash contribution to allow Council to purchase and maintain similar land. While the possibility of dedication of land within the existing parcel can and is being retained through Cl. 4.1E of CCLEP 2022, a cash contribution in lieu of land dedication on-site cannot be carried over into contemporary Planning Instruments such as CCLEP 2022.

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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### **22. Retention of Enabling Clauses/Additional Permitted Uses**

**Several submissions were received from landowners whose properties were subject to enabling clauses under IDO 122 that allow additional permitted land uses and were seeking to ensure that these provisions remain in place.**

#### **Staff Comment**

The term 'enabling clause', used under historic planning instruments, was generally replaced with the term 'additional permitted use' under LEPs. An additional permitted use is a provision that allows development to occur (or in this case continue) where it would normally be prohibited in the relevant land use zone.

A review of submissions and IDO 122 has been undertaken to identify any additional permissible uses still relevant. It is proposed that these land uses, where not permissible under the revised land use zones be added to the list of additional permitted uses under CCLEP 2022. These generally relate to commercial operations that are already operating or have received approval to operate.

Attachment 1 contains the list of proposed additional permitted uses/local controls.

### **23. The C2 Environmental Conservation Zone should be applied to land that is subject to a Conservation Agreement with Biodiversity Conservation Trust.**

#### **Staff Comment**

Agreed. This was not a consideration in the Methodology applied and therefore land subject to a Conservation Agreement may be split zoned C3/C2 depending on its particular environmental qualities. While a Conservation Agreement is a superior instrument to ensure land is not developed it is appropriate that this be reinforced with a C2 Zoning.

Attachment 1 contains identifies land subject to a Conservation Agreement that are proposed to be zoned C2.

### **24. Proposed Zoning of 30 Blythe St Killcare – neighbours requesting site to be zoned C2.**

#### **Staff Comment**

Adjoining landowners have requested that the eastern area of this site be zoned C2 due to environmental impact concerns and potential for view loss if a dwelling is constructed near a common property boundary. There is a dwelling house located to the west of the site and is accessed from the west. The site was inspected to review the accuracy of the zone boundaries. The area of the site in question, that adjoins the neighbours to the east does not meet the criteria for the C2 Zone. It is noted that dwelling houses are permissible under the

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

current land use zone. It is noted that Council's DCP does not permit multiple access locations for dual occupancy or secondary dwellings.

### Agency Comments

Council has addressed the matters raised in the Gateway Determination and sought agency feedback during public exhibition. The following agency comments were made during public exhibition:

Agency	Exhibition	Council Response
Department of Primary Industries – Agriculture (DPI-Ag)	<ol style="list-style-type: none"> <li>1. Much of the deferred land is subject to historical environmental zones and a translation to a new conservation zone will be appropriate in most instances.</li> <li>2. Extensive agriculture and horticulture are not permissible in the C4 zone and these uses will rely on existing use rights. NSW DPI Agriculture strongly recommends that Council contact those landowners whose agricultural, horticultural or plant nursery land use is to become prohibited and determine if they intend to continue or expand their operations. If the landowners indicate an intention to continue and/or expand their operations, then it is requested that Council consider supporting the continuation of these land uses by listing them as additional permitted uses in Schedule 1 of the Central Coast LEP 2022.</li> </ol>	<ol style="list-style-type: none"> <li>1. There are very few sites in the deferred lands area where agricultural uses are still being conducted.</li> <li>2. In providing for an additional permitted use, Council would need to be satisfied that the use does not contravene current planning legislation, and this would require a number of studies to be undertaken for each site. This falls outside the scope of the conversion PP, and it is preferable that land-owners seek an additional permitted use for their land through an owner-initiated planning proposal where they consider existing use rights are not sufficient.</li> </ol>
Transport for NSW (TfNSW)	TfNSW advice has not changed from previous correspondence which indicated that given the proposed rezonings are to a conservation zoning, it is unlikely to generate a significant additional traffic impact on our network	Noted.
Mining Exploring and Geoscience	MEG has reviewed the Gateway Determination Report and has no resource sterilisation concerns regarding the planning proposal and	Noted.

## 2.5

## Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

(MEG-GSNSW)	section 9.1(2) of the Environmental Planning and Assessment Act 1979, Direction 8.1 Mining, Petroleum Production and Extractive Industries.	
Environmental Protection Authority (EPA)	Based on number of land parcels, their coverage and permissible use, the proposed integration has the potential to locate residential receivers within proximity to existing industrial facilities that hold an environment protection licence. Thus, we recommend when approving future development applications, Central Coast Council consider the potential for land use conflict. A search of environment protection licences located within a specific suburb can be completed using the NSW EPA POEO public register.	Noted.
Rural Fire Services (RFS)	The NSW RFS has considered the information submitted and subsequently raise no concerns or issues in relation to bush fire.	Noted.
Crown Lands	Provided a response during pre-exhibition consultation and indicated no objection.	No comment
Local Land Services (LLS)	No comment provided during pre-exhibition consultation or exhibition consultation	No comment
Federal Department of Environment & Energy	No comment provided during pre-exhibition consultation or exhibition consultation.	No comment
Darkinjung LALC	No comment provided during pre-exhibition consultation or exhibition consultation.	No comment
Biodiversity Conservation and Science (BCS)	BCS (formerly BCD) were extensively consulted through the preparation and exhibition of the DM Lands Planning Proposal. In a letter to Council of 24 April 2024 BCS identified some concerns, many of which are addressed in Council's response to the submission from the CEN or in the submission responses above.	

<p>In summary these issues included:</p> <ul style="list-style-type: none"> <li>• Existing land uses in the C2, C3 &amp; C4 Zones under CCLEP 2022</li> <li>• Limited area of C2 zoning – not using additional mapping or criteria.</li> <li>• Irregular shaping of split zones boundaries</li> <li>• Zoning of proposed COSS</li> <li>• Convert 7(a) directly to C2</li> <li>• Existing C2 Mapping misalignments</li> <li>• Zoning of land adjacent to National Parks</li> <li>• Zoning of land at Somersby ( outside of DM)</li> <li>• C4 zoning over 7(c2) land that is subject to potential flooding</li> </ul> <p>Additional issues not dealt with elsewhere are:</p> <p>1. The PP is inconsistent with Ministerial Direction 3.1 issued under Section 9.1(2) of the <i>Environmental Planning and Assessment Act 1979</i> as it reduces the environmental protection of the land.</p> <p>2. This PP includes lots within the area covered by the proposed Central Coast Strategic Conservation Plan.</p>	<p>1. There are inherent conflicts between this Direction 3.1 and PN-09-002, the Practice Note which Council must apply with moving old land use zones to Standard Instrument Zones.</p> <p>As per PN-09-002 'it is anticipated that many councils will generally have limited areas displaying the characteristics suitable for the application of the E2(C2) zone'. The outcome of the Deferred Matters Planning Proposal study reflects the required application of the Practice Note.</p> <p>Direction 3.1 deals with 'land within a conservation zone or land otherwise identified for environment conservation/protection purposes in a LEP' but does not deal with the conversion of planning instruments that pre-date the introductions of LEPs under the EP&amp;A Act in 1979 and where circumstances have changed markedly in the interim.</p> <p>2.If reliably mapped land is identified as having characteristics of the C2 zone consistent with PN-09-002 Council has no</p>
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<p>Any reduction in conservation outcomes, including additional permissibilities, will be difficult to reverse in the future when conservation priorities for the Plan have been established.</p>	<p>option but to recommend the land be zoned C2 in the future LGA wide review.</p>
<p>3. Deferred lands should be assessed for HEV as described in the Regional Plan 2041 in order to be compliant with current planning policy.</p>	<p>3.CCRP states than 'Local Strategic Planning and Planning Proposals should ground truth data layers using the listed high environmental values (HEV) criteria".</p> <p>Such an undertaking is impractical for the DM Lands Planning Proposal.</p> <p>Where reliable mapping is available that meets the HEV criteria, listed under the CCRP, it would also meet the C2 Zone criteria.</p>
<p>4. Alternatively (to zoning all 7(a) land C2) an ecological site assessment should be provided. BCS normally request a Stage 1 BAM assessment be provided where biodiversity has the potential to be affected.</p>	<p>4.It is impractical for a Stage 1 BAM Assessment to be undertaken for over 4000 parcels of land.</p>
<p>5. New zones do not follow the vegetation boundaries. In this case BCS request that all the vegetation is zoned C2(using straight lines) and it to be up to the landowner to justify why this should not be the case.</p>	<p>5.The proposed C2 zone boundary is established in accordance with the Methodology described within the Planning Proposal. It is unclear how vegetation (not always in a straight line) can be zoned using straight lines and if estimated, how this could be practically applied. It is also impractical to zone land C2 and prohibit development on land that has not been accurately mapped given that if development is proposed appropriate studies would need to be provided at the proponent's cost.</p>
<p>6. Contrary to p.56 of the PP all land adjacent to National Parks should be considered 'sensitive land.</p>	<p>6.The commentary on pg. 56 of the Planning Proposal regarding 'sensitive land uses' in the</p>

	<p>7. Flooding- The C4 zone has been applied to lots that are constrained by flooding. it is considered that C2 or C3 zoning is more appropriate for the flood planning area, noting the objective of the C3 zone is "to provide a buffer to ... land that has environmental constraints or hazards".</p>	<p>context of the assessment undertaken in response to Ministerial Direction 8.1 Mining, Petroleum Production and Extractive Industries relates to potential impacts of residential or similar land uses by extractive industries</p> <p>7. The C4 Zone is closely matched to the 7(c2) Zone. There are similar residential land uses permissible in the C3 and C4 Zone under CCLEP 2022, though these two zones have significantly different minimum lot size for subdivision, being 40Ha and 2Ha respectively. That being said, there is little opportunity for subdivision of C4 land and there will be an actual reduction in subdivision potential from the current 7(c2) provisions( from 96 lots to 6 lots) under CCLEP 2022, so the potential for intensification by land subdivision is reduced. Split zoning has been avoided in general on smaller lots such as those zoned 7(c2) where development proposals can be more practically considered against other controls.</p> <p>As per the response to public submissions regarding this issue, development on flood affected land is subject to the flood controls in Council's Development Control Plan, CCLEP 2022 Cl. 5.21 Flood Planning, Cl. 5.22 Special Flood Considerations and Guidance under the <i>NSW Flood Risk Management Manual</i> Changes to considerations in relation to flooding and development proposals have been introduced following the <i>NSW Flood Inquiry 2022</i>. This includes Cl. 5.22 which restricts development in high risk areas and requires rigorous consideration of issues such as evacuation and safety before consent for any proposal can be issued.</p>
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**Outcomes of consultation – Proposed Post-Exhibition Changes**

## **2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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In accordance with s.3.35 of the EP&A Act Council may 'vary its proposals as a consequence of its consideration of any submission or report during community consultation or for any other reason' but must forward the revised Planning Proposal to the Minister for consideration.

Proposed post exhibition changes as a result of the review of submissions are identified within the submission review staff comments are summarised below:

- Adjustment to zone boundaries for identified sites.
- Conservation Agreement sites to be zoned C2.
- Carrying over of Additional Permitted Uses from IDO 122
- A recently approved State Heritage item located within the DM Lands to be identified under CCLEP 2022 maps and instrument.
- Minor DCP Changes – secondary dwellings and dual occupancies

These proposed post-exhibition changes are shown in Attachment 1 as identified under the draft Council Resolutions. Should Council choose to support this Planning Proposal a revised Planning Proposal reflecting these post-exhibition changes will be forwarded to the Minister of Planning and Public Spaces or Delegate for consideration. It is considered that these proposed post exhibition amendments do not result in a significant change to the proposal or result in any increased impacts, The scope of changes post exhibition changes proposed have been discussed with DPHI.

### **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 process is proposed to be undertaken using Council resources and will lead to consistency and certainty of planning controls for the Central Coast as well as organisational efficiencies.

### **Link to Community Strategic Plan**

Theme 3: Green

### **Goal E: Environmental resources for the future**

## 2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)

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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 adoption of the DM Lands LEP will provide for a reduction in inconsistencies in environmental zones and reduce ambiguity in the application of planning controls. Council will also have met its obligations under the Standard Instrument (Local Environmental Plans) Order 2006, and the Operational Plan.

### Options

- 1 Proceed as per the Environment and Planning Recommendation. The resolution of the DM lands is critical to completing a harmonised zoning framework for the environmental lands across the Central Coast LGA. **(This is the recommended option).**
- 2 Do not endorse the Recommendations and undertake Phase 3 - Standardisation of zoning for Environmental Lands subject to the CCLEP through Central Coast (This is not the recommended option).

### Critical Dates or Timeframes

The Gateway Determination requires that the LEP be completed on or by 2 September 2024. Tasks that must be undertaken following Council endorsement include, Council's submission and DPHI's acceptance of the Planning Proposal for Finalisation, Ministerial Consideration and Approval, completion and approval of new digital LEP mapping and legal review of the changes to the Planning Instrument (CCLEP2022). This process has been allocated 3 months to complete. Council is obliged to follow this condition of the Gateway Determination.

### Attachments

**2.5 Outcomes of Public Exhibition for the Deferred Matters Lands Planning Proposal (cont'd)**

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<b>1</b>	Attachment 1 - DM Lands Planning Proposal -  Proposed Post Exhibition Changes	Provided Under Separate Cover	D16205867
<b>2</b>	Attachment 2 - DM Lands Planning Proposal - DPHI  Practice-Note-PN-09-002-Environment-Protection-Zones	Provided Under Separate Cover	D16173086
<b>3</b>	Attachment 3 - DM Lands Submission Summary  Table and Responses	Provided Under Separate Cover	D16196394
<b>4</b>	Attachment 4 - DM Lands Planning Proposal - CEN  Submission Review	Provided Under Separate Cover	D16173069



**Item No:** 2.6  
**Title:** Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications

**Department:** Environment and Planning

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28 May 2024 Ordinary Council Meeting

Reference: F2004/00550 - D16096975  
Author: Philip Clegg, Principal Strategic Planner.Strategic Planning Projects  
Manager: Shannon Turkington, Unit Manager Strategic Planning  
Richard Griffiths, Section Manager, Local Infrastructure and Planning  
Executive: Luke Sulkowski, Director Environment and Planning (Acting)

## **Recommendation**

### ***That Council:***

- 1 Adopts the Street Design Guideline (Attachment 1).***
- 2 Adopts the Landscape Works Specification – Standard Drawings (Attachment 2), replacing the existing Landscape Works Specifications.***
- 3 Endorses publishing on Council’s website the ‘Closing the Loop’ Statement (Attachment 3).***
- 4 Upon adoption of the Guideline, prepares a draft Landscape and Street Design DCP chapter.***

## **Report purpose**

To present the Street Design Guideline and Landscape Works Specifications - Standard Drawings for adoption by Council.

## **Executive Summary**

Central Coast Council is committed to enhancing the quality of life on the Central Coast as evidenced by the One Central Coast Community Strategic Plan 2018-2028. This plan recognises the community’s strong aspiration to develop town centres and neighbourhoods characterised by their liveability, sustainability, and sense of place.

## 2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)

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The Street Design Guideline and Landscape Works Specifications have been created to ensure a consistent and coordinated approach to executing public domain projects across our towns, local centres and residential areas. The Guideline sets out a vision for our streets and public spaces and provides aims, street design principles and a set of performance indicators with which to assess both the quality of existing streets and the merits of new public domain projects. The Guideline also provides guidance on the minimum design standards for a range of street types, street tree species list, materials and finishes schedule for Gosford CBD and sets out the requirements for any existing resident wishing to undertake planting within the street verge. Over time the materials and finishes schedules will evolve to include information on paving materials, furnishing and street tree species for all town centres.

The Guideline has been developed for use by Council staff, private developers, design consultants, infrastructure authorities and residents. Ultimately, the use of the Guideline will help create well-designed, functional, people-centric streets that enhance the liveability and quality of life for everyone on the Central Coast.

### Background

The Street Design Guideline has been prepared to improve the standard of outcomes being delivered in the public domain and to contribute to Council's aims to mitigate the effects of climate change.

The development of the Street Design Guideline is consistent with Council's relevant adopted strategies and action plans.

The development of the Street Design Guideline was identified as Action 1.3 in Council's Greener Places Strategy 2021-31:

*Key Action: 1.3 Complete a Landscape Design Manual/ Guideline to allow for improved greening outcomes in urban areas from both Council and private development (Immediate Priority).*

Council's adopted Sustainability and Climate Change Action Plan identifies the Street Design Manual (now Guideline) as a mechanism to facilitate opportunities for community groups to undertake tree plantings along identified streets and underutilised Council parks (Action 1C) and the provision of sustainable transport options and infrastructure (Action 5A).

Additionally, Council's adopted Green Grid: Our Place Strategy's overarching aims include improving liveability and walkability, improving climate resilience and supporting ecologically sustainable development. These will be delivered through implementation of the public domain outcomes identified within the guideline.

## **2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)**

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Streets and public spaces must be safe, comfortable, and accessible to all. Within town centres and suburban areas across the Central Coast, there is significant inconsistency in terms of the quality of the public domain. Depending on the centre, mismatched paving and street furnishings or poorly maintained landscaping and garden beds often detracts from the quality and character of a place. In suburban areas, car dominant streets lacking the basic pedestrian provisions of healthy street trees and shade are common.

The Street Design Guideline and Landscape Specifications have been developed over the last two years to outline a vision for how we design and deliver streets and public spaces. A series of Internal stakeholder workshops were held in 2021 and a draft version of the document was circulated across Council in July 2022 for comment. The Guideline and Specifications were also placed on public exhibition in April 2023 and significant amendments have been made to the document at all stages (*see Consultation*).

### **Current Status**

Council does not currently have a coordinated set of guidelines for the design and delivery of public spaces beyond the Civil Works Specifications. Improved outcomes can be achieved within streets and public spaces by adopting overarching local government wide landscape and urban design principles to guide public domain outcomes.

Some requirements for landscaping and street tree planting is contained within various chapters of the *Central Coast Development Control Plan 2022 (DCP)*. However, it is necessary to have the technical aspects of the Guideline contained within one document. This is necessary to cover any work/projects not captured by the DCP but still need to meet the requirements of the guideline, such as street tree species, separation distances, materials and finishes schedules. Examples of projects that would not be captured by the DCP could include: projects in Gosford City Centre (due to the separate DCP for Gosford), planting undertaken by residents (in existing streets) and general Council projects that require footpath rectification works and new tree planting. Upon adoption of the Guideline, a draft Landscape and Street Design DCP chapter will be prepared to ensure consistency with the provisions contained within the guideline.

The existing 'Landscape Series' of standard drawings contained within the Civil Works Specification, will be replaced with the revised Landscape Works Specification – Standard Drawings.

### **Report**

The Street Design Guideline will apply to urban, industrial and residential streets, as well as civic spaces across the Central Coast.

## 2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)

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The Guideline:

- Outlines 4 key aims (Safer Streets for Everyone, Relevant Form and Function, Green and Sustainable, and Sense of Place) and associated design principles by which to design and develop streets and civic spaces across the Central Coast.
- Outlines a set of performance indicators with which to assess existing streets or any proposed public domain developments.
- Sets out application and approval requirements.
- Sets out that the guidelines must be read in conjunction with all associated reference documents, including the Civil Works Specifications.
- Aligns with similar policies including the Transport for New South Wales's Movement & Place Guidelines and the Healthy Streets campaign.
- Provides design guidance for a range of different street types in conjunction with existing civil engineering and road design standards.
- Provides a list of approved street tree species for use across the Central Coast.
- Provide Materials & Finishes Schedules (including street tree species maps) for Gosford CBD. This will be expanded over time to include additional centres.
- Sets out requirements for any existing resident wishing to undertake landscaping within the street verge.

The Landscape Works Specifications provide:

- Revised and updated standard drawings for landscape works such as Street Tree planting.
- Technical Specifications for landscape works including soil specifications, which are currently not available.
- Minimum standards and sizes for street tree planting, plus revised maintenance and compliance requirements for landscape works post construction.

Following public exhibition, the following summarises the nature of amendments that have occurred to address all internal and external comments received:

- Structural changes to improve legibility.
- Tree species, landscaping and placement reviewed.
- Improved coordination between various zones within the street to avoid conflict.
- Inclusion of performance criteria to support specified aims and principles.

### **Stakeholder Engagement**

Public exhibition of the Street Design Manual (now Guideline) and accompanying set of Landscape Works Specifications occurred between 15 March and 26 April 2023. The community, businesses and industry were invited to have their say via information sessions, the submit a request tool and online submissions. A total of 1,167 visits were made to the

## 2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)

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Your Voice Our Coast website, the documents were downloaded 399 times, more than 90,000 social media users were reached, 103 people participated across 3 community information sessions, 36 submission forms were completed and 6 questions were submitted via the online tool.

A summary of the public exhibition called *Design Guideline – Community Engagement – Closing the Loop* is attached to this report. Feedback across the various exhibition activities revealed the following key themes of comments:

1. Street Trees and plants are important for reducing heat, supporting wildlife and assisting with flood impacts.
2. Suggested changes for the species list, with an interest in having more local species included.
3. Encouragement for developers to retain more mature trees.
4. Streets should be friendly, safe, attractive with more places to sit.
5. Greater separation between pedestrians, cars and bicycles.
6. Better footpaths and more shade is needed
7. Streets should be future proofed for alternative modes of transport.
8. More parking close to shops and facilities.
9. Streets should reflect the history and character of our town centres.

These themes and comments have been addressed within the document. In relation to *point 2 - suggested changes to tree species*, it is noted that the Guideline generally promotes the use of native species but allows for circumstances where non-native species would be more suited, for example the replacement of a tree in a street where the prevalent species is non-native. As such, the street tree list contains both native and non-native species to allow for the broadest range of suitable trees to be used and to effectively allow the 'right tree to be used in the right place.'

In addition, a recent submission from the community group Grow Urban Shade Trees (GUST), dated 18 March 2024 requested that Council expand the approved street tree species list to include more native and locally endemic species. The group have suggested a list of approximately 15 trees which they requested be added to the document. On review of these suggestions, the species have been deemed suitable and the tree list has been amended accordingly.

Prior to public exhibition, extensive engagement was undertaken with both the Department of Planning Housing and Infrastructure (DPHI) and Transport for NSW (TNSW) across a series of workshops. Three workshops were held on the following dates:

- State Government Workshop #1: 21 October 2021
- State Government Workshop #2: 24 February 2022
- State Government Workshop #3: 18 May 2023

## **2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)**

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Feedback from these sessions has helped guide development of the Guideline, particularly in relation to the Movement and Place Framework which has been developed over a similar period. A summary of these workshops is attached to this report.

Consultation was also undertaken with Lucy Saunders (founder of the Healthy Streets Initiative, UK) in June 2023. The Healthy Streets initiative has been used extensively by TNSW to develop the Movement and Place Framework.

In addition to external and community engagement, the following internal stakeholder units were consulted with through the development of the Guideline:

- Community & Culture
- Roads & Drainage Infrastructure
- Engineering Services
- Roads Construction & Maintenance
- Waste & Recovery Services
- Strategic Planning
- Development Assessment
- Economic Development
- Environmental Management
- Open Space and Recreation

Internal Stakeholder Engagement Workshops were held on the following dates:

- Internal Stakeholder Workshop #1: 1 June 2021
- Internal Stakeholder Workshop #2: 15 July 2021
- Internal Stakeholder Workshop #3: 1 September 2021

A summary of these workshops is attached to this report.

In July 2022 an 80% draft version of the Guideline was distributed to all internal stakeholders for feedback and comment. Internal Stakeholders were also invited to review the Draft Guideline and Specifications that were placed on Exhibition in March 2023.

Extensive feedback was received at all stages of this project, including the workshops, internal consultation, and external exhibition. Most of the engagement has occurred with both the Roads & Drainage and Development Assessment teams, given the large overlap between street and road design. As a result, significant changes have been made to both the content and structure of this document over the past three years with the majority of stakeholder feedback being incorporated, where feasible.

Whilst not exhaustive, the following table provides a summary of key issues raised during internal consultation and how the Street Design Guideline has been drafted to address (where appropriate).

Feedback	Response/ Changes Made
Existing landscape assessment and compliance resourcing constraints	<p>The Guideline has been drafted to balance achieving improved public domain and climate change outcomes with resourcing implications. Additionally, it is anticipated that the guideline will provide greater certainty and direction to all stakeholders in relation to the minimum requirements that must be achieved in any public domain works. This is expected to improve the quality of outcomes delivered and handed over to Council.</p>
Existing landscape maintenance resourcing constraints	<p>The guideline has been amended based on concerns related to increased maintenance requirements resulting from additional landscaping within streets. Whilst the guideline advocates for improved streetscape outcomes, it does not stipulate the need for increased planting in streets other than street trees. On this point, the guideline sets out minimum verge width requirements (in alignment with current engineering specifications), minimum tree sizes, planting and soil specifications, plus tree set-out and spacing requirements. This will ultimately help reduce maintenance issues, reduce damage to assets caused by poor planting practices and allow for maximum tree growth and longevity.</p> <p>Regardless of the amendments to address concerns raised, based on feedback received, Council should consider additional resources in future budgeting processes to assist existing assessment, compliance and maintenance staff in the delivery of high-quality public domain outcomes across the Central Coast.</p>
Coordination with all relevant Council and state policies/standards/guidelines/specifications for road design including cycle, pedestrian and shared paths	<p>The guideline and specifications have been amended to align with all relevant policies, standards, guidelines and or specifications in relation to road design, in particular road safety. Additionally, disclaimers are now</p>

## 2.6

## Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)

	provided at the front end of the document in relation to liabilities, limitations and/ or conflicting standards and guidelines. The Guideline also references Council's Civil Works Specifications.
Conflict with services, infrastructure, sightline requirements etc.	The sections of the guidelines that relate to street layout and tree locations have been worked through extensively in collaboration with the appropriate Council units and sections. Minimum standards and requirements in relation to tree planting to avoid conflicts with services, reduce future damage to Council Assets, and to ensure road safety standards have been identified.
Poor quality of application material.	The Guideline provides minimum requirements for proponents submitting applications to Council where landscape or public domain elements are included.
Quality of planting/landscape construction standards delivered	The revised Landscape Works Specification – Standards Drawings have been developed to improve upon the existing Landscape Specifications, therefore improving landscape construction standards.
Refuse collection	Numerous options have been considered throughout the development of this document for improvements to refuse collection in streets. Options considered include hardstand requirements outside individual properties, bin storage units, or communal bin storage areas etc. These options however, raised further implications in regard to cost, additional maintenance, or conflicts with car parking, tree planting etc. within each street. Accordingly, no changes to refuse collection within streets is suggested as part of the current Guideline.
Clear criteria for residents planting within verge	Details provided within the document to assist residents and Council officers with minimum standards and requirements specified.
Appropriate tree species (Longevity, native vs exotic)	Extensive consideration has been given to the Street Tree Species List to balance the use of native or endemic species v exotic species. The Guideline states clearly that native species are preferred, but allowance

**2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)**

	is made for non-native in appropriate situations. Allowance also needs to be made for cost, availability, and the suitability of species for individual situations.
Water Sensitive Urban Design	The Guideline provides a broad reference to the integration of WSUD within streets, but detailed information is contained within other Council guidelines and specifications separate to the Street Design Guideline. The guideline does not specify that WSUD must be provided.
Attractiveness of streets/Place Making – heritage, public art, wayfinding materials selections	The aim of the Guideline is to provide a holistic vision for our streets and public spaces. A set of performance indicators have been developed for use by all stakeholders involved with creating streets, roads and civic spaces.
Safety/CPTED	Safer Streets for Everyone is one of the four key aims outlined within the Guideline. The guideline advocates for safety within design for all streets and public spaces.
Varying requirements depending on scale of development	Clear guidance is now provided for submitted landscape and public domain applications at varying scales be it large commercial developments, subdivision plans or simply advice for residents wishing to landscape their verge.

**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.

Most public domain upgrades are delivered as part of private development or subdivision works and therefore incur no additional costs to Council. The Guidelines and Specifications simply outline the minimum standards expected of these developments.

Where a specific project is Council led, there is an expectation that streets and civic spaces

## 2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)

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are designed with best practice in mind, therefore any associated costs for public domain improvements should be considered alongside any normal roads or engineering expenditure.

Council should consider additional resources in future budgeting processes to assist existing staff in the delivery of high-quality public domain outcomes.

### Link to Community Strategic Plan

Theme 1: Belonging

#### Goal B: Creativity, connection and local identity

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

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.

Theme 3: Green

#### Goal F: Cherished and protected natural beauty

G-F2: Promote greening and the wellbeing of communities through the protection of local bushland, urban trees, and expansion of the Coastal Open Space System (COSS).

<b>Goal F: Cherished and protected natural beauty</b>
G-F4: Address climate change and its impacts through collaborative strategic planning and responsible land management and consider targets and actions.

Theme 4: Responsible

#### Goal H: Delivering essential infrastructure

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

## 2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)

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### Goal I: Balanced and sustainable development

R-I2: Ensure all new developments are well planned with good access to public transport, green space and community facilities and support active transport.

Theme 5: Liveable

### Goal L: Healthy lifestyle for a growing community

L-L1: Promote healthy living and ensure sport, leisure, recreation and aquatic facilities and open spaces are well maintained and activated.

### Risk Management

Adoption of the guideline and landscape specifications will:

- Create superior outcomes for streets and public spaces to what is currently being delivered.
- Provide greater certainty for all stakeholders on expected public domain outcomes.
- Deliver outcomes that will contribute to the mitigation of the effects of climate change through the provision of increased shading, reduced runoff through the use of soft landscaping in appropriate locations and advocates for sustainable transport options.
- Deliver on committed actions in Council's adopted Greener Places Strategy and Sustainability and Climate Change Action Plan and is consistent with Council's adopted Green Grid: Our Place Strategy's.

### Options

- 1 Adopt the Street Design Guideline and Landscape Works Specifications. This will help achieve a consistent approach to the delivery of public domain works across the Central Coast, coordinate the consistent use of materials and finishes within town centres and deliver on committed actions in Council's adopted Greener Places Strategy and Sustainability and Climate Change Action Plan. **(This is the recommended option).**
- 2 Resolve not to adopt the Guideline. This option is not recommended and would result in the continued delivery of streets and public spaces without an overarching set of design standards and principles and will not contribute to delivering improved climate change outcomes. (This is not recommended).

## 2.6 Outcomes of Public Exhibition and Finalisation of Street Design Guideline and Landscape Specifications (cont'd)

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### Attachments

<b>1</b>	Central Coast Street Design Guideline	Provided Under	D16099440
		Separate Cover	
<b>2</b>	Landscape Works Specification - Standard	Provided Under	D16094835
	Drawings	Separate Cover	
<b>3</b>	Street Design Guideline - Community	Provided Under	D16096892
	Engagement - Closing the Loop	Separate Cover	
<b>4</b>	Street Design Guideline - Stakeholder Workshops	Provided Under	D16126538
	Summary Sheet	Separate Cover	



**Item No:** 2.7  
**Title:** Outcome of Exhibition Local Housing Strategy  
**Department:** Environment and Planning

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28 May 2024 Ordinary Council Meeting

Reference: F2022/01640 - D15756633  
Author: Chelle Leith, Strategic Planner  
Manager: Scott Duncan, Section Manager. Local Planning and Policy  
Executive: Luke Sulkowski, Director Environment and Planning (Acting)

## **Recommendation**

### ***That Council:***

- 1 Adopts the Central Coast Local Housing Strategy (Attachment 4).***
- 2 Seeks endorsement from the Department of Planning, Housing and Infrastructure (DPHI), as the approving body for Local Housing Strategies, for endorsement for the Central Coast Local Housing Strategy.***
- 3 Authorises the CEO to make any minor changes required to achieve DPHI approval.***
- 4 Notifies those persons who lodged submissions, of Council's decision.***

## **Report purpose**

To report on the outcomes of public exhibition and seek Council's endorsement and adoption of the draft Central Coast Local Housing Strategy (LHS).

## **Executive Summary**

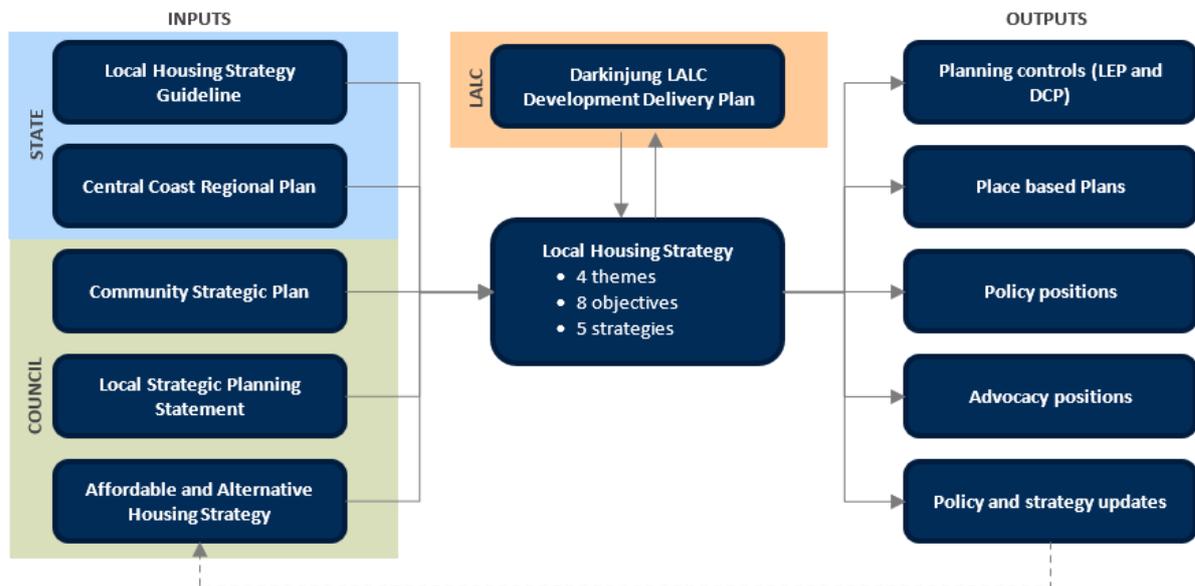
The draft LHS is a strategic planning document that identifies the long-term vision and strategies that will guide housing delivery across the Central Coast. It aims to enable sustainable development that does not compromise the attributes that make the area a desirable place to live.

The LHS was publicly exhibited from 15 March to 3 May 2023. 52 community submissions were received and 8 submissions from government agencies. All submissions have been considered and the LHS has been amended after considering issues raised during the consultation process.

## Background

The need for a housing strategy was identified in the *Central Coast Interim Local Strategic Planning Statement* (LSPS) and *Community Strategic Plan* (CSP). DPHI also requires housing strategies to be developed for all councils within Greater Sydney and major regional areas. Council resolved at the 28 February 2023 Ordinary Council Meeting (Refer to Attachment 1 to this report) to publicly exhibit the LHS and consider a further report following conclusion of the public exhibition.

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 when 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, DPHI finalised the *Central Coast Regional Plan 2041* (CCRP) in October 2022. The CCRP 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 DPHI.

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.

### **Current Status**

The draft LHS strategy was prepared by Council in conjunction with Hill PDA (consultant) who was engaged by Council to prepare the LHS. The LHS is supported by a Discussion Paper, Feasibility Report, and Existing Condition Report, which sets out the current situation in relation to housing on the Central Coast (as the time of writing) and projected housing needs for the future.

The background reports are available at <https://www.yourvoiceourcoast.com/housing>

### **Report**

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

- 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 suited to older people and people with a disability is expected to increase significantly;
- 6 There is an increasing gap between demand and supply for smaller more affordable dwellings;
- 7 The changing environment presents long term challenges to quality of life and risks to livelihoods;
- 8 A growing number of households in the LGA are struggling with housing affordability and are living in housing stress, and social housing is failing to keep up to demand;
- 9 There are constraints on the supply of zoned and serviced residential land due to the unique attributes of the LGA; and
- 10 Residents desire a balance between housing growth and the attributes they value about the Central Coast.

The LHS will influence a range of Council policy and advocacy positions over the next 20 years to respond to these challenges through the action items included in the strategy.

## 2.7 Outcome of Exhibition Local Housing Strategy (cont'd)

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The LHS objectives and actions will result in changes to the region's planning instruments, including the *Central Coast Local Environment Plan 2022* (CCLEP 2022) and *Central Coast Development Control Plan 2022* (DCP). Some actions will also influence future local structure plans, which will provide localised visions for the future character of localities throughout the region.

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 region and 30-minute connected communities objective in the CCRP.
- 3 To provide for housing that meets the needs of all households within the Central Coast LGA community, regardless of size, culture, affluence and physical and mental health requirements.
- 4 To encourage the planning of housing within neighbourhoods that offer sufficient amenity, including high quality and accessible civic, open and community spaces and connection to transport corridors.
- 5 Manage the development of greenfield release 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 key centres consistent with the visions of Masterplans, supporting a vibrant metropolitan centre with access to jobs and amenities.
- 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.

## 2.7 Outcome of Exhibition Local Housing Strategy (cont'd)

Across these themes are five main strategies, each with supporting implementation actions (see Attachment 4 for full list of supporting implementation actions):

### Delivery and supply

- Strategy 1: Prioritise housing delivery in areas of high amenity with access to services

### Infrastructure and servicing

- Strategy 2: Actively manage the housing pipeline

### Housing diversity

- Strategy 3: Incentivise delivery of housing responsive to the needs of our community.
- Strategy 4: Support the delivery of affordable housing

### Resilience

- Strategy 5: 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.

Council is currently applying for various grants from the NSW Government to assist in funding the implementation of such actions. Grant funding would be utilised to undertake detailed master planning and review of planning controls in key centres consistent with the State Government Housing Reforms included the Transit Orientated Development provisions in *State Environmental Planning Policy (Housing) 2021* relating to Woy Woy, Gosford, Tuggerah and Wyong.

Key issues emerging from submissions received within the exhibition period and Council's response to such issues are summarised in Attachment 2 and 3 to this report. Table 1 below discusses key reoccurring issues that arose through submissions and how the LHS has responded:

**Table 1: Key Recurring submission issues and Council's Response**

<b>Recurring issue identified in submissions</b>	<b>Council Response/ LHS update</b>
Lack of Affordable Housing	Strategy 4 in the LHS looks to specifically develop affordable housing outcomes, including <i>Action 4.1 Prepare and implement an Affordable Housing Contributions Scheme under s7.32 of the EP&amp;A Act</i> . This scheme would assist Council in

Recurring issue identified in submissions	Council Response/ LHS update
	providing initial and ongoing funding for affordable housing sites across the Central Coast.
Need for diverse housing options	The LHS has been updated post exhibition to strengthen the actions seeking to deliver a diverse housing supply. Such as <i>Strategy 1 prioritise housing delivery in areas of high amenity with access to services</i> , including <i>Action 1.1</i> that provides investigating controls that encourage small lot housing and planning control bonuses to encourage diverse housing options. Additionally, <i>Strategy 3 Deliver diverse housing responsive to the needs of our community</i> encourages engagement with the Aboriginal Community regarding facilitating agency in housing choice ( <i>Action 3.1</i> ). These strategies have a focus on planning control reviews (CCLEP review) and Development Control Plan (CCDCP) review.
Need for infrastructure	<i>Strategy 2</i> in the LHS concerns <i>effectively sequencing infrastructure and housing delivery</i> through <i>Action 2.1</i> for example which is <i>to prepare a development supply pipeline and regular reporting to the Urban Development Program for the Central Coast</i> .
Assist in the provision of housing for Aboriginal Communities	<i>Strategy 3</i> has been updated and expanded to address submissions regarding Aboriginal housing outcomes within the LHS. Including <i>Action 3.1 Engage with Aboriginal community to facilitate agency in housing choices and opportunities, including DCP review that acknowledges the significance of heritage and the cultural priorities of Aboriginal communities</i> . This action is to facilitate agency in Aboriginal Housing choice.
Need for resilient housing	<i>Strategy 5</i> promotes design resilience, through <i>Action 5.1 Align Councils planning framework to adopt any changes in hazard reduction and resilience planning as per best practice in regards to climate change</i> . To ensure Council is up to date with best practice, encouraging resilient housing outcomes.

Post exhibition changes to the draft LHS have been carried out to ensure issues raised in submissions received during the exhibition process are considered. Some of the points raised in community submissions have led to the refinement of relevant actions and removal of actions where the delivery was not measurable. Further, to make the LHS more concise, previous inclusions have now been drawn into Appendix A through to Appendix C in the LHS. The LHS has been updated to include the latest Australian Bureau of Statistics (ABS) Census data from 2021.

Post exhibition changes included:

- Updated 2021 Census Data,
- Additional mapping,
- Additional data provided on historical housing completions to depict the 'where we are picture for housing',
- Decreasing the word count to increase readability,
- Incorporating Appendices to take bulk out of the document, and
- Reformatting the document with the updates.

Further, the updated LHS (refer to Attachment 4) was referred to DPHI for preliminary endorsement prior to reporting to Council. Council staff also met with DPHI on 20 December 2023 to discuss DPHI's submission in order to address the key points raised, such as provision of additional completions data on housing, wording of strategy actions, inclusion of additional mapping data and funding requirements for implementation actions.

Council will request DPHI to approve the LHS once it has been approved by Council.

### **Stakeholder Engagement**

Engagement to develop the draft LHS was undertaken with key industry stakeholders including:

- representatives of affordable housing providers,
- development industry (such as UDIA),
- 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 the *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. As part of the

preparation of the draft strategy, a feasibility study was conducted, which looked at the feasibility of medium density housing in different locations on the Central Coast.

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.

Relevant Council Units consulted with throughout the LHS preparation process included:

- Economic Development and Property – regarding Short Term Rental Accommodation data collection and monitoring,
- Business Performance and Integration – regarding housing completions data,
- Strategic Planning – related to contributions planning, transport planning and data compilation,
- Community and Culture – regarding refinement of actions relevant to their expertise such as affordable housing and agreement on Action 4.2 being implemented by their team,
- Open Space and Recreation – concerning the number of open spaces across the Central Coast LGA, and
- Development Assessment Unit – Discussing appropriateness of actions.

Broader community and agency consultation occurred throughout the exhibition process from 15 March to 3 May 2023. Two community sessions were held, in different locations, one at the Lake Haven Library for northern residents and another at Woy Woy Library for southern residents. An online session for government agencies was held on 5 April 2023 and a specific development and housing industry session was also held at Wyong 27 April 2023.

### **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.

Endorsement and adoption 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 and annual budget.

**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 including adequate affordable housing.

**Goal H: Delivering essential infrastructure**

R-I2: 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 DPHI's requirements, Council needs to adopt a local housing strategy to facilitate the future delivery of housing and improve liveability for residents within the Central Coast LGA.

The LHS was publicly exhibited prior to adoption so that the views of local residents, interest groups and agencies are adequately considered in the adopted LHS.

**Options**

- 1 Adopt and endorse the LHS. 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 Do not adopt the LHS. (This is not the recommended option).

**Attachments**

<b>1</b>	Council Resolution 28 February 2023	Provided Under Separate	D16169601
		Cover	
<b>2</b>	Agency Submission Summary	Provided Under Separate	D16176611
		Cover	
<b>3</b>	Community Submission Summary	Provided Under Separate	D16176617
		Cover	
<b>4</b>	Local Housing Strategy Final for May Council	Provided Under Separate	D16205230
	Meeting	Cover	



**Item No:** 2.8  
**Title:** Suite of Policies for Councillors  
**Department:** Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2024/00236 - D16144250  
Author: Alysha Coussos, Section Manager Governance  
Manager: Teresa Chadwick, Unit Manager Governance Risk and Legal  
Executive: Emma Galea, Director Corporate Services (Acting)

## **Recommendation**

### ***That Council:***

- 1 Endorses the following documents be placed on public exhibition for a period of 28 days from 30 May 2024 to 27 June 2024, with submissions accepted for a period of not less than 42 days:***
  - a) Code of Conduct***
  - b) Procedures for the Administration of the Code of Conduct***
  - c) Code of Meeting Practice***
  - d) Briefings and Workshops Policy***
  - e) Councillor and Staff Interaction Policy***
  - f) Councillor Induction and Professional Development Policy.***
- 2 Considers a further report be presented in July 2024 following the public exhibition period for consideration of any relevant submissions and adoption of the documents.***
- 3 Notes the Public Forum Policy which has been reformatted into the updated Council policy template without changes to the intent of the policy.***

## **Report purpose**

To present a suite of draft policy documents for approval to place on public exhibition. These documents will support the onboarding of new Councillors following the 2024 Local Government Election.

## **Executive Summary**

In preparation for the 2024 Local Government Election in September, and the return of a democratically elected governing body, policies and procedures which apply to Councillors have been reviewed and are presented in this report for endorsement to place on public exhibition for a minimum of 28 days.

## Background

While Council has existing policies in place to guide Councillors and staff, several of these policies are due for review in accordance with recent model policy updates, industry best practice and Council's Policy Framework.

## Report

The following policies and procedures have been reviewed and/or identified for inclusion in the suite of documents for Councillors:

- **Code of Conduct and Procedures for the Administration of the Code of Conduct**

Council's Code of Conduct and its supporting Procedures are based on the Office of Local Government's (OLG) *Model Code of Conduct for Local Councils in NSW* and *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*, both of which are prescribed under the *Local Government Act 1993* and *Local Government (General) Regulation 2021*.

There have been minor bespoke changes made to Council's Code and the Procedures which do not conflict with the OLG's Model Code of Conduct. These changes are outlined in the table below:

Clause	Proposed Change
<b>Code of Conduct cl 3.13</b> – Alcohol and other drugs	Clause added.
<b>Code of Conduct Part 6</b> – Personal benefit (gifts and benefits)	Amendments to accommodate the revocation of Council's previously independent Gifts and Benefits Policy, and changes made to reflect best practice, and to ensure clarity and consistency for both staff and the community. The token value for gifts has been reduced from \$100 to \$50.

- **Code of Meeting Practice (COMP)**

Council's COMP is based on the OLG's Model Code with some minor grammatical, numbering and sentence structure changes, as well as references to Council's corporate structure, which are not in conflict with the OLG's Model Code.

The clauses of the Model Code that dealt with the process of the public forum have previously been removed from Council's COMP and placed in a stand-alone Public Forum

Policy. An additional Disorderly Conduct at Council and Committee of Council Meeting Procedure was also adopted in February 2023, many aspects of which are already dealt with under the COMP.

To improve the transparency of the Council meeting process, and to ensure a consistent approach, the contents of the Disorderly Conduct at Council and Committee of Council Meeting Procedure have been consolidated within Council's COMP. This document will subsequently be revoked following the adoption of the revised COMP.

- **Public Forum Policy**

As noted above, the clauses of the Model Code that dealt with the process of the public forum have previously been removed from Council's COMP and placed in a stand-alone Public Forum Policy.

There are no significant changes beyond putting the document into Council's new policy document template. As such, this Policy is presented to Council solely for endorsement to be included in the suite of policies for Councillors. It does not require readoption.

- **Councillor Briefing and Workshops Policy**

This is a newly created Policy that provides a framework for the orderly and proper conduct of Councillor briefings and workshops to provide clear direction to both Councillors and Council officers.

- **Councillor and Staff Interaction Policy**

This Policy has been recently reviewed against the OLG's Model Councillor and Staff Interaction Policy. The draft Policy was presented at ELT on 12 December 2023 seeking feedback and approval.

There have been minor bespoke changes made to the Policy which do not conflict with the Model Policy, including the additional information Councillor Request Portal and outlining the key staff who can interact with Councillors.

A supporting Procedure to the Policy is currently being developed that will outline the operational aspects and processes for submitting, handling, and reporting Councillor requests.

- **Councillor Induction and Professional Development Policy**

Council's Induction and Professional Development Policy has recently been reviewed against the Model Councillor Induction and Professional Development Policy as contained within the Councillor Induction and Professional Development Guidelines published by the OLG.

There have been no significant changes that conflict with the Model Policy.

### Stakeholder Engagement

Council has undertaken significant internal consultation in addition to reviewing information and guidance from the OLG. Similar policies from other councils have been reviewed to determine common practice and maximise industry consistency.

### Financial Considerations

There are no financial implications associated with this report.

### Link to Community Strategic Plan

Theme 4: Responsible

### Goal G: Good governance and great partnerships

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

Reviewing and adopting these policies ensures that Council can confidently refer to and rely upon them as they will be current and align with the OLG's model policies and industry best practice.

If these policies are not kept current, they may not be fit for purpose and expose Council to the risk of challenge and potential litigation.

### Options

1. Endorse the draft policies to be placed on public exhibition for community feedback and consultation. **(This is the recommended option).**
2. Resolve not to endorse the draft policies and not exhibit the documents as reviewed. This is not the recommended option as community consultation and feedback is a key aspect of developing these documents, as they impact how representatives elected by the community are expected to conduct themselves. (This is not recommended).

### Critical Dates or Timeframes

Having these key policies adopted before the election and return of Councillors will ensure there is a strong foundation of best practice policies to support the newly elected body and staff to carry out their roles and responsibilities from the outset.

It is noted that to allow for 42 days for the making of submissions to the Code of Meeting Practice, a report will be provided to the 23 July 2024 Council meeting.

### Attachments

 1	DRAFT Code of Conduct	Provided Under Separate Cover	D16000605
 2	DRAFT Procedures for the Administration of the Code of Conduct	Provided Under Separate Cover	D16000613
 3	DRAFT Code of Meeting Practice	Provided Under Separate Cover	D15775526
 4	DRAFT Public Forum Policy	Provided Under Separate Cover	D15975479
 5	DRAFT Councillor Briefings and Workshops Policy	Provided Under Separate Cover	D16137707
 6	DRAFT Councillor and Staff Interaction Policy	Provided Under Separate Cover	D15806015
 7	DRAFT Councillor Induction and Professional Development Policy	Provided Under Separate Cover	D16207334



**Item No:** 2.9  
**Title:** Local Government Remuneration Tribunal Mayor and Councillor Fee and Superannuation  
**Department:** Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2020/02182 - D16121871  
Author: Alysha Croussos, Section Manager Governance  
Manager: Teresa Chadwick, Unit Manager Governance Risk and Legal  
Executive: Marissa Racomelara, Director Corporate Services

## Recommendation

### ***That Council:***

- 1 Notes the determination made by the Local Government Remuneration Tribunal on 29 April 2024, in respect to the remuneration for Mayors and Councillors.***
- 2 Fix the annual fee to be paid to each Councillor at \$35,650 pursuant to section 248(2) of the Local Government Act 1993.***
- 3 Fix the annual fee to be paid to the Mayor at \$110,970 pursuant to section 249(3) of the Local Government Act 1993.***
- 4 Determines, pursuant to section 249(5) of the Local Government Act 1993, that an annual fee of \$10,000 be paid to the Deputy Mayor, with that fee to be deducted from the annual fee paid to the Mayor in accordance with resolution 3 above.***
- 5 Resolves for the incoming Mayor and Councillors to receive superannuation at the federal superannuation guarantee rate of 11.5% from 1 July 2024 in accordance with section 254B of the Local Government Act 1993.***

## Report purpose

To determine the fees and superannuation contributions payable to the incoming Mayor, Deputy Mayor and Councillors following the ordinary council election on 14 September 2024.

## Executive Summary

1. On 29 April 2024, the Local Government Remuneration Tribunal (LGRT) released its Annual Report and Determination under sections 239 and 241 of the *Local Government Act 1993* (LG Act), in respect to the categories of Councils and the maximum and minimum amounts of fees to be paid to Mayors and Councillors.

## **2.9 Local Government Remuneration Tribunal Mayor and Councillor Fee and Superannuation (cont'd)**

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2. Central Coast Council remains in the category of a Major Strategic Area.
3. The LGRT has determined a 3.75% per annum increase to the minimum and maximum fees applicable to each category from 1 July 2024.

### **Background**

Sections 248 and 249 of the LG Act require councils to fix and pay an annual fee to councillors and the mayor. The fee must be fixed in accordance with an appropriate determination of the Local Government Remuneration Tribunal.

The *Local Government Act 1993* (LG Act) requires the Local Government Remuneration Tribunal (LGRT) to report to the Minister for Local Government by 1 May each year on its determinations of categories of councils and the maximum and minimum amounts of fees to be paid to be paid to mayors, councillors and chairpersons and members of county councils.

The LGRT released its Annual Report and Determination (Determination) on 29 April 2024. As part of the review process, the LGRT received 19 submissions, 18 of which were from individual councils and 1 submission from LGNSW. Details of the submissions made can be found in the Determination (provided as Attachment 1 to this report).

Under section 254B of the LG Act, councils may make payments as a contribution to a superannuation account nominated by a councillor.

### **Category**

Central Coast Council remains in the category of a Major Strategic Area as defined in the Determination. It is noted that remuneration span for this category is the same as a Major Regional City, which also includes Newcastle City Council and Wollongong City Council.

### **Remuneration Structure**

As outlined in the Determination, a significant number of submissions commented on the remuneration structure for councillors and mayors, advocating for major changes to be made, including the need for a full comprehensive review.

Several submissions argued that the current remuneration structure does not adequately compensate elected councillors and mayors for the complex requirements of the role, significant workload, time requirements and changes in the role in recent years. Some submissions outlined that low levels of remuneration can have a detrimental impact on the quality and diversity of candidates standing for election.

## 2.9 Local Government Remuneration Tribunal Mayor and Councillor Fee and Superannuation (cont'd)

While the LGRT acknowledged these issues, it was previously explained in the 2023 Determination that they are not currently within the LGRT's remit.

As outlined in the Determination, when making a determination, the LGRT is to give effect to the same policies on increase in remuneration as those of the Industrial Relations Commission. However, section 251 of the LG Act is clear that councillors and mayors receive an annual fee, not a wage, and fees paid do not constitute a salary.

### Fees

The LGRT determines a minimum and maximum remuneration range for councillors and mayors. It is up to individual councils to fix the annual fee. This is in accordance with section 241 of the LG Act.

As outlined in their determination, the LGRT considered a range of factors in determining the amount to increase minimum and maximum payable fees to Councillors and Mayors. This included economic data, including the Consumer Price Index, Wage Price Index, full-time adult average weekly ordinary time earnings, NSW Public Sector increases and Local Government State Award increases. It also considered the Base Cost Change model used by IPART in setting the rate peg for 2024-25.

On this occasion, the LGRT has determined that a 3.75% per cent increase will apply to the minimum and maximum fees applicable to existing categories.

Both Central Coast Council, and other neighbouring councils, had previously resolved to receive the maximum fee as set by the tribunal.

The table below provides a summary of the increase as determined by the LGRT:

Category		Councillor/Member Annual Fee effective 1 July 2024		Mayor/Chairperson Additional Fee* effective 1 July 2024	
		Minimum	Maximum	Minimum	Maximum
<b>General Purpose Councils – Non-Metropolitan</b>	Major Strategic Area	\$20,500	\$35,650	\$43,530	\$110,970

*\* This fee must be paid in addition to the fee paid to the Mayor or Chairperson as a Councillor or Member (section 249(2) of the LG Act).*

### Deputy Mayor

Council may elect to have a Deputy Mayor in accordance with section 231 of the LG Act.

Should Council determine to have a Deputy Mayor it is appropriate that there is remuneration for the performance of this role.

## 2.9 Local Government Remuneration Tribunal Mayor and Councillor Fee and Superannuation (cont'd)

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In accordance with section 249(5) of the LG Act, Council may pay the Deputy Mayor a fee for such time as the Deputy Mayor acts in the office of the Mayor. The amount of the fee paid must be deducted from the Mayor's annual fee. This report proposes that \$10,000 be paid to the Deputy Mayor from the Mayor's annual fee which is just over 4 weeks of the Mayoral annual fee, the workplace standard annual leave entitlement.

### Superannuation

Councillors have not previously been paid superannuation. The making of superannuation contribution payments for councillors is optional and is paid at each Council's discretion.

To exercise the option of making superannuation contribution payments for councillors, Council must first resolve at an open meeting to make superannuation contributions for the councillors.

Where Council resolves to make superannuation contribution payments for its councillors, the amount of the payment is to be the amount that Council would have been required to contribute under the *Commonwealth Superannuation Guarantee (Administration) Act 1992* as superannuation if the councillors were employees of the Council.

As of 1 July 2024, the superannuation guarantee rate will be 11.5%. This rate will increase by half a percent each year until 1 July 2025 when it reaches 12%.

The superannuation contribution payment is to be paid at the same intervals as the annual fee is paid to councillors.

To receive a superannuation contribution payment, each councillor must first nominate a superannuation account for the payment before the end of the month to which the payment relates. The nominated account must be an account for superannuation or retirement benefits from a scheme or fund to which the *Commonwealth Superannuation Guarantee (Administration) Act 1992* applies.

Individual councillors may opt out of receiving superannuation contribution payments or opt to receive reduced payments. This must be done in writing.

Councils must not make superannuation contribution payments for councillors during any period in which they are suspended from their civic office or their right to be paid any fee or other remuneration, or expense, is suspended under the Act.

### Financial Considerations

The overall cost impact at the maximum amount (which is the recommended option) will be:  
\$35,650.00 x 15 Councillors = \$534,750.00  
Plus \$110,970 Mayoral fee = \$645,720.00

## 2.9 Local Government Remuneration Tribunal Mayor and Councillor Fee and Superannuation (cont'd)

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The total superannuation payments at 11.5% for the 2024/25 financial year = \$74,257.80.

These fees have been included in the budget for the 2024/2025 financial year.

Note that changes to the fees paid to Councillors has no impact on the remuneration of the Administrator.

The 2024/25 budget for Councillor expenses was based on the information available and assumptions regarding the increase, at the time.

### 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

Council must determine the annual fee payable to each Councillor, and the additional fee paid to the mayor under sections 248(2) and 249(3) of the LG Act.

Not fixing a fee will mean Council could be in breach of these provisions.

### Options

1. Council does not resolve to apply the maximum fee in accordance with the determination, pay 11.5% superannuation or pay \$10,000 to the Deputy Mayor from the Mayor's annual fee. (This is not recommended).
2. Council resolves to apply the maximum fee in accordance with the determination, pay 11.5% superannuation and pay \$10,000 to the Deputy Mayor from the Mayor's annual fee. (**This is the recommended option**).
3. Council resolves to pay the minimum fee payable under the determination, pay 11.5% superannuation and pay \$3,627 to the Deputy Mayor from the Mayor's annual fee. (This is not recommended).

## 2.9 Local Government Remuneration Tribunal Mayor and Councillor Fee and Superannuation (cont'd)

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### Critical Dates or Timeframes

The fees payable for councillors and Mayors are effective from 1 July 2024. For Central Coast Council, fees would not be paid until councillors resume office following the ordinary Council election to be held on 14 September 2024.

### Attachments

<b>1</b>	Local Government Remuneration Tribunal -  Annual Determination - 29 April 2024	Provided Under Separate Cover	D16201394
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**Item No:** 2.10  
**Title:** Food Organics and Garden Organics (FOGO)  
Feasibility Study Technical and Financial Update  
**Department:** Infrastructure Services

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28 May 2024 Ordinary Council Meeting

Reference: F2024/00015 - D16191088  
Author: Kim King, Personal Assistant to Unit Manager Waste and Resource Recovery  
Manager: Darren North, Unit Manager, Waste and Resource Recovery  
Executive: Boris Bolgoff, Director Infrastructure Services

## Recommendation

### ***That Council:***

- 1 Receives the attached Food Organics and Garden Organics (FOGO) Feasibility report findings and contents.***
- 2 Notes the actions listed at Table 7-2 in the FOGO Feasibility report be undertaken to inform the FOGO Business Case.***
- 3 Approves progression to Stage 3 - FOGO Business Case development, which is to be submitted to Council for consideration and approval prior to implementation of any FOGO Services or FOGO Tenders or FOGO Contract(s) commencing.***
- 4 Resolves, pursuant to section 11(3) of the Local Government Act 1993, that Attachment 2 remain confidential in accordance with section 10A(2)(c) and 10A(2)(d)(iii) of the Local Government Act, as it contains commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it and because consideration of the matter in open Council would on balance be contrary to the public interest as it would affect Council's ability to obtain value for money services for the Central Coast community.***

## Report purpose

To provide Council with an update in relation to the introduction of a Food Organics and Garden Organics (FOGO) solution to Central Coast households, and report on the Technical and Financial Feasibility findings and further recommendations to inform and progress the next phase - Detailed Business Case.

**Important Note:**

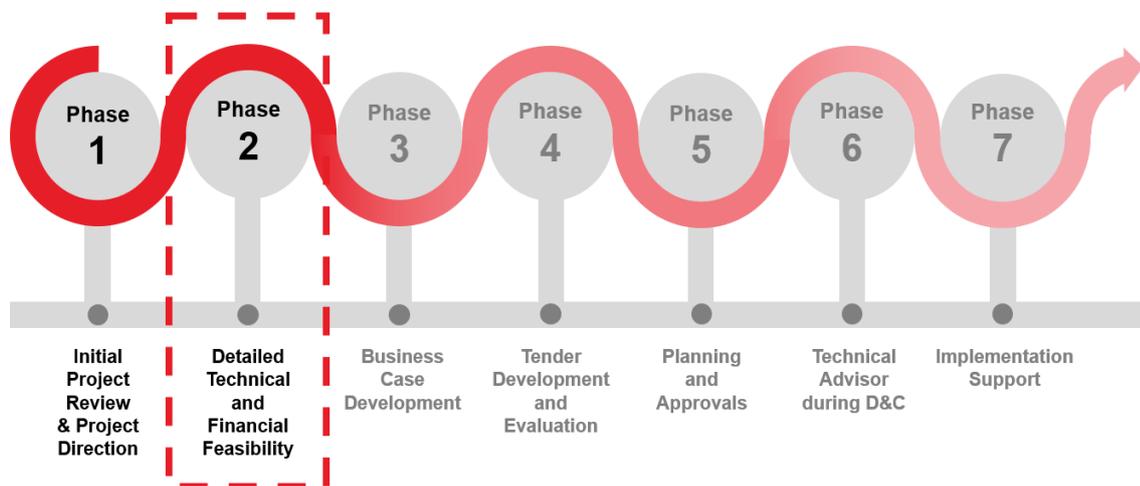
Some sections of Financial Modeling and Basis of Design details have been redacted in the Feasibility report. The redacted information includes commercially confidential and preliminary stage financial projections for the project, inclusive of potential Council contribution levels to the funding of the project, which may unduly influence or effect future outcomes or tender submissions, potentially resulting in a tendered solution that does not represent the best value for money for Council.

**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, and a reduction in greenhouse gas emissions.

At the Ordinary Council Meeting on 28 February 2023, Council resolved to undertake a Technical and Financial Feasibility Study (Feasibility) based on the Directions Paper submitted at that meeting which recommended providing a FOGO composting facility at Councils' Buttonderry Waste Management Centre in Jilliby.

This Feasibility report is Stage 2 of the FOGO journey.



This Feasibility Report builds on the findings presented in the Directions Paper, and the Site Suitability Assessment and provides an evidence base that is intended to enable Council to make robust and informed decisions throughout the procurement process for FOGO processing infrastructure. This Feasibility Report has involved:

## 2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)

- A review of locational aspects of the proposed facility, informed by a Geotechnical investigation and preparation of early design work upon which the financial analysis is based.
- Review and presentation of a Basis of Design (BoD).
- Review of alternate access routes to the facility including the viability of each option.
- Technical explanation of the key components of the chosen FOGO processing infrastructure In Vessel Composting (IVC), including typical sizing and features for safety, amenity and quality control.
- Updated analysis of NSW data regarding organics feedstock volumes to support facility sizing.
- Further consideration of potential product outputs.
- Preliminary Capex and Opex costing estimates.
- A financial appraisal including anticipated cash flows and any resulting funding / financing needs.
- Analysis of project delivery models and contractual considerations, and a recommended delivery model to progress to the business case stage.

The Feasibility report has also identified that some items and information is required to fully inform and further refine the accuracy of the Business Case prior to formal submission and adoption of any Business Case recommendations at future Council meeting in 2025.

Table 7-1 of the Feasibility report identifies several contributory factors that need consideration and inclusion in the final Business Case. These items, and their potential influence on the final solution, will be assessed and included as recommendations within the future Council report on the Business Case.

The following items, summarised from Table 7-2 within the Feasibility report, identify areas of further work required to inform and refine the Business Case.

### **Summary of further work**

<b>Item</b>	<b>Summary</b>
<b>Waste</b>	
Commercial FOGO tonnes	A 'desktop' analysis to identify potential (realistically available) sources of commercial FOGO tonnes and impact analysis
<b>Design / Technical</b>	
Topographical survey	To inform and refine business case Capex assumptions for the selected site.
Flood modelling	To demonstrate no significant off-site flood impacts.
Solar panels	Review of solar and energy mitigation options.

**2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)**

<b>Financial analysis</b>	
Detailed financial analysis of options	Undertake detailed financial analysis of net impact of FOGO to total waste costs to council.
Capex/Opex review	Engage a quantity surveyor to refine feasibility stage costs to provide a more robust and reliable financial analysis for business case.
<b>Delivery model</b>	
Confirmed scope of project	Assessment and confirmation of overall contract delivery structure.
Assessment of shortlisted delivery models	Evaluate PPP delivery model options against project objectives.
Informal market sounding	Engage the market via a market sounding framework to gauge the interest and appetite in the preferred delivery model.
Illustrative risk allocation assessment	Identification, management, and allocation of key project risks to align with the OLG PPP Guidelines for council-led PPPs.
Procurement strategy	Finalise and implement a procurement strategy based on the preferred delivery model.

**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 largescale 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 14 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*

## 2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)

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*amendments:*

- 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.*

Specifically addressing resolution 864/20 above, a Directions Paper (The Paper) was prepared for Council which provided the options and recommendations for the processing of FOGO. The Paper set the direction for the project by considering policy context, organic feedstock projections, compost markets, contamination issues, processing technology options, facility scale, site selection, education and engagement, high-level cost estimates, contractual considerations, and delivery model options.

The Paper also outlined the key technical, commercial, and community-focused considerations relating to introducing a kerbside collection service for household FOGO, and the processing of organics through a large-scale organics processing solution. The purpose of the The Paper was to narrow down the range of opportunities available to Council so that further investigations would be targeted.

## 2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)

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As part of this initial phase of work, The Paper recommended in-vessel composting (IVC) technology, and the Buttonderry Waste Management Facility (BWMF) was identified as the most suitable site for the location of an organic's treatment and processing facility. Building a waste management facility on Council-owned land is beneficial due to factors such as land cost, access to landfill, and creating an integrated waste management solution. Furthermore, finding suitable sites for waste management facilities that are licensed (or can easily obtain appropriate licenses) and have community acceptance/social licence can be challenging.

As a result, following completion of The Paper, a Site Suitability Assessment was undertaken to identify and assess potential locations within the BWMF that would be optimal for the development of a FOGO processing facility. The Paper was submitted to the Ordinary Council Meeting on 28 February 2023 and outlined the various options that could be available to provide a FOGO solution for the Central Coast LGA.

At this meeting Council resolved as follows:

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.*

This Report and the attached Feasibility Report are provided in response to the above 4 resolutions. The Feasibility Report demonstrates that the development of an onsite composting solution at Buttonderry remains a viable solution and the recommendations in this Council report support progression to the next phase of detailed Business Case where assumptions within this Feasibility Report will be further refined prior to any future Council report or procurement process.

### **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.

Phase 1 (Directions Paper) of the project was completed and endorsed by Council 28 February 2023. This report is provided as Stage 2 - Detailed technical and financial feasibility report.

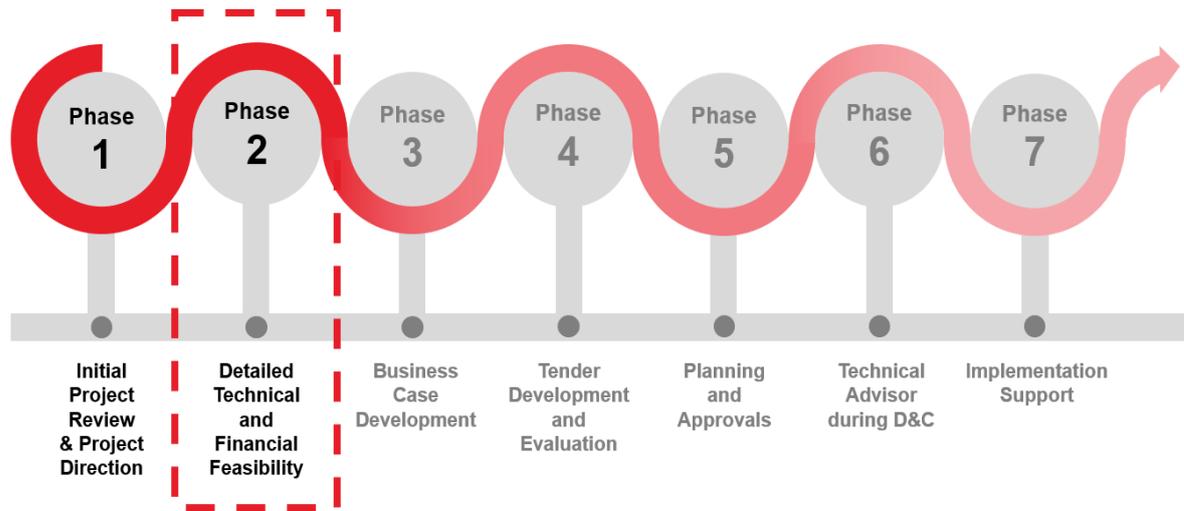


Table 1 (below) describes each of these phases, outcomes, and deliverables.

Phase	Purpose	Outcome
<b>Phase 1</b> - 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
<b>Phase 2</b> - 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
<b>Phase 3</b> - Business case development	Clearly communicate project costs, benefits and credibility to funding approval stakeholders	Secure funding to deliver FOGO project
<b>Phase 4</b> - 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
<b>Phase 5</b> - Planning and approvals	Identify appropriate planning and approvals pathways. Manage interface between planning and design development.	Secure planning approval (EIS).

**2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)**

	Produce clear, well-structured and technically robust documentation for planning and environmental approvals.	
<b>Phase 6 – Design and construct</b>	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
<b>Phase 7 - Implementation</b>	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 (Directions Paper) of the project was completed and endorsed by Council on 28 February 2023. This report is provided as Stage 2 - Detailed technical and financial feasibility report.

Subject to endorsement of the recommendations within this phase 2 Feasibility Report, Council proposes to immediately proceed to the next critical stages and carry out phase 3 – Business Case Development. The Business Case phase 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 Technical and Financial Feasibility Study and Report (Feasibility Report) documents the outcomes from a high-level assessment of the previous Directions Paper recommendation with respect to the delivery of a FOGO solution. The Feasibility Report further refines the key technical and financial considerations relating to introducing a kerbside collection service for household FOGO, and processing of the organics through a large-scale organic processing solution.

This Feasibility Report builds on the findings presented in the Directions Paper, and the Site Suitability Assessment and provides an evidence base that is intended to enable Council to make robust and informed decisions throughout the procurement process for FOGO processing infrastructure. This Feasibility Report has involved:

- A review of locational aspects of the proposed facility, informed by a Geotechnical investigation and preparation of early design work upon which the financial analysis is based.
- Review and presentation of a Basis of Design (BoD).
- Review of alternate access routes to the facility including the viability of each option.

## **2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)**

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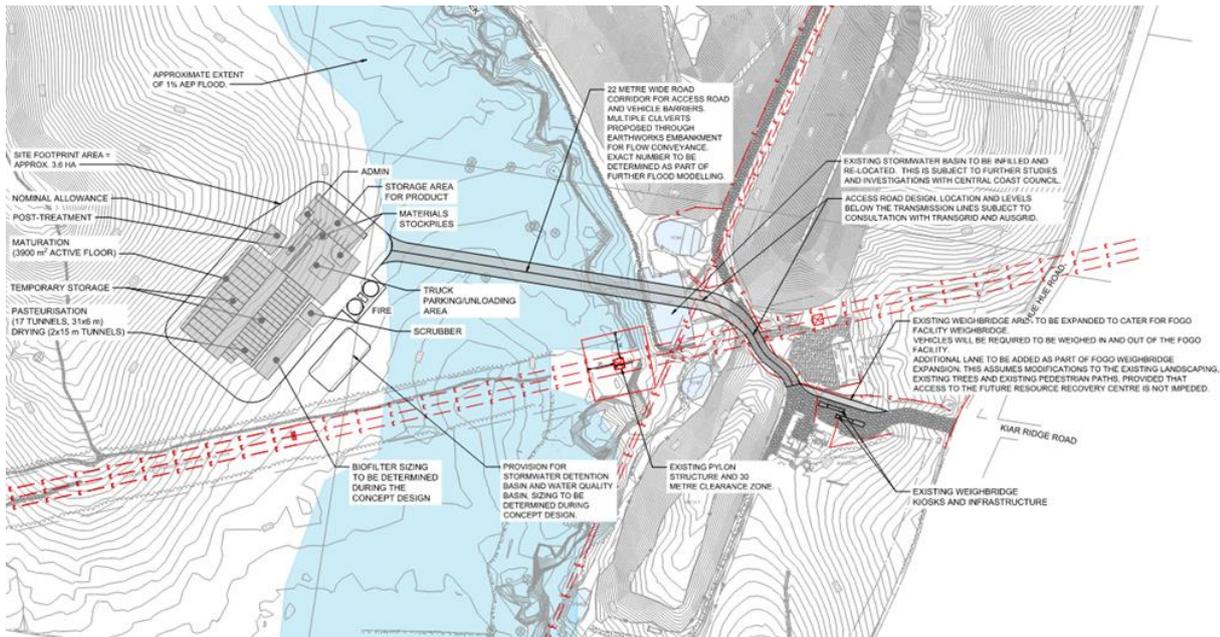
- Technical explanation of the key components of the chosen FOGO processing infrastructure (IVC), including typical sizing and features for safety, amenity and quality control.
- Updated analysis of NSW data regarding organics feedstock volumes to support facility sizing.
- Further consideration of potential product outputs.
- Preliminary Capex and Opex costing estimates.
- A financial appraisal including anticipated cash flows and any resulting funding / financing needs.
- Analysis of project delivery models and contractual considerations, and a recommended delivery model to progress to the business case stage.

### Technical feasibility and design

The design of the facility commenced with preparation of a Basis of Design and development of a mass balance for material movement into, within and out of the facility. This set the key design criteria, processing requirements and collated relevant background information about the site and previous studies, to inform the feasibility design.

The facility is designed to process the estimated annual throughput of 103,000 tpa of FOGO waste (sized for peak demand in 2047). Allowing for a maximum contamination rate of 5%, and feedstock seasonality (i.e. a peak seasonal uplift of 20%) the nameplate capacity of the facility is 123,600 tpa. The process involves a 15+27+20 day in-vessel composting process to comply with the requirements of AS 4454 (mature composted soil conditioner output product). The mass of composted product produced is approximately 30% of the input mass.

Multiple siting locations and access routes were considered for the facility, the selection of which was informed by geotechnical investigations, site layout development, site constraints and consultation with Council. The final location and preliminary site layout is presented below (and shown in Figure 4-7 on page 29 of the Feasibility Report). Refer also to drawing 286313-00-FOGO-CICW-DRG-0001 in Appendix C of the Feasibility Report for the general site layout drawing.



### Preliminary site layout

The FOGO facility is situated to the north of the easement for the electrical transmission lines and to the west of (including freeboard over) the mapped 1% AEP flood extents. Topography in the footprint of the FOGO facility slopes on an average 6% gradient, falling from the northwest to the southeast. The southeast portion is the low part of the site and is where the stormwater detention basin is proposed. Significant earthworks are required to create the platform. Access is provided over Buttonderry creek to the east of the site, which will require road construction to minimise creek impact and the relocation of the sedimentation pond associated with the landfill site.

Excluding the access road and stormwater detention basin, the main FOGO facility occupies approximately 3.6Ha, with a building/structure area of ~2Ha. The facility is fully enclosed for environmental purposes (odour, leachate, and spillage control). The site layout proposed balances key constraints regarding logistics, access, traffic, process, and infrastructure to achieve a suitable design outcome. Refinement of the design is required during concept stage before preparing EIS documentation.

The feasibility design was used to inform key inputs to the financial modelling for capex and opex, including items such as earthworks volumes, hardstand areas, staffing, and resource (power/water/fuel) use.

### Financial modelling and commercial analysis

A financial appraisal has been undertaken on the proposed FOGO facility. The financial appraisal focussed on the project's anticipated cash flows and any resulting funding / financing need. The financial appraisal aims to determine whether:

- the project is operationally viable (i.e., the projected revenues are sufficient to cover all costs of the project during the operating phase).

## 2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)

- the project is financially viable (i.e., that net operating cash flows are sufficient to recoup upfront capital costs over the operating phase).
- appropriate financing / funding sources have been identified.

The financial analysis was developed on the basis of full cost recovery over an assumed 20-year financial appraisal period. The analysis has been centred around developing an understanding of the whole-of-life costs of the proposed facility, including their quantum and timing, and any resulting inflationary impacts.

Three scenarios were developed with Council in the Financial Analysis workshop to assess the operational and financial viability of the project.

Further analysis in the next stage (business case) will need to be undertaken to better understand risk transfer and adequately quantify the risks associated with each procurement model.

### Important Note:

Some sections of Financial Modeling and Basis of Design details have been redacted in the Feasibility report. The redacted information includes commercially confidential and preliminary stage financial projections for the project, inclusive of potential Council contribution levels to the funding of the project, which may unduly influence or effect future outcomes or tender submissions, potentially resulting in a tendered solution that does not represent the best value for money for Council.

### Delivery model

A preliminary assessment of delivery models was undertaken and presented within the Directions Paper, identifying the suitability of PPPs and an alliance model to deliver the FOGO processing infrastructure. Since the publication of the Directions Paper, the project primarily concentrated on advancing technical work scopes related to the project design. However, in August 2023, a meeting between the Council and advisors was used to refine the delivery model options shortlist, reinforcing the advantages and preferences of PPPs, whilst excluding the alliance model from further analysis. This decision reflected the Council's guidance on its financing and funding options, namely that it was open to private sector contribution to the project and may not be able to fully finance a new facility. Presently, these options primarily consider a long-term relationship with a private sector contribution and, in most cases, the use of external financing. Consequently, a well-defined risk allocation between the Council and private sector participants is critical. The table below summarises the revised shortlist of delivery model options and the justification for their exclusion or further analysis.

Model	Suitability	Justification
Traditional delivery models		
Construct Only (CO)	✗ <i>Not suitable</i>	Incorporating design and other risks into the construction is crucial for this project. The Council's obligation to maintain design and other key risks is

## 2.10

## Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)

	<i>for consideration</i>	deemed undesirable and unsuitable. Consequently, the model is deemed inappropriate for further consideration.
Design and Construct (D&C)	✗ <i>Not suitable for consideration</i>	Integrating the design element into the delivery model is essential and provides an advantage over the CO model. Nonetheless, the absence of interface between construction and operations phases poses a significant risk to the Council, rendering it unsuitable for further consideration.
Collaborative delivery model(s)		
Alliance	✗ <i>Not suitable for consideration</i>	Initially considered, the alliance model is now deemed unsuitable for the Council due to misalignment with the project objectives and necessary financing for the successful delivery of the FOGO facility. While \$50 million in potential capital funding has been identified by Council, additional financing is required to deliver the project. This underscores the need for a delivery model that entails a well-defined risk allocation between the private sector and the Council, effectively achieved through PPP models.
Public-private delivery model(s)		
Design, Construct, Operate and Maintain (DCOM)	✓ <i>Suitable for consideration</i>	The DCOM enables integration of whole-of-life responsibilities and transfers a considerable portion of project risks to the private sector. Council, however, maintains responsibility for financing project activities, potentially impacting its balance sheet. Additional information on Council's willingness to retain financing risk, operating revenue risk, and the likelihood of sufficient demand for product outputs is necessary before reaching a final decision.
Public private Partnership (PPP) – Availability Payment Model	✓ <i>Suitable for consideration</i>	The Availability PPP facilitates the integration of whole-of-life responsibilities for a specified period, usually 15-30 years. This model also enables the transfer of complex project risks, including the responsibility for raising and structuring debt and equity financing. While Council retains the demand risk and serves as the primary revenue source for the SPV, further information is needed to assess the Council's willingness to underwrite demand/revenue risk and the likelihood of sufficient demand for product outputs before making a final determination.
Build, Own, Operate / Transfer (BOO(T))	✓ <i>Suitable for consideration</i>	The BOO and BOOT models facilitate the integration of whole-of-life responsibilities and the transfer of project risks to the private sector. These models also provide the private sector counterparty with the option to secure additional feedstock supply beyond what is supplied by the Council. Before reaching a final decision, more information is needed regarding the Council's willingness to underwrite a certain degree of demand/revenue risk, collaborate with third-party feedstock suppliers for facility sharing, and assess the likelihood of sufficient demand for product outputs.

This Feasibility Report extends on the Directions Paper by summarising the context of the project and highlighting the updates that have been made to key assumptions to the procurement approach. It outlines the commercial considerations relevant to advancing the project prior to developing a business case. Specifically, the Report details the need for Council to undertake informal market sounding, delivery model analysis and a formal risk allocation assessment to align with best practice and the NSW Office of Local Government (OLG) PPP Guidelines. The pathway forward, along with recommendations for Council presented in Section 6 of the attached Feasibility Report, are proposed to ensure a fit-for-

## 2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)

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purpose procurement approach is developed and implemented as part of the project delivery.

### Stakeholder Engagement

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 2020-21 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 and externally during the development of the FOGO Feasibility Report and previous Directions Paper. These workshops conducted robust discussions, cross referencing and 'stress testing' around each aspect and options to ensure a wide range of knowledge and confidence levels were brought to the process. 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 Business Case development phase seeking endorsement prior to calling tenders. Extensive community engagement will be undertaken prior the roll out of any FOGO Service.

### 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.

This report does not commit Council to additional expenditure beyond the current planned Phase 3 Business Case for the development of a FOGO processing solution, which has already been budgeted in 2024-25 and specialist consultancy assistance is already contracted.

The completion of the 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.

A future Stage 3 report to Council will provide full financial details from the Business Case development and detail any recommendations for further progress towards FOGO Services implementation and delivery.

### **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 utilising expertise across areas such as waste strategy and technologies, project management, infrastructure design, land use planning, and both internal and external 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 favourable 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 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.

## 2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)

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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 carry out further investigations and move to the 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 adopts the recommendations within this report and proceeds to the 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. (This is not recommended).

### 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 that future investment into processing infrastructure is unlikely to be made without entering into an underpinning long term feedstock contract, Council needs to progress the project to meet the state targets.

Council's 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 contact planned for 2025-26.

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

**2.10 Food Organics and Garden Organics (FOGO) Feasibility Study Technical and Financial Update (cont'd)**

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**Attachments**

<b>1</b>	Feasibility Report-CCC-ARUP-RPT-0002  Final_Redacted	Provided Under Separate Cover	D16196905
<b>2</b>	Confidential - Feasibility Report-CCC-ARUP- RPT-0002 Final -	Provided Under Separate Cover	D16199967



**Item No:** 2.11  
**Title:** Central Coast Council and Sport Central Coast Memorandum of Understanding  
**Department:** Community and Recreation Services

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28 May 2024 Ordinary Council Meeting

Reference: F2021/02101 - D16177212  
Author: Brett Sherar, Unit Manager, Open Space and Recreation  
Manager: Melanie Smith, Director Community and Recreation Services  
Executive: Melanie Smith, Director Community and Recreation Services

## **Recommendation**

***That Council authorises the Chief Executive Officer signing the Memorandum of Understanding between Central Coast Council and Sport Central Coast. (Attachment 1)***

## **Report purpose**

To formalise a working partnership between Central Coast Council (CCC) and Sport Central Coast (SCC) for the facilitation, support, advocacy, promotion and delivery of Sport and Active Recreation on the Central Coast.

## **Executive Summary**

The Memorandum of Understanding (MOU) between CCC and SCC signifies a joint commitment to advancing sport, leisure, and recreation in the Central Coast Local Government Area (LGA), aiming to foster a healthy and vibrant community. The term of the MOU is two years, commencing from the date of execution, and will be reviewed when the term ceases to determine if it is beneficial to continue the relationship.

CCC agrees to collaborate with SCC on strategic priorities, recognising SCC as the peak advocacy body and integrating its insights into decision-making processes. In return, SCC pledges to support CCC's priorities, represent local sports communities, facilitate stakeholder feedback, and act as a liaison between local organizations and CCC.

This partnership emphasizes inclusivity, sustainability, and maximizing the benefits of sport and recreation for residents across the region, making it a proactive step towards building a healthier and more active community on the Central Coast. Therefore, approval of the MOU is recommended to formalise and strengthen this valuable collaboration.

## **Background**

Sport Central Coast were constituted in 2019 as a not-for-profit organisation, to deliver the Central Coast's Sport and Active Recreation Regional Plan as per the Office of Sports community consultation process to create Regional Sport and Active Recreation Plans. SCC have been endorsed by the Office of Sport to own and deliver the next phase of the Central Coast's Regional Plan. SCC are constituted to have a representative from Council, the Office of Sport, Central Coast Sports Academy and community sporting associations and groups on their Board of Directors.

The reason an MOU is being proposed between Council and SCC is to strengthen the relationship between Council and sporting groups, ensure better, informed decision making in relation grant funding opportunities for sporting facilities and provide feedback from a peak sporting body that will inform Council's strategic documents in relation to sport on the Central Coast.

## **Current Status**

An MOU has been created and is awaiting approval of Council for the Chief Executive Officer to execute this document.

## **Stakeholder Engagement**

Meetings have been held between relevant Council staff and Sport Central Coast Directors to discuss the development, purpose, and benefits of the formalisation of an MOU between the two parties.

## **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 MOU does not commit Council to any funding contribution.

## Link to Community Strategic Plan

Theme 5: Liveable

### Goal L: Healthy lifestyle for a growing community

L-L1: Promote healthy living and ensure sport, leisure, recreation and aquatic facilities and open spaces are well maintained and activated.

### Risk Management

There are no identified risks involved in the signing of the Memorandum of Understanding between CCC and SCC.

### Options

1. That Council approve formalising a working partnership between CCC and SCC, via the signing of an MOU, for the facilitation, support, advocacy, promotion and delivery of sport and active recreation on the Central Coast. **(This is the recommended option).**
2. That Council do not enter an MOU with Sport Central Coast and continue to work with SCC on the basis of having a Council representative on the Board of Directors only. (This is not recommended).

### Critical Dates or Timeframes

To progress this partnership and the goals outlined in the MOU, it is desirable that approval be given to the Chief Executive Officer to sign the MOU as soon as possible.

### Attachments

<b>1</b>	Memorandum of Understanding - Central Coast Council and Sport Central Coast	Provided Under Separate Cover	D16179371
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**Item No:** 2.12  
**Title:** Federal Parliamentary Inquiry (Inquiry into Local Government Sustainability) and Upper House Standing Committee on State Development (Inquiry into Ability of Local Governments to fund infrastructure and services)

**Department:** Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2018/00469 - D16195479  
Author: Emma Galea, Chief Financial Officer  
Executive: Marissa Racomelara, Director Corporate Services

## Recommendation

### ***That Council:***

- 1 Notes the staff submission to the Upper House Standing Committee on State Development – Inquiry into Ability of Local Governments to fund infrastructure and services (NSW).***
- 2 Endorses the Federal Parliamentary Inquiry – Inquiry into Local Government Sustainability, for submission, attached as Attachment 1 to this report.***

## Report purpose

To present the staff submission to the Upper House Standing Committee on State Development – *Inquiry into Ability of Local Governments to fund infrastructure and services*, and the draft submission to the Federal Parliamentary Inquiry – *Inquiry into Local Government Sustainability*, respectively, attached as Attachment 1 to this report. It is proposed to utilise the same submission for both Inquiries due to the substantially similar Terms of Reference.

## Executive Summary

A Federal Parliamentary Inquiry – *Inquiry into Local Government Sustainability*, and a State Government inquiry through the Upper House Standing Committee on State Development – *Inquiry into Ability of Local Governments to fund infrastructure and services*, are being undertaken. Both inquiries relate to the financial challenges associated with ability of local government to fund infrastructure and services. Council staff prepared a submission outlining the specific challenges faced by Central Coast Council.

The same submission has been provided in response to each respective inquiry. A copy of the submission is attached as Attachment 1 to this report.

## 2.12 **Federal Parliamentary Inquiry (Inquiry into Local Government Sustainability) and Upper House Standing Committee on State Development (Inquiry into Ability of Local Governments to fund infrastructure and services) (cont'd)**

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### **Background**

A State Government inquiry through the Upper House Standing Committee on State Development – *Inquiry into Ability of Local Governments to fund infrastructure and services*, and a Federal Parliamentary Inquiry – *Inquiry into Local Government Sustainability* are being undertaken.

### **Inquiry into Ability of Local Governments to fund infrastructure and services** *New South Wales Legislative Council Standing Committee on State Development*

The NSW Legislative Council's Standing Committee on State Development is undertaking an inquiry into the ability of local government to fund infrastructure and services.

When announcing the inquiry, the Chair of the Committee, Emily Suvaal MLC, noted that: *'Councils are experiencing significant financial challenges which are threatening the long-term sustainability of the sector. As the level of government closest to the people of this state, we owe it to councils to ensure they can continue to deliver the important services communities expect and deserve.'*

The Chair of the Committee also indicated that a particular focus of the inquiry will be the rate peg. The rate peg has been a matter of some controversy over recent years and has been the subject of several reviews, including by the Independent Pricing and Regulatory Tribunal which concluded in late 2023.

The terms of reference nominate the following areas of particular focus:

- the level of income councils require to adequately meet the needs of their communities
- examine if past rate pegs have matched increases in costs borne by local governments
- current levels of service delivery and financial sustainability in local government, including the impact of cost shifting on service delivery and financial sustainability, and whether this has changed over time
- assess the social and economic impacts of the rate peg in New South Wales for ratepayers, councils, and council staff over the last 20 years and compare with other jurisdictions
- compare the rate peg as it currently exists to alternative approaches with regards to the outcomes for ratepayers, councils, and council staff
- review the operation of the special rate variation process and its effectiveness in providing the level of income Councils require to adequately meet the needs of their communities

## **2.12 Federal Parliamentary Inquiry (Inquiry into Local Government Sustainability) and Upper House Standing Committee on State Development (Inquiry into Ability of Local Governments to fund infrastructure and services) (cont'd)**

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- any other related matters.

The closing date for submissions to this Inquiry was 26 April and it was therefore not feasible to present the draft submission to Council for endorsement. Accordingly, a staff submission was provided to the Inquiry and this is attached to this report for noting.

Further details on the inquiry can be accessed through the following link:  
[Ability of local governments to fund infrastructure and services \(nsw.gov.au\)](https://www.nsw.gov.au/infrastructure/infrastructure-and-transport/infrastructure-and-transport-issues/ability-of-local-governments-to-fund-infrastructure-and-services)

### **Inquiry into Local Government Sustainability**

*Commonwealth House of Representatives Standing Committee on Regional Development, Infrastructure and Transport*

On 21 March 2024, the Commonwealth House of Representatives Standing Committee on Regional Development, Infrastructure and Transport launched an inquiry into the financial sustainability of local government.

The terms of reference nominate the following areas of particular focus:

- The financial sustainability and funding of local government
- The changing infrastructure and service delivery obligations of local government
- Any structural impediments to security for local government workers and infrastructure and service delivery
- Trends in the attraction and retention of a skilled workforce in the local government sector, including impacts of labour hire practices
- The role of the Australian Government in addressing issues raised in relation to the above, and
- Other relevant issues.

This inquiry represents an opportunity to address longstanding concerns about the funding of the local government sector, including funding shortfalls, insecurity of funding streams, and governance arrangements.

The Chair of the Committee, Luke Gosling MP, emphasised impacts in regional areas, noting that the committee "is seeking to understand the challenges faced by local governments in servicing infrastructure requirements across Australia's regional, rural, and remote locations." The Chair stated Committee was aware of significant public infrastructure workforce shortages, particularly in local government areas, and the importance of promoting skills development and job security for Australians.

The Committee will examine labour hire and retention trends, including the impacts of labour hire practices, to identify barriers and opportunities to support local workforce and local government sustainability and service delivery obligations.

## **2.12 Federal Parliamentary Inquiry (Inquiry into Local Government Sustainability) and Upper House Standing Committee on State Development (Inquiry into Ability of Local Governments to fund infrastructure and services) (cont'd)**

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Councils are dependent on funding streams under the control of Commonwealth and state governments. At the same time, there remains an expectation from the community that local councils deliver a wide range of services.

Ongoing challenges including rate capping and cost-shifting leaves councils faced with an unenviable choice between absorbing funding shortfalls from other levels of government or leaving key services inadequately funded.

Councils are also heavily dependent on grants from the Commonwealth in the form of financial assistance grants (FAGs), yet it is more than a decade since the last review of the distribution of these grants. A funding model that is heavily grants-based is vulnerable to a decline in allocations over time and is inherently less certain than fixed funding streams.

Submissions for this Inquiry are due 31 May 2024, and this report recommends that the document at Attachment 1 is submitted on behalf of Council.

Further details on the inquiry can be accessed through the following link:  
[Inquiry into local government sustainability – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au/inquiry-into-local-government-sustainability)

### **Report**

The staff submission responds to the terms of reference for each respective inquiry.

The submission outlines challenges experienced by Council that are relevant to the terms of reference of the respective inquiries have been summarised under the following areas of discussion:

- Rate-Pegging
- Cost-Shifting
- Funding for ongoing maintenance and depreciation of new assets
- Developer Contribution Funding
- Special Rate Variations
- Standards, legislation, specifications, and best practice
- Government levies

The submission also puts forward possible solutions that could be considered to alleviate these challenges. As noted earlier, the document has been submitted the NSW Parliament Inquiry and it is recommended that Council endorse the same submission for furnishing to the Federal Government Inquiry prior to the due date of 31 May 2024.

**2.12 Federal Parliamentary Inquiry (Inquiry into Local Government Sustainability) and Upper House Standing Committee on State Development (Inquiry into Ability of Local Governments to fund infrastructure and services) (cont'd)**

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**Stakeholder Engagement**

The submission to the the Federal Parliamentary Inquiry – *Inquiry into Local Government Sustainability* and the Upper House Standing Committee on State Development – *Inquiry into Ability of Local Governments to fund infrastructure and services*, responds the opportunity for Council to engage with other levels of government regarding the financial sustainability challenge and infrastructure funding.

**Financial Considerations**

There are no direct financial implications arising from the submission to the respective inquiries.

The submission responds to the opportunity for Council to continue to advocate to other levels of Government regarding the financial challenges experienced by Council regarding its ability to invest funding required for infrastructure and services whilst remaining financially sustainable.

**Link to Community Strategic Plan**

Theme 4: Responsible

**Goal G: Good governance and great partnerships**

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.

**Attachments**

<b>1</b>	Submission on the ability of local governments to fund infrastructure services	Provided Under Separate Cover	D16195393
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**Item No:** 2.13  
**Title:** Closure of Public Pathways on either side of 18 Macleay Avenue Woy Woy - Consideration of Submissions

**Department:** Environment and Planning

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28 May 2024 Ordinary Council Meeting

Reference: F2023/01762 - D16148608  
Author: John Lowrie, Special Projects Officer  
Manager: Chris Barrett, Commercial Property Manager Commercial Property  
Executive: Luke Sulkowski, Director Environment and Planning (Acting)

## Recommendation

### ***That Council:***

- 1 Notes the submissions that have been made in respect of proposals to close the public pathways on either side of 18 Macleay Avenue Woy Woy as part of a 28-day public notification period.***
- 2 In accordance with the provisions of Part 4 of Division 3 of the Roads Act 1993, authorises the process to close the public pathways between:***
  - a) Lot 16 DP 255220 (18 MacLeay Avenue Woy Woy) and Lot 127 DP 245660 (12-16 MacLeay Avenue Woy Woy).***
  - b) Lot 16 DP 255220 (18 MacLeay Avenue Woy Woy) and Lot 17 DP 255220 (20 Nambucca Drive Woy Woy).***
- 3 Resolves that the closed road reserve be classified as operational land.***
- 4 Authorises the Chief Executive Officer to execute all necessary documentation to finalise the partial closure of the public pathways and the consolidation of the closed pathways with the adjoining land at 18 Macleay Avenue Woy Woy.***
- 5 Ensures all relevant parties are notified as to the closure and consolidation of land when completed.***

## Report purpose

To finalise the closure of public pathways on either side of 18 Macleay Avenue Woy Woy following a 28-day public notification period and to authorise the consolidation of the closed pathways with the land at 18 Macleay Avenue Woy Woy.

## 2.13 Closure of Public Pathways on either side of 18 Macleay Avenue Woy Woy - Consideration of Submissions (cont'd)

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### Executive Summary

Resolutions from the 15 June 2021 and 11 October 2022 Ordinary Council Meetings have authorized public notification of proposals to close public pathways on either side of land at 18 Macleay Avenue Woy Woy and to consolidate the public pathways into the subject land.

The statutory notification process has now been carried out.

A total of 11 responses were received but none of these responses were objections.

Accordingly, authorisation is sought from Council to finalise the partial Road Closure.

### Background

At the 15 June 2021 Ordinary Council Meeting it was resolved that Council should enter into a Planning Agreement under the Environmental Planning and Assessment Act with the owner of Lot 16 DP 255220 (18 Macleay Avenue, Woy Woy).

As part of the Planning Agreement, it was proposed that the two adjoining public pathways should be closed and consolidated into the subject land, subject to the outcome of the mandatory public notification process.

#### *178/21 Resolved*

1. *That Council prepare a Planning Proposal to rezone the western part of Lot 16 DP 255220 and the adjoining pathways to R1 General Residential under Gosford Local Environmental Plan 2014 or Central Coast Local Environmental Plan (whichever is in effect at the time).*
2. *That Council, as part of the Planning Proposal, apply the following mapping layers to the land proposed to be zoned R1 General Residential:*
  - a) *Minimum Lot Size of 550m<sup>2</sup>;*
  - b) *Maximum Building Height of 8.5m; and*
  - c) *Floor Space Ratio of 0.7:1 with blue line (under Gosford Local Environmental Plan 2014, or 0.5:1 in Area 1 (under Central Coast Local Environmental Plan).*
3. *That Council submit the Planning Proposal to the Minister for Planning in accordance with Section 3.35(2) of the Environmental Planning and Assessment Act 1979, requesting a Gateway Determination, pursuant to Section 3.34 of the Environmental Planning and Assessment Act 1979.*

**2.13 Closure of Public Pathways on either side of 18 Macleay Avenue Woy Woy - Consideration of Submissions (cont'd)**

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4. *That Council request delegation for Council to finalise and make the draft Local Environmental Plan, pursuant to Section 3.36 of the Environmental Planning and Assessment Act 1979.*
5. *That Council authorise the Chief Executive Officer (or delegate) to enter into a Planning Agreement with the owner of Lot 16 DP 255220 to require:*
  - a) *Dedication of the eastern part of the land to Council for a drainage reserve;*
  - b) *Inclusion of the two adjoining pathways into the subject land in accordance with Council's procedures.*
6. *That Council undertakes community and public authority consultation in accordance with the Gateway Determination requirements, including the concurrent exhibition of the draft Planning Agreement.*

At the 11 October 2022 Ordinary Council Meeting, following community and public authority consultation in accordance with the Gateway Determination requirements, the Chief Executive Officer was authorised to execute the Planning Agreement for Lot 16 DP 255220 as exhibited.

*181/22 Resolved*

1. *That Council request the Chief Executive Officer to exercise delegation issued by the Department of Planning and Environment for RZ/107/2020 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.*
2. *That Council authorise the Chief Executive Officer (or delegate) to execute the Planning Agreement for Lot 16 DP 255220 as exhibited.*
3. *That all those who made submissions during the public exhibition be notified of Council's decision.*

The Council public pathways proposed for closure are:

- Pathway Between Lot 16 DP 255220 (18 MacLeay Avenue Woy Woy) and Lot 127 DP 245660 (12-16 MacLeay Avenue Woy Woy)
- Pathway Between Lot 16 DP 255220 (18 MacLeay Avenue Woy Woy) and Lot 17 DP 255220 (20 Nambucca Drive Woy Woy)

## **2.13 Closure of Public Pathways on either side of 18 Macleay Avenue Woy Woy - Consideration of Submissions (cont'd)**

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### **Current Status**

In accordance with Section 32B of the Roads Act 1993 and Clause 81 of the Roads Regulation 2018, a public notification period was undertaken for a period of not less than 28 days. The submission period commenced on 5 February 2024 and concluded on 7 March 2024.

Summary of Public Notifications:

- Road closure notification registered letters were sent to the four adjoining landowners.
- Road closure notification emails were sent to the four adjoining landowners.
- Road closure notification emails were sent to the eighteen notifiable authorities.
- Road closure public notification published in the Coast Community Newspaper.
- Road closure public notification posted on the Council website public notice page.

Summary of Public Notifications Responses:

- One response from the four adjoining landowners.
- Ten notifiable authorities responded to the notifications.
- No responses from the newspaper notification or public notice .
- No other responses

### **Report**

During the notification period, staff received no objections for its proposal to close part of the public pathways adjoining 18 Macleay Avenue.

During the notification period, Council did not receive a response to the newspaper notification or to the public notice notification on the Council website page.

One adjacent landowner responded to the notifications.

- Hammondcare staff called Council staff to seek clarification on the proposal. They were satisfied by the Council staff response and had no objections to the pathways closing.

Ten notifiable authorities responded to the notifications.

- Crown Lands did not object to the closure or the proposed vesting in Council upon closure.
- The NSW Department of Planning, Housing and Infrastructure had no objection to the proposed road closure.

## **2.13 Closure of Public Pathways on either side of 18 Macleay Avenue Woy Woy - Consideration of Submissions (cont'd)**

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- The NSW Department of Climate Change, Energy, the Environment and Water requested a further explanation of the proposal and was satisfied by Council's response.
- The Forestry Corporation of NSW had no objection to the proposed closure.
- The NSW National Parks & Wildlife Service (NPWS) had no objection to these proposed road closure.
- Transgrid had no objection to the proposed road closure.
- Ausgrid had no objection to the proposed road closure.
- Endeavour Energy had no objection to the proposed road closure.
- APA Group had no objection to the proposed road closure.
- Jemena Asset Management had no objection to the proposed road closure.

### **Stakeholder Engagement**

Council undertook the required community and public authority consultation in accordance with the Gateway Determination requirements, including the exhibition of the draft Planning Agreement.

The Planning Proposal and draft Planning Agreement were publicly exhibited from 4 August 2022 to 1 September 2022 in accordance with the Department of Planning and Environment's Guide to Preparing Local Environmental Plans and the Gateway Determination (see 11 October 2022 report for more details).

Council staff provided regular updates on the road closure process to the owners of Lot 16 DP 255220 (18 MacLeay Avenue Woy Woy) in order to facilitate the operative provisions of the Planning Agreement.

Economic Development and Property Unit staff consulted with the Roads and Drainage Infrastructure Unit throughout the road closure process and the Roads and Drainage Infrastructure Unit certified that construction of two pathways had occurred in the road reserve (pathway sites) on either side of 18 MacLeay Avenue, Woy Woy (Lot 16 DP 255220).

Certification of construction works means that the road will vest in Council upon closure.

Economic Development and Property staff also consulted with the Land Information Services section and with NSW Crown Lands to establish evidence of public road status.

## 2.13 Closure of Public Pathways on either side of 18 Macleay Avenue Woy Woy - Consideration of Submissions (cont'd)

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Evidence of public road status is required so that the road will vest in Council upon closure.

### 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 Planning Agreement stipulates that the proponent “*pay all costs associated with the application for the Pathways Closure*”. In this regard Council costs are being recovered in line with Council’s Fees and Charges 20023-24 “Closure and Sale of Public Road” (Fee No’s 1971-1975).

### 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

No material risks have been identified in relation to the proposed public pathway closure and associated consolidation of the two pathways into the adjoining land at 18 Macleay Avenue Woy Woy.

### Options

1. Do not approve finalisation of the public pathway closure proposal and associated consolidation of the pathways into the adjoining land. This would not be in keeping with the Planning Agreement that has been entered into between Council and the owner of the adjoining land. (This is not recommended).
2. Approve finalisation of the public pathway closure proposal and associated consolidation of the pathways into the adjoining land. This would in turn authorise the Chief Executive Officer to execute all necessary documentation to finalise the

**2.13 Closure of Public Pathways on either side of 18 Macleay Avenue Woy Woy - Consideration of Submissions (cont'd)**

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partial closure of the road and the transfer of the land to the adjoining owner.  
**(This is the recommended option).**

**Attachments**

<b>1</b>	Survey Plan Showing Macleay Avenue Pathways  Proposed for Closure	Provided Under Separate Cover	D16150153
<b>2</b>	Notifications & Responses - Closure of Pathways  either side of 18 Macleay Avenue Woy Woy	Provided Under Separate Cover	D16150177



**Item No:** 2.14  
**Title:** Finalisation of Road Closure and Land Swap - Little Jilliby Road, Little Jilliby  
**Department:** Environment and Planning

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28 May 2024 Ordinary Council Meeting

Reference: F2023/01574 - D16150330  
Author: John Lowrie, Special Projects Officer  
Manager: Chris Barrett, Commercial Property Manager Commercial Property  
Executive: Luke Sulkowski, Director Environment and Planning (Acting)

## **Recommendation**

### ***That Council:***

- 1 Notes submissions made about the proposed partial closure of public road reserve adjacent to 227 Little Jilliby Road, Little Jilliby (referred to as Lot 232 in Attachment 1).***
- 2 Resolves to finalise the partial road closure in accordance with Part 4 of Division 3 of the Roads Act 1993 and authorise the Chief Executive Officer to execute all necessary documentation.***
- 3 Reaffirms its intention to consolidate the closed public road reserve with adjoining land at 227 Little Jilliby Road, Little Jilliby and authorise the Chief Executive Officer to execute all necessary documentation.***
- 4 In conjunction with the partial road closure and land consolidation, authorises the Chief Executive Officer to execute all necessary documentation to finalise the acquisition of part of 227 Little Jilliby Road, Little Jilliby (referred to Lot 233 in Attachment 1) and resolve to dedicate the acquired land as public road reserve.***
- 5 Notifies all relevant parties in relation to items 1, 2, 3 and 4.***

## **Report purpose**

In combination:

- To finalise partial closure of public road reserve adjoining 227 Little Jilliby Road, Little Jilliby and authorise the consolidation of the closed public road reserve (referred to as Lot 232 in Attachment 1) with adjacent land at 227 Little Jilliby Road, Little Jilliby.
- To finalise the acquisition of part of the land at 227 Little Jilliby Road, Little Jilliby (referred to Lot 233 in Attachment 1) and dedicate the acquired land as public road reserve.

## **2.14 Finalisation of Road Closure and Land Swap - Little Jilliby Road, Little Jilliby (cont'd)**

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### **Executive Summary**

The purpose of this report is to finalise a land swap that will ensure that the physical route of Little Jilliby Road in the vicinity of land at 227 Little Jilliby Road is fully contained within the actual public road reserve.

The Council Meeting of 31 October 2023 authorised public notification of proposals to close part of the public road reserve adjoining 227 Little Jilliby Road and to consolidate the closed road reserve into the subject land.

The Council Meeting of 22 November 2022 authorised acquisition of part of land at 227 Little Jilliby Road by Council.

The statutory notification process has now occurred. A total of 7 responses were received but none of these were objections.

This report will allow finalisation of the partial road closure and consolidation of the closed road reserve with adjoining land and at the same time partial acquisition of adjoining land at 227 Little Jilliby Road.

### **Background**

The NSW Government provided Council with funding as part of the Fixing Country Bridges Program to replace Little Jilliby Bridge at Little Jilliby.

During the design phase of the project, it was discovered that part of the existing constructed road in the vicinity of 227 Little Jilliby Road was on private land rather than road reserve.

Options to relocate the road so that it was wholly within the existing road reserve were investigated but were deemed unviable as it would result in an unreasonable road alignment, would depart from the scope of the project, and significantly increase the cost.

The owners of 227 Little Jilliby Road agreed with Council to the proposal for a land swap.

To facilitate the land swap, a new Deposited Plan has been created (refer to Attachment 1) which subdivides a small triangular parcel (Lot 233) from 227 Little Jilliby Road, Little Jilliby (Lot 23 DP 731090) and creates a new Lot (Lot 232) from the closed part of the public road reserve.

Due to the comparable size and estimated value of the land in question it was agreed that the proposed Lot 233 be transferred to Council (and dedicated as road reserve) and the proposed Lot 232 transferred to the owners of 227 Little Jilliby Road.

## **2.14 Finalisation of Road Closure and Land Swap - Little Jilliby Road, Little Jilliby (cont'd)**

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The Partial Road Closure was approved at the Council meeting of 31 October 2023.

*180/23 Resolved*

*That Council:*

- 1. In accordance with the provisions of Part 4 of Division 3 of the Roads Act 1993, authorises the commencement of the process to close part of the road reserve in the vicinity of 227 Little Jilliby Road, Little Jilliby to enable the adjustment of the road reserve boundaries. The intention of the partial road closure is to ensure the existing road formation can be fully contained within the realigned road reserve.*
- 2. Gives notice of the road closure proposal as set out in Section 32B of the Roads Act 1993 and Clause 81 of the Roads Regulation 2018.*
- 3. Commences a public notification period of not less than 28 days.*
- 4. Receives a further report to consider submissions received during the period of the public notification.*
- 5. Resolves that, if the partial road closure is confirmed at a future meeting of Council,*
  - a) the closed road reserve shall be classified as operational land, and*
  - b) the closed road reserve shall be offered to the adjoining owner at 227 Little Jilliby Road, Little Jilliby in lieu of payment for the acquisition of part of that property as previously determined.*

The acquisition of part Lot 23 DP 731090 (referred to as proposed new Lot 233) was approved at the 22 November 2022 Council meeting.

*205/22*

- 1. That Council resolve to acquire the following land for the purpose of road widening due to the upgrade of Little Jilliby Bridge. That part of Lot 23 DP731090 being 227 Little Jilliby Rd, Little Jilliby as highlighted in bright yellow in the plan in Attachment 1 ('Land').*
- 2. That Council authorise the Chief Executive Officer to execute all necessary documentation relevant to the acquisition of the land.*
- 3. That Council resolve to acquire the land by compulsory process for the purposes of a road widening, pursuant to Section 177 of the Roads Act 1993 and in accordance with the requirements of the Land Acquisition (Just Terms Compensation) Act 1991, in the*

## 2.14 Finalisation of Road Closure and Land Swap - Little Jilliby Road, Little Jilliby (cont'd)

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*event that negotiations for the acquisition of the Land with the relevant property owner or owners cannot be satisfactorily resolved.*

4. *That Council resolve to make an application to the Minister for Local Government and the Governor for approval to acquire the Land by compulsory process pursuant to the Land Acquisition (Just Terms Compensation) Act 1991, in the event that negotiations for the acquisition of the land with the relevant property owner or owners cannot be satisfactorily resolved.*
5. *That Council resolve, pursuant to section 11(3) of the Local Government Act 1993, that Attachment 2 remains confidential in accordance with section 10A(2)(d)(iii) of the Local Government Act as it contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it and because consideration of the attachments in open Council would on balance be contrary to the public interest as it would affect Council's ability to obtain value for money for the Central Coast community.*

### **Current Status**

In accordance with Section 32B of the Roads Act 1993 and Clause 81 of the Roads Regulation 2018, a public notification process was undertaken for a period of at least 28 days. The submission period commenced on 15 February 2024 and, following a request from a notifiable authority for a time extension, concluded on 29 March 2024.

Summary of Public Notifications:

- Road closure notification registered letters were sent to the four adjoining landowners.
- Road closure notification emails were sent to the four adjoining landowners.
- Road closure notification emails were sent to the nineteen notifiable authorities.
- Road closure public notification published in the Coast Community Newspaper.
- Road closure public notification posted on the Council website public notice page.

Summary of Public Notifications Responses:

- No responses were received from the four adjoining landowners.
- Seven notifiable authorities responded to the notifications.
- No responses were received from the newspaper notification or public notice.
- No other responses were received.

## 2.14 Finalisation of Road Closure and Land Swap - Little Jilliby Road, Little Jilliby (cont'd)

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### Report

During the notification period, no objections were received to the proposal to close part of the public road reserve adjoining 227 Little Jilliby Road.

Council did not receive a response to the newspaper notification or to the public notice notification on the Council website page.

Seven notifiable authorities responded to the notifications.

- Crown Lands did not object to the public road closure or the proposed vesting of the closed road land in Council upon closure.
- Jemena Asset Management, Ausgrid, Transgrid and Essential Energy did not object to the proposed road closure.
- The Department of Mining, Exploration and Geoscience (MEG) requested a further explanation of the proposal and a two-week extension of time (till 29 March 2024) in which to consider the proposal. Further information was supplied to MEG and the extension of time was granted. MEG replied that it had *"no concerns to raise regarding the proposed road closure"*.
- NSW National Parks and Wildlife Service (NPWS) commented as follows: *"NPWS conditionally agrees to the closure of the road reserve provided that the proposed realignment of the Council Road to follow the existing formations of Little Jilliby Road is undertaken concurrently with the closure. NPWS (Department of Climate Change, Energy, the Environment and Water) is a Notifiable Authority under the Roads Act 1993 (refer Clause 81 Roads Regulation 2018). If a formal objection is made, section 38D (2) provides that the road may not be closed until the objection is withdrawn by the authority or set aside by the Land and Environment Court."*

In response, it is noted that it is Council's intention concurrently to transfer the proposed Lot 233 to Council and to dedicate this as road reserve and to consolidate the proposed Lot 232 with land at 227 Little Jilliby Road.

### Stakeholder Engagement

Council staff consulted with the owner of the affected land, advising of the proposed road works and the associated proposal to adjust the road boundaries at this location.

The owner of the affected land has agreed to the proposal for a land swap with no monetary compensation payable, apart from legal and administrative costs incurred by the owner.

Economic Development and Property Unit staff consulted with the Roads and Drainage Infrastructure Unit throughout the road closure process and Roads and Drainage Infrastructure Unit certified that construction of the public road reserve adjoining 227 Little

## **2.14 Finalisation of Road Closure and Land Swap - Little Jilliby Road, Little Jilliby (cont'd)**

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Jilliby Road. Certification of construction works means that the closed road reserve vests in Council upon closure.

Economic Development and Property Unit staff consulted with the Land Information Services section and NSW Crown lands to establish evidence of public road status. Evidence of public road status is required so that the road will vest in Council upon closure.

### **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.

Due to the comparable size and estimated value of the land in question it is proposed that proposed Lot 233 be transferred to Council (and dedicated as road reserve) and proposed Lot 232 transferred to the owners of 227 Little Jilliby Road. As part of this process, the road closure, land transfer and other associated costs will be met by Council.

The legal and administrative costs for the partial road closure is estimated at about \$10,000. Funds for this work are available in the 2023/24 Roads and Drainage capital works budget.

### **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.

### **Risk Management**

The partial road closure is associated with the Fixing Country Bridges Program, which has been developed to provide funding for timber bridge replacements across regional and rural NSW. As part of the program, Central Coast Council entered into a funding deed with Transport for NSW to replace four priority timber road bridges.

## 2.14 Finalisation of Road Closure and Land Swap - Little Jilliby Road, Little Jilliby (cont'd)

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This project has contributed to a reduction in the backlog of much needed road maintenance works and mitigate the physical risks associated with outdated roads infrastructure.

### Options

1. Do not approve finalisation of the public road reserve closure, the associated consolidation of the closed road with the adjoining land and the dedication of part of 227 Little Jilliby Road as public road. This would not be in keeping with the Fixing Country Bridges Program and with mitigation of the physical risks associated with the outdated roads infrastructure. (This is not recommended).
2. Approve finalisation of the public road reserve closure, the associated consolidation of the closed road with the adjoining land and the dedication of part of 227 Little Jilliby Road as public road. This would in turn authorise the Chief Executive Officer to execute all necessary documentation to finalise these matters. (**This is the recommended option**).

### Attachments

<b>1</b>	Plan of Subdivision of Little Jilliby Rd	Provided Under	D16150493
		Separate Cover	
<b>2</b>	Summary of Public Notifications & Responses-	Provided Under	D16150486
	Little Jilliby Road Closure	Separate Cover	

**Item No:** 2.15  
**Title:** Community Support Grant Program - March 2024  
**Department:** Community and Recreation Services

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28 May 2024 Ordinary Council Meeting

Reference: F2017/02117-002 - D16174953

Author: Belinda McRobie, Section Manager Community Development  
Manager: Glenn Cannard, Unit Manager Community and Culture  
Executive: Melanie Smith, Director Community and Recreation Services

## **Recommendation**

### ***That Council:***

- 1** ***Allocates \$13,245.00 (inclusive of GST where applicable) from the 2023/24 grants budget to the Community Support Grant program for the month of March, as outlined below and in Attachment 1.***
  - a) Toukley Neighbourhood Centre Incorporated- TNC Community Centre - \$5,000.00.***
  - b) Berkeley Vale Probus Club Incorporated - Purchase 1 laptop and Microsoft office - \$1,110.00.***
  - c) Green Point and District Garden Club Incorporated - Friendship Day 2024 - \$2,135.00.***
  - d) Terrigal Trotters Club -2024 GNW Trail Running Festival – \$5,000.00.***
  
- 2** ***Declines the following applications, for the reasons indicated in Attachment 1:***
  - a) Gosford 50 Plus Leisure and Learning Centre Incorporated - Volunteer Management Committee Office Set up – insufficient information to make an accurate assessment.***
  - b) Tumby Umbi Campus P&C Association - Insurance Coverage -application is ineligible.***
  - c) Trustees of Church Property for the Diocese of Newcastle - Purchase of defibrillators - application is ineligible.***
  - d) Community Powershare Limited - Community Powershare Battery Project - application is ineligible.***
  - e) Soldiers Beach Surf Life Saving Club Incorporated - Expand emergency first aid capacity at Soldiers Beach SLSC - application is ineligible.***
  - f) North Entrance Surf Life Saving Club Incorporated - Purchase of Publicly Accessible Automated External Defibrillators - application is ineligible.***
  - g) Volunteering Central Coast Incorporated - Central Coast Volunteering Expo and Awards 2024– application is ineligible.***

**3** *Advise the unsuccessful applicants in point 2 (above) and direct them to alternate funding sources if relevant.*

**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 faster 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, and 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 provides 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.

The original Community Support Grant program budget has been increased for the remainder of the 23/24 financial year only to include identified unspent funds from the annual Community Development and Community Events and Place Activation programs (see adopted budget column in the table below).

Table 1: Community Support Grant Program

Program	Original Budget	Adopted budget	2023-24 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	\$356,750	\$290,798.15	\$13,245.00	\$304,043.15
<b>TOTAL</b>			<b>\$290,798.15</b>	<b>\$13,245.00</b>	<b>\$304,043.15</b>

### Current Status

Applications submitted from 1 – 31 March 2024 are considered in this report. The Community Support Grant Program provides up to \$5,000 per project per financial year in combined funding and in-kind Council services to applicants who are a legally constituted not-for profit organisations, or auspiced by one.

### Assessment

A total of eleven applications were received and assessed by 21 April 2024, with four applications recommended for funding in this Council report. Seven applications are not recommended for funding.

Of the seven applications not recommended for funding, five are ineligible, one does not contain sufficient information to make an accurate assessment and one is not supported through the Community Support Grant Program. All applicants will be advised to discuss their proposal further with Council's Grants Officers prior to resubmission in a future round.

Council's Unit Manager Community and Culture and the Community Grants Team assessed the Community Support Grant program applications, against the Community Support Grant Program guidelines.

### **Stakeholder Engagement**

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 59 attendees and four grant information sessions with 116 attendees.

Additionally, Council staff also undertook two drop-in support sessions with three 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.*

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

Council's 2023/2024 Council Operational Expenditure original budget allocates \$300,000 to the Community Support Grant Program. Additional funds have been redirected to this program through unspent funds from the annual Community Development and Community Events and Place Activation program budgets.

Expenditure is approved until the end of the 2023-2024 financial year. Unspent funds will lapse on 30 June 2024.

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 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 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. (This is 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

<b>1</b>	Community Support Grant March 2024	Provided Under	D16174938
	Recommended and Not Recommended	Separate Cover	



**Item No:** 2.16  
**Title:** Minutes of Advisory Group and Committee meetings held in March 2024  
**Department:** Corporate Services

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28 May 2024 Ordinary Council Meeting

Reference: F2024/00016 - D16149052  
Author: Briony Stiles, Team Leader - Civic Support  
Manager: Teresa Chadwick, Unit Manager Governance Risk and Legal  
Executive: Marissa Racomelara, Director Corporate Services

## **Recommendation**

***That Council notes the minutes of the following Advisory Group and Committee meetings that were held in March and April 2024:***

- **Coastal Open Spaces – held 5 March 2024**
- **Aboriginal Advisory Committee – held 9 April 2024**
- **Audit Risk and Improvement Committee – held 27 March 2024**
- **Heritage and Culture Advisory Committee meeting – held 13 March 2024**
- **Mangrove Mountain and Spencer Advisory Committee – held 4 April 2024**
- **Catchments to Coast Committee – held 20 March 2024**
- **Water Management Advisory Committee – held 3 April 2024**

## **Report purpose**

To note the unconfirmed minutes of the Advisory Group and Committee meetings held in March and April 2024.

## **Executive Summary**

Advisory Group and Committee meetings were held in March and April 2024, as listed below.

The associated minutes were approved by the respective Coordinators and Chairs and were circulated to respective committee members via email. It is noted that minutes from previous meetings are confirmed by Advisory Groups and Committees at their next meeting, so are uploaded to Council's website as 'unconfirmed minutes' until that time.

## 2.16 Minutes of Advisory Group and Committee meetings held in March 2024 (cont'd)

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### Report

Minutes from Council's Advisory Group and Committee meetings that contain no recommendations to Council are reported to Council as a combined report for information only. Links to the unconfirmed minutes on Council's website are included below for the information of Council.

- [Coastal Open Spaces – held 5 March 2024](#)
- [Aboriginal Advisory Committee – held 9 April 2024](#)
- [Audit Risk and Improvement Committee – held 27 March 2024](#)
- [Heritage and Culture Advisory Committee meeting - held 13 March 2024](#)
- [Mangrove Mountain and Spencer Advisory Committee – held 4 April 2024](#)
- [Catchments to Coast Committee – held 20 March 2024](#)
- [Water Management Advisory Committee – held 3 April 2024](#)

It is also noted that the following meetings were scheduled but did not occur:

- Pedestrian Access and Mobility Committee scheduled for 7 March 2024. Meeting did not proceed as a quorum was not reached.
- Protection of the Environment Trust Management Committee (POET) scheduled for 28 March 2024. Meeting did not proceed as there were no items of business or reports to be presented.

The following Committee scheduled a workshop:

- Status of Women Advisory Group (SOWAG) scheduled a workshop on 21 March 2024 in replacement of the timetabled quarterly meeting to discuss and review future goals and direction of SOWAG.

### Financial Considerations

This report has no financial implications.

### 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.