

# COUNCIL MEETING

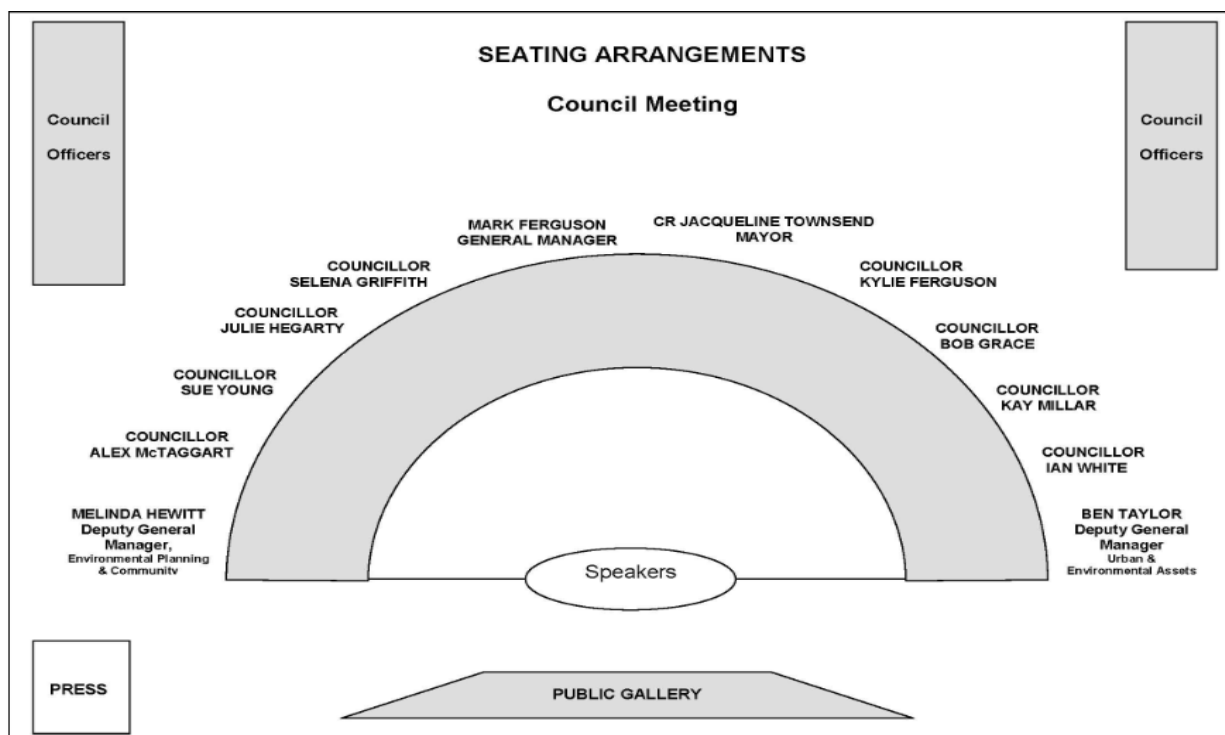
## AGENDA

### **1 February 2016**

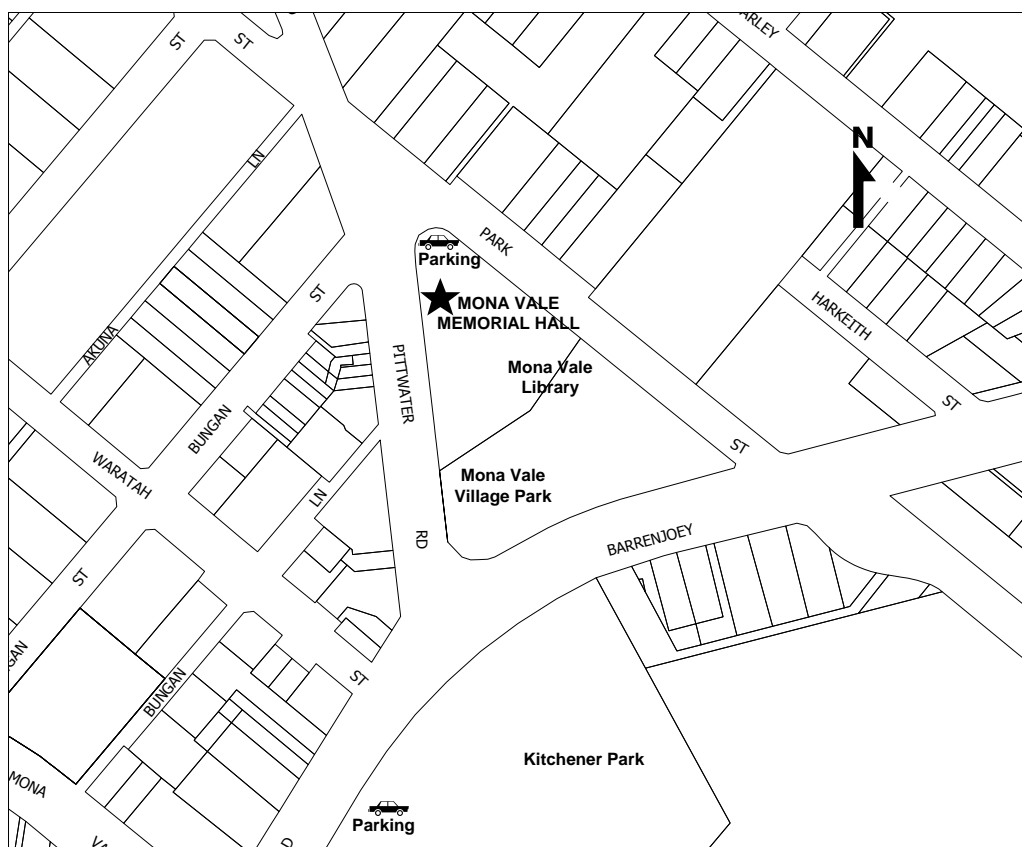
Commencing at 6.30pm at  
Mona Vale Memorial Hall  
1 Park Street, Mona Vale

M J Ferguson  
General Manager





## Meeting Location



All Pittwater Council's Agenda and Minutes are available on the Pittwater website at [www.pittwater.nsw.gov.au](http://www.pittwater.nsw.gov.au)

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## **Acknowledgement of Country**

**Pittwater Council honours and respects the spirits of the  
Guringai people.**

**Council acknowledges their traditional custodianship of  
the Pittwater area.**

## **Statement of Respect**

**Pittwater Council promotes and strives to achieve a climate of respect  
for all and endeavours to inspire in our community shared civic pride by  
valuing and protecting our unique environment, both natural and built,  
for current and future generations.**

**We, the elected members and staff of Pittwater Council, undertake to  
act with honesty and integrity, to conduct ourselves in a way that  
engenders trust and confidence in the decisions we make on behalf  
of the Pittwater Community.**

## IMPORTANT NOTE FOR COUNCILLORS

The Council has received Confidential Advice in relation to the matters listed below which is attached as **Appendix 1 to Councillor's Agenda on yellow paper**. It is important that Councillors read these documents prior to determining the matters. Should the Council wish to consider the Confidential Advice during the course of the meeting, the following procedure should be followed:

1. Any persons wishing to address the Council are invited to address the Council in Open Session, so that the general (non-confidential) issues relating to the matter are debated in Open Session.
2. Should the Council wish to consider the Confidential Advice at any time during the debate, the Council should resolve into Committee of the Whole in Closed Session in accordance with Section 10A(2)(d) of the Local Government Act 1993, and debate the Confidential Advice and any related issues in a Closed Forum, with the Press and Public excluded. The Council does not have to make any resolution whilst in Committee of the Whole in Closed Session.
3. Following conclusion of the Confidential discussion concerning the Confidential Advice the Council should resolve back into Open Session to continue the debate as required, excluding any reference to the Confidential Advice. Once again it is noted that the debate in Open Session should centre around the general (non-confidential) issues associated with the matter.
4. The Council should then determine the matter in Open Session.

The following report is listed in Open Session in the Agenda:

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C9.1	53 Warriewood Road Warriewood - Proposed Sale of Land	18

Mark Ferguson  
**GENERAL MANAGER**

# Council Meeting

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**CONFIDENTIAL CLAUSE**

*This report is **CONFIDENTIAL** in accordance with Section 10A(2)(d) of the Local Government Act 1993, which permits the Council to close the meeting to the public for business relating to the following: -*

- (d) Commercial information of a confidential nature that would, if disclosed:-
- prejudice the commercial position of the person who supplied it; or
  - confer a commercial advantage on a competitor of the Council; or
  - reveal a trade secret.

**Commercial in Confidence:**

**53 Warriewood Road Warriewood - Proposed Sale of Land**

**The Senior Management Team  
has approved the inclusion of  
all reports in this agenda.**

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## Council Meeting

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### 1.0 Apologies

Apologies must be received and accepted from absent Members and leave of absence from the Council Meeting must be granted.

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### 2.0 Declarations of Pecuniary and Conflict of Interest including any Political Donations and Gifts

**Councillors are advised of the following definitions of a "pecuniary" or "conflict" of interest for their assistance:**

\* Section 442 of the Local Government Act, 1993 states that a "pecuniary" interest is as follows:

- "(1) [Pecuniary interest] A Pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated.*
- (2) [Remoteness] A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to the matter."*

**Councillors should reference the Local Government Act, 1993 for detailed provisions relating to pecuniary interests.**

\* Council's Code of Conduct states that a "conflict of interest" exists when you could be influenced, or a reasonable person would perceive that you could be influenced by a personal interest when carrying out your public duty.

**Councillors are also reminded of their responsibility to declare any Political donation or Gift in relation to the Local Government & Planning Legislation Amendment (Political Donations) Act 2008.**

\* A reportable political donation is a donation of:

- \$1,000 or more made to or for the benefit of the party, elected member, group or candidate; or
- \$1,000 or more made by a major political donor to or for the benefit of a party, elected member, group or candidate, or made to the major political donor; or
- Less than \$1,000 if the aggregated total of the donations made by the entity or person to the same party, elected member, group, candidate or person within the same financial year (ending 30 June) is \$1,000 or more.

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### 3.0 Confirmation of Minutes

“Councillors are advised that when the confirmation of minutes is being considered, the only question that can arise is whether they faithfully record the proceedings at the meeting referred to. A member of a council who votes for the confirmation of the minutes does not thereby make himself a party to the resolutions recorded: **Re Lands Allotment Co (1894) 1 Ch 616, 63 LJ Ch 291.**”

1. Minutes of the Council Meeting held on 21 December 2015.
  2. Minutes of the Extraordinary Council Meeting held on 11 January 2016.
- 

### 4.0 Public Addresses

The following guidelines apply to any person addressing a Council / Committee meeting in relation to an item on the Council / Committee meeting agenda:

1. *A member of the public may be granted leave to address a meeting of Council or a Committee, where such a request is received by the General Manager no later than 3.00pm on the day of the meeting. This is subject to:*
  - (a) *A maximum of up to six speakers may address on any one item, with a maximum of three speakers in support of the recommendation in the report, and three speakers in opposition.*
  - (b) *A limitation of three minutes is allowed for any one speaker, with no extensions.*
  - (c) *An objector/s to a development application is to speak first with the applicant always being given the right to reply.*

*Exceptions to these requirements may apply where:*

- (a) *The Meeting specifically requests that a person be interviewed at a meeting.*
  - (b) *The Meeting resolves that a person be heard at the meeting without having given prior notice to the General Manager*
2. *Once a public/resident speaker has completed their submission and responded to any Councillor questions, they are to return to their seat in the public gallery prior to the formal debate commencing.*
  3. *No defamatory or slanderous comments will be permitted. Should a resident make such a comment, their address will be immediately terminated by the Chair of the meeting.*
  4. *Council's general meeting procedures apply to Public Addresses, in particular, no insults or inferences of improper behaviour in relation to any other person is permitted.*
  5. *Residents are not permitted to use Council's audio visual or computer equipment as part of their address. However, photographs, documents etc may be circulated to Councillors as part of their address.*



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## **5.0 Councillor Questions with Notice**

Nil.

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## **6.0 Mayoral Minutes**

Nil.

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## **7.0 Business by Exception**

Items that are dealt with by exception are items where the recommendations contained in the reports in the Agenda are adopted without discussion.

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## **8.0 Council Meeting Business**

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<b>C8.1</b>	<b>Notice of Motion - Legality of Merger - (Motion submitted by Cr Grace)</b>
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Meeting: Council

Date: 1 February 2016

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## NOTICE OF MOTION

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### *Motion*

1. *That Council obtain Counsel's advice as to the options available should it wish to test the legality as to the NSW Government procedure and position including appointing Delegates in relation to the proposed merger,*
2. *That such advice be made available at the next Council meeting.*

Cr Bob Grace

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<b>C8.2</b>	<b>Notice of Motion - Acknowledgement of Avalon Beach Place Vision Document - (Motion submitted by Cr Griffith)</b>
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**Meeting:** Council

**Date:** 1 February 2016

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**NOTICE OF MOTION**

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**BACKGROUND**

Avalon Beach Core Working Group was formed in 2013 as the result of community leaders' concern for the future of Avalon Beach and surrounding areas. The group is made up of representatives from the following stakeholder organisations:

- Avalon Preservation Association
- Avalon Palm Beach Business Chamber of Commerce
- Palm Beach & Whale Beach Association
- Avalon Beach Historical Society
- Pittwater Natural Heritage Association
- Pittwater Community Arts
- Eramboo Young Gourmet
- Sym Studio
- Avalon Surf Life Savings Club
- Clareville & Bilgola Plateau Residents Association
- Tourism Advisory
- Avalon Bowling Club
- Avalon RSL Sub-Branch
- Pittwater Councillors – North Ward

The Group has prepared the attached document with the aim of summarizing thoughts and ideas of The Avalon Beach Core Working Group into an informing document that reflects the 'essence' of Avalon Beach, guiding future planning and development of the local area.

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***Motion***

1. ***That Council note the work that the Avalon Beach Core Working Group has done in preparing this document and thank those involved in its realisation.***
2. ***That Council staff refer to this document in any future Place Making activities in relation to Avalon.***

**Cr Selena Griffith**

# Avalon Beach

a village haven

## Aims & Objectives

This guiding document summarises the thoughts and ideas of The Avalon Beach 'Core Working Group' into an informing document that reflects the 'essence' of Avalon Beach, guiding future planning and development of the local area.

Both private and public organisations are encouraged to engage with this place vision document - to identify, protect and build upon the unique qualities of the area.

## Avalon Beach 'Core Working Group'

The group was formed in 2013 as the result of community leaders' concern for the future of Avalon Beach and surrounding areas.

The group is made up of representatives from the following stakeholder organisations:

Avalon Preservation Assoc., Avalon Palm Beach Business Chamber of Commerce, Palm Beach & Whale Beach Assoc., Avalon Beach Historical Society, Pittwater Natural Heritage Assoc., Pittwater Community Arts, Eramboo, Young Gourmet, Sym Studio, Avalon SLSC, CABPRA, Tourism Advisory, Avalon Bowling Club, Subbranch Avalon RSL, Pittwater Councillors - North Ward.



## Methodology & Process

Sym Studio Pty. Limited were requested by the Avalon Preservation Trust to facilitate a place making process - to identify a clear vision for Avalon Beach and its surrounding area.

This document is the culmination of historical and cultural research, urban character analysis, group discussion and local knowledge.

Place Vision Summary Document (part 1)  
Place Vision Appendix (part 2)

It is the intention of Pittwater Council to undertake a broad based 'place making' process for Avalon Beach in 2016. This will extend to include the general community.

project

COMMUNITY LEADING, PLACE VISION DOCUMENT  
Issue date: 11/01/16

prepared for

Avalon Beach  
Core Working Group  
& Avalon Preservation Trust

prepared by

*sym. studio*

Placemaking, Urban Landscape Design,  
Landscape Architecture  
Suite 4F/6 Jubilee Avenue  
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Image Reference: A. Murch, 1963. Operation Centipede, Avalon Surfboat 1963



*"A Community  
Led Process"*

*A Shared Vision for  
Avalon Beach*

Page 1 of 2

## Avalon Beach Vision Statement

Encapsulates the essence of a place:

*A casual peninsula village where a multi-faceted community expresses creativity; curates bio-design and values quality of life;  
A haven where a sublime interplay of landform, water & tree canopy connects people with place;  
An active and healthy community that values heritage and nurtures the arts and architecture.  
Local trade favours products and services derived from nature; contextual architecture and unrefined materials that enhance over time.*

### X-Factor

The special quality of the place:

## Village Haven

### Place Driver

The core statement that encapsulates the vision:

Multi-faceted peninsula community  
cultivating creativity, bio-design  
& quality of life.

### Project Driver Intent

Expanded elements of the place driver:

#### Haven

A place of Safety & Refuge;  
sanctum, protection, shelter,  
cover, anchorage, concealed,  
retreat, peaceful.

A series of protected vantage  
points with expansive vistas of  
both open and closed waters.

#### Peninsula Village

A village grid contained by  
curved roads that respond to  
landform.

Meeting Point with 'fine grain'  
detail.

Pedestrian scale, individual  
shopfront character with variation.

#### Multi-faceted Community

Broad spectrum of locals and  
seasonal visitors - of all ages,  
actively engaged in a variety of  
community organisations living in  
the area.

#### Cultivating Creativity

Broad spectrum of locals and  
seasonal visitors - of all ages,  
actively engaged in a variety of  
community organisations living in  
the area.

Water for creative recreation.  
Schools and students.  
Feeding the creative.

#### Bio Design

Expertise in design practice and the  
life sciences.

Inspiration from nature & natural  
processes.

#### Quality of Life

Continuance of life & vitality;  
present in all things.

Spirit of Place is active,  
energised & prosperous.

People prioritise health,  
wellbeing & work-life balance.

### Design Principles

Design toolbox:

1

#### Cultivate Creativity

Create all-age incentive  
to incubate ideas; facilitate  
mentoring; incentivise expansive  
thinking.

Support the creation of ideas.

2

#### Preserve Historic Cultural Heritage

Recognise and reference  
historical context (of place)  
and its relationship to today &  
tomorrow.

Celebrate the arts & architecture.

3

#### Connect

Reinforce 'multi-mode'  
movement; access & live  
conveniences, landform.

Acknowledge connection to the  
region incl. Mona Vale & Sydney;  
use technology (i.e. H) to access  
the global community.

#### Quality Design

Reinforce 'multi-mode'  
movement; access & live  
conveniences, landform.

Regulation from the city, using  
local materials that are durable &  
enhance over time.

Reflect 'fine grain' & pedestrian scale.

5

#### Environment & Climate

Design for water &  
climate resilience.  
Use the principles of the  
natural environment.

Provide human protection,  
shelter & comfort.

6

#### Flexible Startup Hub

Facilitate the exchange of  
information; provide physical &  
virtual hotspots; promote bio-  
design products & services; nurture  
home based industry; cater to  
transient & casual work practices.

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Placemaking  
Urban Landscape Design  
Landscape Architecture

sym. studio

Suite 4F/6 Jubilee Avenue  
Warriewood-Mona Vale  
www.symstudio.com

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## **C8.3 Delegations over Christmas - New Year Recess 2015/2016**

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**Meeting:** Council

**Date:** 1 February 2016

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**COMMUNITY STRATEGIC PLAN STRATEGY:** Corporate Management

**COMMUNITY STRATEGIC PLAN OBJECTIVE:**

- To provide leadership through ethical, accountable and legislative decision-making processes

**DELIVERY PROGRAM ACTION:**

- Effectively manage Council's corporate governance responsibilities
- 

### **1.0 EXECUTIVE SUMMARY**

#### **1.1 SUMMARY**

Historically Pittwater Council has delegated its policy-making functions during the Christmas - New Year Recess to the Mayor and a Committee of Council comprising delegated Councillors.

A report therefore is submitted outlining all matters and decisions taken by the Mayor (with respect to any policy making functions) and/or the abovementioned Committee (with respect to any regulatory functions) under delegation during the Christmas - New Year recess period.

There were no regulatory functions undertaken by the delegated Committee of Council during the 2015/2016 recess period.

There were no policy making functions of the elected Council that were exercised by the Mayor during the 2015/2016 recess period.

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### **2.0 RECOMMENDATION**

- 1. That Council note there were no policy making functions undertaken by the Mayor during the 2015/2016 recess period.*
  - 2. That Council note there were no regulatory functions undertaken by the delegated Committee of Council during the 2015/2016 recess period.*
- 

### **3.0 BACKGROUND**

#### **3.1 PURPOSE**

To report to the Council instances where the Mayor and/or the delegated Committee appointed by the Council on 21 December 2015 have been required to exercise delegated authority over the 2015/2016 Christmas - New Year recess period.

### 3.2 BACKGROUND

At its meeting held on 21 December 2015 the Council noted and approved delegations to the Mayor (in relation to the policy making functions of the Council) and a Committee of Council (in relation to the regulatory functions of the Council) over the Christmas - New Year recess period. The Council resolved as follows:

1. *That the Council note the delegation to the Mayor of its policy-making functions in accordance with section 226 of the Local Government Act, 1993 over the Christmas – New Year recess period.*
2. *That the Council also note delegations to the Mayor as outlined in paragraph 1.4 of the report.*
3. *That pursuant to section 379(1) of the Act, authority be delegated to a Committee of the Council, comprising the Mayor or nominee (who shall be Chairperson), the 3 relevant ward Councillors if available, and any other Councillor who has an expressed interest in a particular matter or application if available, to carry out and resolve upon the regulatory functions of the Council, including the determination of development applications, S96 modifications and S82A Review applications during the 2015/2016 Christmas - New Year recess period. The Committee shall be appointed for the recess period only.*
4. *That all Councillors be provided with copies of any reports dealing with regulatory matters, including the determination of development applications, S96 modifications and S82A Review applications prior to the delegated Committee determining such matters.*
5. *That a report be submitted to the first Council meeting of 2016 outlining all matters and decisions taken by the Mayor or nominee (with respect to any policy making functions) and/or the above-mentioned Committee (with respect to any regulatory functions) under delegation during the Christmas - New Year recess period.*

### 3.3 POLICY IMPLICATIONS

There are no policy implications in relation to this report

### 3.4 RELATED LEGISLATION

Section 226 and Section 379(1) of the Local Government Act, 1993

### 3.5 FINANCIAL ISSUES

#### 3.5.1 Budget

Nil Implications

#### 3.5.2 Resources Implications

Nil Implications

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## 4.0 KEY ISSUES

- 4.1.1 There were no regulatory functions undertaken by the delegated Committee of Council during the 2015/2016 recess period.
- 4.1.2 There were no policy making functions of the elected Council that were exercised by the Mayor during the 2015/2016 recess period.

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**5.0 ATTACHMENTS / TABLED DOCUMENTS**  
Nil

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**6.0 SUSTAINABILITY ASSESSMENT**  
Nil Implications.

Report prepared by

Sonya Gallery  
**A/MANAGER, ADMINISTRATION & GOVERNANCE**



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## **Connecting Communities Committee**

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### **9.0 Connecting Communities Committee Business**

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## **C9.1            53 Warriewood Road Warriewood - Proposed Sale of Land**

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**Meeting:**            Connecting Communities Committee

**Date:**        1 February 2016

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**COMMUNITY STRATEGIC PLAN STRATEGY:**    **Land Use & Development**

**COMMUNITY STRATEGIC PLAN OBJECTIVE:**

- To establish land uses that respond to environmental, cultural, social and economic needs in a sustainable manner
- To integrate appropriate and accessible infrastructure and services

**DELIVERY PROGRAM ACTION:**

- Land Use & Development – Effectively manage Warriewood Valley Land Release Process
- 

### **1.0        EXECUTIVE SUMMARY**

#### **1.1        SUMMARY**

No. 53 Warriewood Road, Warriewood (Lot 3 DP942319) is a narrow strip of Council owned Drainage Reserve that drains stormwater from a Warriewood Road sub-catchment to Narrabeen Creek. It is classified as Operational Land and is located within the Warriewood Valley Urban Land Release. This subject lot is 480.023m<sup>2</sup> attracting a yield of 1 dwelling.

If this land remains as a separate Drainage Reserve it is an under-utilisation of a property asset, in particular in the context of the adjoining land release and the provision of additional housing.

The sale of a portion of this drainage reserve and its incorporation into adjoining residential development will not only better utilise this parcel of Operational Land but also provide funding for other Community infrastructure projects. The need to continue to convey stormwater can be suitably accommodated via an easement for stormwater drainage in favour of Pittwater Council rather than continuing to own the subject strip of land.

At the request of the adjoining owners/developers, Council has provided its 'in principle' Owner's Consent to include the use of this Drainage Reserve within their Development Application(s). This Owner's consent is conditional and subject to Council approval for the sale of the property, an independent property valuation and the creation of a positive easement.

Council has subsequently been approached by the adjoining owner of 53A & 53B Warriewood Road, Warriewood NSW 2102 (Lots 2 & 3 DP1115877) who wishes to acquire 53 Warriewood Road (the Drainage Reserve) from Pittwater Council and incorporate it within a proposed residential sub-division.

To facilitate this process, an independent Valuation Report has been undertaken to determine the market value of the portion of land to be sold (Refer to Confidential Section of this report).

The proposed sale will convert land of low net community benefit to a much higher net community benefit outcome and provide greater flexibility of land use as part of the adjoining land release as well as release funding to the community for other important infrastructure improvements.

Specific infrastructure projects that may be considered appropriate include the Mona Vale Skate Park redevelopment or footpath construction along the full southern side of Nareen Parade, North Narrabeen. This project has a long history of resident requests and will connect from Pittwater Road to the path in Rickard Road and onto Narrabeen RSL. Urban Infrastructure will be proposing that this be included in draft footpath program for 2016/17. Preliminary estimated total project cost is \$750,000, with construction in stages due to limited funding.

Council and the local community benefit from the Developer upgrading the drainage infrastructure on the subject site which services the surrounding area.

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## **2.0 RECOMMENDATION**

1. *That the General Manager be authorised:*
  - *To sell Council's Drainage Reserve lot at 53 Warriewood Road, Warriewood to an adjoining owner/developer with an appropriately sized drainage easement created in favour of Pittwater Council.*
  - *To negotiate the terms of the sale, sub-division, consolidation, easement terms and conditions, upgrade of infrastructure and sale price consistent with the Valuation Report described within the Confidential Section of this report.*
  - *To execute any documentation required to finalise the sale of 53 Warriewood Road, Warriewood.*
2. *That the valuation in the Confidential Section of this Agenda be noted and negotiations be based on this advice.*
3. *That in addition to the sale price, the purchaser funds all specialist costs associated with this transaction.*
4. *That proceeds of this sale be used to improve other community infrastructure.*

---

## **3.0 BACKGROUND**

### **3.1 PURPOSE**

To seek Council's approval to sell Council owned property (Drainage Reserve) at 53 Warriewood Road, Warriewood (Lot 3 DP942319).

### **3.2 BACKGROUND**

53 Warriewood Road, Warriewood (Lot 3 DP942319) is a narrow strip of land which is a Drainage Reserve owned by Pittwater Council which is zoned R3 Medium Density and classified as Operational Land (Refer **Attachment 1**)

The land identified for sale is further described in Attachment 2. The section of land subject to sale is referred to as Area 2 comprising of 480.023m<sup>2</sup>. (Refer **Attachment 2**)

In September 2014, Pittwater Council provided two separate Owner's consent letters for 53 Warriewood Road (the Drainage Reserve) to be included within development applications for adjoining properties at:

- 53A & 53B Warriewood Road, Warriewood NSW 2102 (Lots 2 & 3 DP1115877)

- 53C Warriewood Road, Warriewood NSW 2102 (Lot 4 DP1115877).

In August 2015, a revised Owners consent letter was provided to 53A & 53B Warriewood Road, Warriewood NSW 2102 (Lots 2 & 3 DP1115877). (Refer **Attachment 3**)

Development Applications for these development sites have subsequently been lodged. As of 28 August 2015 the status of these are as follows:

- 53A & 53B Warriewood Road, Warriewood NSW 2102 (Lots 2 & 3 DP1115877)
  - Two Development Applications have been submitted to Pittwater Council (one for sub division and one for dwelling construction).
  - The proposed subdivision plan is shown in **Attachment 4**.
  - The application was refused by the Development Unit in August 2015. The applicant lodge an appeal which has progressed from a Section 34 conference to a hearing, with it set to appear in court on 17-18 February. Councils Planners are currently instructing consultants (planning, water management and traffic) to prepare their expert reports.
- 53C Warriewood Road, Warriewood NSW 2102 (Lot 4 DP1115877)
  - Development Application for 9 residential lots, plus super lot for future residential flat building and associated infrastructure.
  - Approved July 2015.

Council has been approached by Merrin Developments Pty Ltd as the application for the adjoining properties- 53A & 53B Warriewood Road, Warriewood NSW 2102 (Lots 2 & 3 DP1115877) to acquire 53 Warriewood Road to incorporate the subject property into a proposed residential sub-division.

Owner's consent letters were issued for the lodgement of development applications including infrastructure and associated works only. Owner's consent was conditional and subject to Council approval, contract for sale of the property, an independent property valuation and the creation of a positive easement.

### 3.3 **POLICY IMPLICATIONS**

Sale of the subject drainage reserve is consistent with Pittwater Council Policies No.200-Property Management Policy and No 92 Land – Disposal of Surplus Land.

### 3.4 **RELATED LEGISLATION**

The incorporation of the subject drainage reserve land into the developable land associated with the Warriewood Land Release is consistent with the intent of the LEP and zoning of the land to provide residential housing in this location.

### 3.5 **FINANCIAL ISSUES**

#### 3.5.1 **Budget**

- i) Proceeds from the sale of the subject land are to be used on community infrastructure generally outside of the land release not already funded by s94 developer contributions.
- ii) The applicant is to pay all professional fees and subdivision costs associated with the sale of the property.
- iii) As a condition of sale, the applicant will construct and pay for the upgrade of the existing piped drainage infrastructure onsite, which services the upper catchment area, to Council's requirements. There are no funds currently allocated in the budget for these upgrade works at 53 Warriewood Road, Warriewood.

### 3.5.2 Resources Implications

- i) The subject land is of significantly higher value to the adjoining owners when incorporated into development. It has been determined that the addition of the subject Council land would add flexibility in the planning process for both adjoining developers.
- ii) The Council owned land at 53 Warriewood Road, Warriewood cannot be developed in isolation given the current dimensions and will be subject to a drainage easement status if sold.
- iii) The subject land is considered to be under-utilised if it remains as a separate drainage reserve. In some areas, it is currently being used by neighbours for storage, parking or access.

## 4.0 KEY ISSUES

- 4.1 Independent valuation advice has been obtained from Knight Frank. Given the commercial in confidence nature of this advice and in accordance with Section 10(a)2(d) of the *Local Government Act*, this information is included on this Agenda as a confidential document.
  - 4.2 The subject property is utilised for local drainage and is comprised of a long narrow 480.023 square metre lot, with its rear boundary abutting Narrabeen Creek. The land varies in width from 1.8 metres to 1.9 metres, with a variable depth of 262.49 to 265.935 metres. The area of land to be sold will be adjusted to remove the creek line corridor dedication with sub-division of the section included as a condition of sale.
  - 4.3 Council and the local community will benefit from the Developer upgrading the drainage infrastructure on the subject site which services the surrounding area. An estimated cost of upgrade is included in the confidential section of this report. There are no funds currently allocated in the budget for these upgrade works at 53 Warriewood Road, Warriewood.
  - 4.4 Any sale of the property will be subject to Council approval, an independent property valuation and the creation of a positive easement in favour of Pittwater Council to drain stormwater.
- 

## 5.0 ATTACHMENTS

- Attachment 1** - Aerial photograph of subject property.
  - Attachment 2** - Plan showing areas of subject property.
  - Attachment 3** - Owners consent letter.
  - Attachment 4** - Proposed subdivision plan of 53A & 53B Warriewood Road, Warriewood.
- 

## 6.0 SUSTAINABILITY ASSESSMENT

### 6.1 GOVERNANCE & RISK

#### 6.1.1 Community Engagement

To provide transparency and equal opportunity, Council has written to the adjoining owners in the following terms:

- advising of the interest from the Developers of 53A & 53B Warriewood Road, Warriewood in acquiring Council owned land at 53 Warriewood Road, Warriewood (Lot 3 DP942319) and
- whether there is any similar interest in acquiring the subject land.

Council requested advice by close of business on Friday, 15 January 2015. No other interest has been received.

### **6.1.2 Risk Management**

- As outlined above, and to be consistent with previous ICAC advice, Council has provided each adjoining owner the same opportunity to acquire the subject land. At this stage, only the owner of 53A & 53B Warriewood Road has expressed interest in purchasing the Council Drainage Reserve.
- To facilitate this process, an independent Valuer was engaged to determine the market value of the subject property. Should this sale be approved, an independent surveyor will be engaged and Council's Solicitor will be instructed to draft relevant documentation.
- The proposed sale is consistent with the objectives in the Pittwater 2025 Corporate Management Strategy that seeks to convert land of low net community value to a much higher net community benefit outcome. This demonstrates effective property asset management.

## **6.2 ENVIRONMENT**

### **6.2.1 Environmental Impact**

- There will be minor impact on the natural environment arising from the sale of the subject property. The land is part of the Warriewood Valley urban land release and environmental impacts of development are being assessed as part of the residential subdivision process.
- The rear portion of the subject lot forms part of the Narrabeen Creek creek line corridor. This section will be subdivided and form part of the conditions of sale.

### **6.2.2 Mitigation Measures**

- Any mitigation measures will need to be fully considered within the DA consent in line with the comments below:
- Planning and Assessment has no objection to the proposed sale, subject to the creation of an appropriate easement for the drainage of stormwater.
- The outcome of not selling 53 Warriewood Rd will significantly and severely compromise the achievement of the adopted planning strategy for the Buffer Area. A comprehensive review of the flora and fauna in Warriewood Valley was undertaken and this site was not identified as a flora and fauna corridor. Provisions have been made for appropriate flora and fauna corridors and this site does not form part of that network. Retention of the site would result in an ad hoc approach to flora and fauna corridors inconsistent with the evidence based approach.
- Additionally the future road network will provide access from Warriewood Road to the creek line corridor via Lorikeet Grove and a new access road off Warriewood Rd. The result of retaining 53 Warriewood Rd would compromise the ability for this continuous road network to be implemented.

### **6.2.3 Urban Infrastructure**

- The sale of the subject drainage reserve should not be construed as a de facto development approval for the subdivision.
- A drainage easement in favour of Pittwater Council will need to be created over the existing location of Council's Drainage Reserve / pipeline
- A survey by a registered surveyor of the existing pipeline has been obtained to determine its exact location in relation to Council's Drainage Reserve.
- Should the pipeline exist outside Council's Drainage Reserve then the easement to be created (in bullet point 3 above) will need to be modified to encompass this situation.
- The purchaser accepts the current pipeline in its current location, condition, capacity and extent noting that it is currently geared to a non-urban land use context.

- The pipe line system is to be upgraded as a condition of sale
- Should the pipeline require relocation, amplification, extension, etc. to be effectively integrated into the intended residential development and its associated infrastructure then this will be the responsibility of the developer to design, construct and fund. The pipeline will need to be constructed with rubber ring jointed reinforced Concrete pipes of appropriate class. The pipeline system is to be designed/constructed to a 20 year average recurrent interval standard (incorporating climate change requirements).
- Should the location of the easement need to change as a result of changes to the pipeline location and / or is utilised to convey site stormwater then this will need to be accommodated and funded by the developer as part of the associated subdivision.
- The terms of the easement are such that Council will maintain the pipeline once it has been upgraded to a standard that is consistent with its integration within the land release development. The upgrade includes provision for the effective conveyance of stormwater from the upper catchment through the proposed development and its suitable discharge to Narrabeen Creek. This upgrade is important to meet structural requirements, particularly if the pipeline is to be located under a road as well as the need to limit future disturbance, loss of resident amenity and restoration costs. A minimum easement for the upgraded pipeline should be three (3) meters wide depending on pipe line size.

### 6.3 **SOCIAL**

#### 6.3.1 **Address Community Need & Aspirations**

The sale of the subject drainage reserve to the adjoining owner/developer will facilitate increased flexibility to provide additional housing and associated infrastructure as part of the proposed future subdivision. The proposed sale will also provide funding for other higher net community benefit infrastructure and hence bring forward otherwise currently unfunded improvement projects.

### 6.4 **ECONOMIC**

#### 6.4.1 **Economic Development**

The subject land is currently an under-utilised property asset of Pittwater Council. The value of the land to the adjoining owner is considered to be significantly higher if added to their current site and thus the best financial result for the site would be achieved if the sale was to occur. The intended sale of this land will provide an injection of funds into the community for other infrastructure improvements.

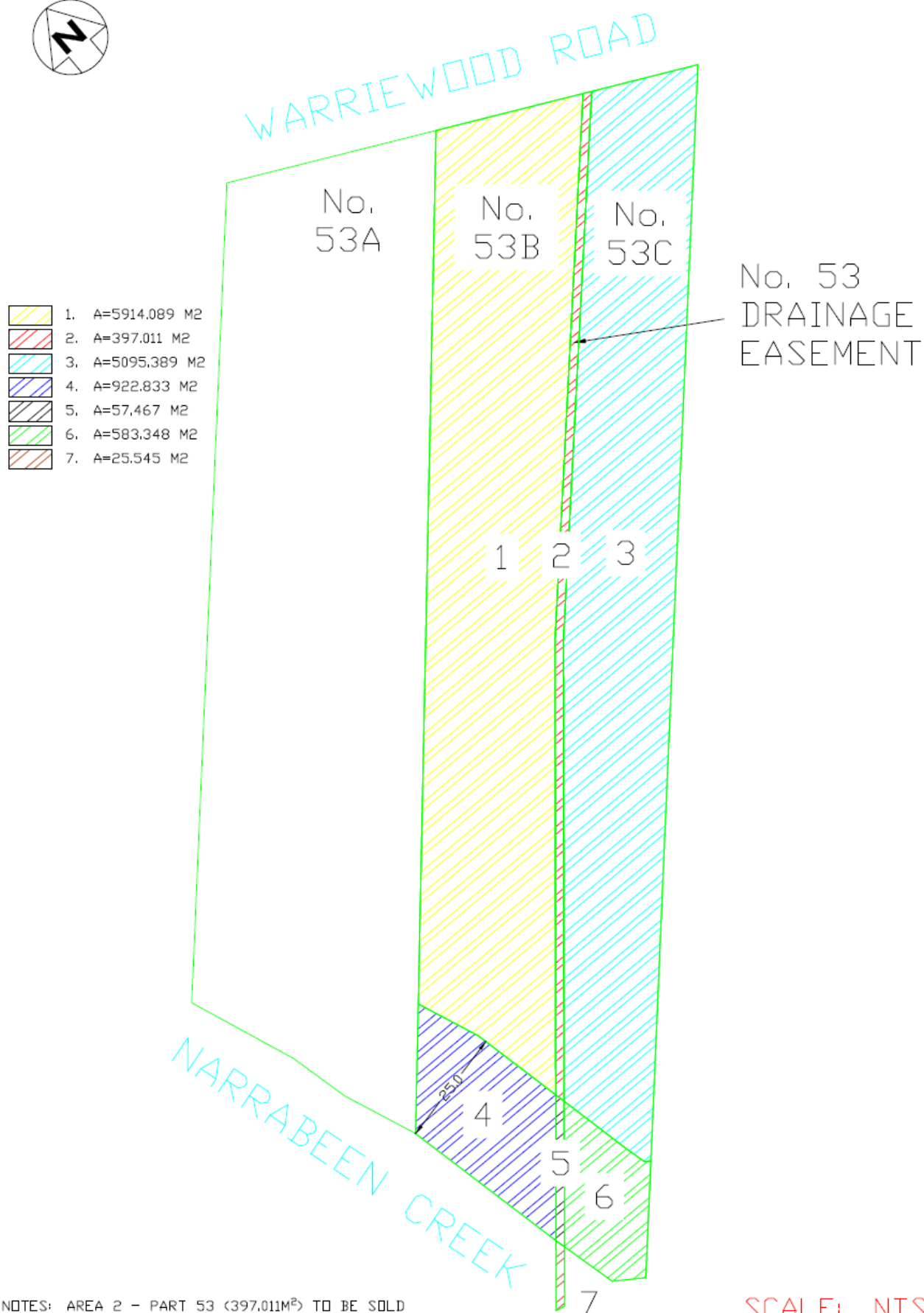
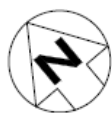
Report prepared by  
Bridget Bolewski - Senior Property Officer, Commercial Property & Projects

Simonne Johnston  
**A/ MANAGER, CORPORATE DEVELOPMENT & COMMERCIAL**









NOTES: AREA 2 - PART 53 (397.011M<sup>2</sup>) TO BE SOLD



**PITTWATER COUNCIL**

ABN61340837871

Telephone 02 9970 1111

Facsimile 02 9970 1200

Postal Address

PO Box 882

Mona Vale NSW 1660

DX 9018, Mona Vale

Bridget Bolewski, Senior Property Officer  
8am to 5:30pm Monday - Thursday, 8am to 5pm Friday  
Phone 9970 1290 Mobile 0403 856 467

3 August 2015

Merrin Developments Pty Ltd  
ACN 150 442 381  
PO Box 947  
Gymea NSW 2227

Dear Mr Merrin,

**Re: Owners Consent for the lodgement of development application including infrastructure and associated works over 53 Warriewood Road, Warriewood NSW 2102 (Lot 3 DP942319)**

This is to confirm that Pittwater Council as owners of 53 Warriewood Road, Warriewood (Lot 3 DP942319) will provide owners consent for the sole purpose of Merrin Developments Pty Ltd lodging a Development Application over 53 Warriewood Road, Warriewood.

I advise that this letter may be lodged as evidence of owner's consent to the said lodgement.

Yours sincerely,

Chris Hunt  
**DIRECTOR URBAN & ENVIRONMENTAL ASSETS**

Email [pittwater\\_council@pittwater.nsw.gov.au](mailto:pittwater_council@pittwater.nsw.gov.au) Web [pittwater.nsw.gov.au](http://pittwater.nsw.gov.au)

Mona Vale Customer Service Centre  
Village Park 1 Park Street, Mona Vale

Avalon Customer Service Centre  
59A Old Barrenjoey Road, Avalon

Support Services  
Units 11, 12, 13 + 16/5 Vuko Place, Warriewood

Boondah Depot  
1 Boondah Road, Warriewood



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<b>C9.2</b>	<b>Audit &amp; Risk Committee - Operations Report for the period 1 January 2015 to 31 December 2015</b>
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**Meeting:** Connecting Communities Committee

**Date:** 1 February 2016

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**COMMUNITY STRATEGIC PLAN STRATEGY:** Corporate Management

**COMMUNITY STRATEGIC PLAN OBJECTIVE:**

- To provide leadership through ethical, accountable and legislative decision-making processes

**DELIVERY PROGRAM ACTION:**

- Maintain and service Council's range of Committees.

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**1.0 EXECUTIVE SUMMARY**

**1.1 SUMMARY**

The Audit & Risk Committee is responding to the requirements of their Charter to report annually to Council. As such, the attached report provides Council with a summary of the operations of the Audit & Risk Committee for the period 1 January 2015 to 31 December 2015.

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**2.0 RECOMMENDATION**

*That the report by the Chair of the Audit and Risk Committee at Attachment 1 be noted.*

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**3.0 BACKGROUND**

**3.1 PURPOSE**

Council approved the establishment of an Internal Audit Committee at its meeting held on 16 November 2009. The Committee plays a pivotal role in the governance framework to provide Pittwater Council with independent assurance and assistance on risk management and control, governance and external accounting responsibilities. This Committee was subsequently renamed the Audit & Risk Committee.

The Audit & Risk Committee Charter, Section 10 (Reporting) states:

- i) The Committee shall report at least annually to Council.

This Operations Report covers the calendar year 2015 from 1 January 2015 to 31 December 2015.

### 3.2 **BACKGROUND**

The Operations Report by the Chair of the Audit & Risk Committee is reported to Council on an annual basis.

### 3.3 **POLICY IMPLICATIONS**

Audit & Risk Committee Charter.

### 3.4 **RELATED LEGISLATION**

Audit & Risk Committee Charter.

### 3.5 **FINANCIAL ISSUES**

#### 3.5.1 **Budget**

Nil implication.

#### 3.5.2 **Resources Implications**

Nil implication.

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## 4.0 **KEY ISSUES**

Per the Audit & Risk Committee Charter, Section 10 (Reporting), the Committee shall report at least annually to Council.

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## 5.0 **ATTACHMENTS / TABLED DOCUMENTS**

**Attachment 1** - Report by Chair of the Audit & Risk Committee - Operations of the Audit & Risk Committee for the year January to December 2015

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## 6.0 **SUSTAINABILITY ASSESSMENT**

### 6.1 **Leading An Effective & Collaborative Council (Governance)**

The Audit & Risk Committee plays a pivotal role in the governance framework to provide Council with independent assurance and assistance in the areas of risk management, control, governance and external accountability responsibilities.

### 6.2 **GOVERNANCE & RISK**

#### 6.2.1 **Community Engagement**

Nil implication.

#### 6.2.2 **Risk Management**

The Audit & Risk Committee plays a pivotal role in the governance framework to provide Pittwater Council with independent assurance and assistance on risk management, control, governance and external accounting responsibilities.

### 6.3 **ENVIRONMENT**

#### 6.3.1 **Environmental Impact**

Nil implication.

**6.3.2 Mitigation Measures**

Nil implication.

**6.4 SOCIAL**

**6.4.1 Address Community Need & Aspirations**

To inform the community on the governance framework in place to provide Pittwater Council with independent assurance and assistance on risk management, control, governance and external accounting responsibilities

**6.4.2 Strengthening local community**

Effective risk management in all aspects of Council responsibilities.

**6.5 ECONOMIC**

**6.5.1 Economic Development**

Nil implication.

Report prepared by  
Anthony Robinson – Internal Auditor

Sonya Gallery  
**A/MANAGER, ADMINISTRATION & GOVERNANCE**

**PITTWATER COUNCIL**

**Report by Chair of  
The Audit & Risk Committee  
Pittwater Council**

**Operations of the Audit & Risk  
Committee for the year January to December 2015**

## 1. Introduction

The purpose of this report is to provide Pittwater Council with a summary of the operations of the Audit & Risk Committee (the Committee) in accordance with the Committee Charter.

Consistent with its commitment to open and transparent governance that meets the highest community expectations, in November 2009, Council resolved to enhance the governance framework by forming an Audit Committee and an Internal Audit Function. It established Audit Committee and Internal Audit Charters based on principles reflected in guidelines issued by the Department of Premier & Cabinet Division of Local Government in October 2008 - *Internal Audit Guidelines*. It remains in accord with the Guidelines which were updated in 2010.

The Audit Committee was renamed the Audit & Risk Committee in May 2010.

Included in the Committee's Charter is a requirement for the Committee to report to Council annually outlining its activities. This is the sixth Report of the Committee.

## 2. Committee Members

Following completion of the initial term for the independent Members in December 2012, Council called for expressions of interest for the positions of Independent Member and Independent Chair. Following an assessment of a strong field of applicants, Council resolved to re appointment Mr. John Gordon as Independent Chair and appoint Mr. Robert Dobbie as the Independent Member. Mr. Dobbie is an ITC specialist with significant experience in management and business consulting. In this way, Council has maintained continuity of knowledge on the Committee and also has introduced a new member to bring a fresh and independent approach to the Committee's deliberations. The Committee was comprised of the following Members during the 2015 calendar year:

### Independents

- Mr. John Gordon - Chairperson
- Mr. Robert Dobbie - Independent member

### Councillors

- Councillor Julie Hegarty
- Councillor Bob Grace (to 2 November)
- Councillor Kay Millar (from 3 November)

## 3. Advisors to the Committee

### All meetings

- |                    |   |
|--------------------|---|
| - Mark Ferguson    | General Manager                                     |
| - Mark Jones       | Chief Financial Officer                             |
| - Paul Reid        | Manager, Commercial Property & Projects (to August) |
| - Warwick Lawrence | Manager Administration & Governance                 |
| - Anthony Robinson | Internal Auditor (from May)                         |
| - Sonya Gallery    | Principal Officer, Governance (from November)       |
| - Marnie Van Dyk   | Risk Officer  |
| - Pamela Tasker    | Administration Officer/Minute Secretary             |

### As required

- Gary Mottau, Director, Hill Rogers Spencer Steer (External Audit)
- Other Council Management Team members.

## 4. Meetings of the Committee

The table below sets out the meetings of the Committee held during 2015.



## Summary of Committee Meetings

Meeting Date	John Gordon	Robert Dobbie	Clr Julie Hegarty	Clr Bob Grace	Clr Kay Millar
24/02/2015	√	√	√	X	N/A
26/05/2015	√	√	√	√	N/A
18/08/2015	√	√	√	√	N/A
26/11/2015	√	√	√	N/A	√

### 5. The Internal Audit Function

The Internal Audit function is governed by a Charter endorsed by this Committee and approved by Council. The Charter is based on best practice recommendations made by the Department of Premier & Cabinet Division of Local Government.

The Internal Audit Function was disrupted from January to April 2015 following the departure of Ms Karen Farquhar, who was appointed by Council in February 2013 as the full-time Internal Auditor. However, following a protracted recruitment process, Council appointed Mr Anthony Robinson to the role of Internal Auditor in May 2015. Mr Robinson is a Chartered Accountant with extensive internal audit and risk management experience across a number of areas, including Professional Services, Education and Health. Mr Robinson joined Council from the chartered firm PricewaterhouseCoopers and prior to this he worked as an Internal Auditor for the University of Sydney. Mr Robinson has continued to develop and promote the Internal Audit quality assurance and “value add” processes and procedures recently introduced by Ms Farquhar, including client feedback; self-assessments; a Quality Assurance & Improvement Program; an Internal Audit Manual; and appropriate professional development. These initiatives will assist the Internal Audit Function in complying with the requirements of Australian and International Internal Audit Standards (IPPF).

The Internal Audit function operates in line with a three year rolling Strategic Audit Plan (including an annual Audit Plan) which is endorsed by this Committee annually. From 2014-15, the Plans have been developed with the benefit of input from the Principal Officer Administration & Risk, Mr. Nicholas Mamouzelos (who departed from Council in 2014) and the Risk Officer, Ms Marnie Van Dyk. It is intended that, from 2016, with the current implementation of Council's Enterprise Risk Management (ERM) process, the Plans will be linked to that process, thus providing greater justification and reliability consistent with International Internal Auditing Standards.

### 6. Achievements

Milestones achieved by the Committee in 2015 included:

- (i) Reviewed and endorsed the Internal Audit programme and resource allocation for 2015.
- (ii) Monitored the status of Internal Audit activity in relation to the approved plan.
- (iii) Reviewed and commented on the content of individual Internal Audit and Investigation reports.
- (iv) Monitored the implementation of audit recommendations and initiated improvements to the issue/recommendation tracking tool and Committee report.
- (v) Endorsed the Internal Audit Manual and the Quality Assurance and Improvement Program.
- (vi) Endorsed Council Fraud Control Procedures (subject to amendments) and contributed to the development of a fraud control action plan for implementation by management.
- (vii) Reviewed the Financial Statements for the year ended 30 June 2015 and received a briefing from the CFO, Finance Manager and the independent External Auditors. The Committee endorsed the statements for Council's signature.
- (viii) Received briefings and status reports on Risk Management and the implementation of the Enterprise Risk Management Plan.
- (ix) Reviewed the Property Management Policy and recommended improvements, prior to it being reported to Council in August.

- (x) Received reports on administrative complaints and their resolution, as well as compliments.
- (xi) Received reports in relation to GIPA, PID and ICAC.
- (xii) Received reports on Probity reviews and Special reviews and their status.
- (xiii) Reviewed the continued relevance of the Committee's Charter and endorsed a revised Internal Audit Charter in November.
- (xiv) Presented the Committee's Annual Report for 2015 to Council's meeting in December 2015.
- (xv) Held separate "in Camera" meetings with Council's External and Internal Auditors to receive feedback without the presence of management.
- (xvi) Contributed to the recruitment process which led to the appointment of Council's Internal Auditor in May.
- (xvii) Received substantial briefings on:
  - The engagement of Probity Advisors in relation to Council owned land.
  - The Property Management Policy and Leases/Licenses for Council owned or controlled land.
  - Council's Work Health & Safety Responsibilities and response, specifically the cost/benefit of entering into the Retro-Paid Loss Workers Compensation Scheme.
  - Strategically important Kimbriki AWT Project.
  - Fit for the Future reform program.
- (xviii) Received Annual Independence Declarations from the Independent Members.
- (xix) Received Annual Code of Ethics and Conflict of Interest Declaration from the Internal Auditor.
- (xx) Received the Internal Auditor's internal assessment on conformance with International Internal Auditing Standards.

## **7. Action Points for 2016**

The Audit & Risk Committee will complete the following for the forthcoming year:

- (a) Review outstanding items on the Internal Audit programme.
- (b) Follow up on the implementation of Internal and External audit recommendations.
- (c) Review and endorse an Internal Audit programme for 2016.
- (d) Receive updates from Council on its Enterprise Risk Management development as the process matures.
- (e) Consider Council's response to the Fit for the Future announcement by the State Government in December 2015, ensuring that adequate risk management and internal audit processes are in place around any amalgamations and/or change management processes.
- (f) Provide input and support to Management's initiatives to maintain a high quality Internal Audit Function.
- (g) Review and re-endorse the Audit & Risk Committee Charter.
- (h) Pursue other governance related issues as necessary in accordance with the Audit Committee Charter.
- (i) Complete ARC assessment in December 2015 and use feedback as appropriate to direct approach of the Committee in 2016.

## **8. Conclusion**

The Audit & Risk Committee and Internal Audit function have continued to work cohesively and very effectively over the past year. Committee members and senior managers have worked together productively and harmoniously. I take this opportunity to thank the other Committee members for their enthusiasm and commitment and Ms Farquhar for her valuable contribution to the Committee's success. I also wish to acknowledge the important support of the Committee and the Internal Audit function from the General Manager, Mark Ferguson, and his management team.

**John Gordon**

Audit & Risk Committee Chairperson

26.11.2015

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## **Natural Environment Committee**

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### **10.0 Natural Environment Committee Business**

Nil.

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## **Council Meeting**

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### **11.0 Adoption of Connecting Communities Committee Recommendations**

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