



Agenda

Council Meeting

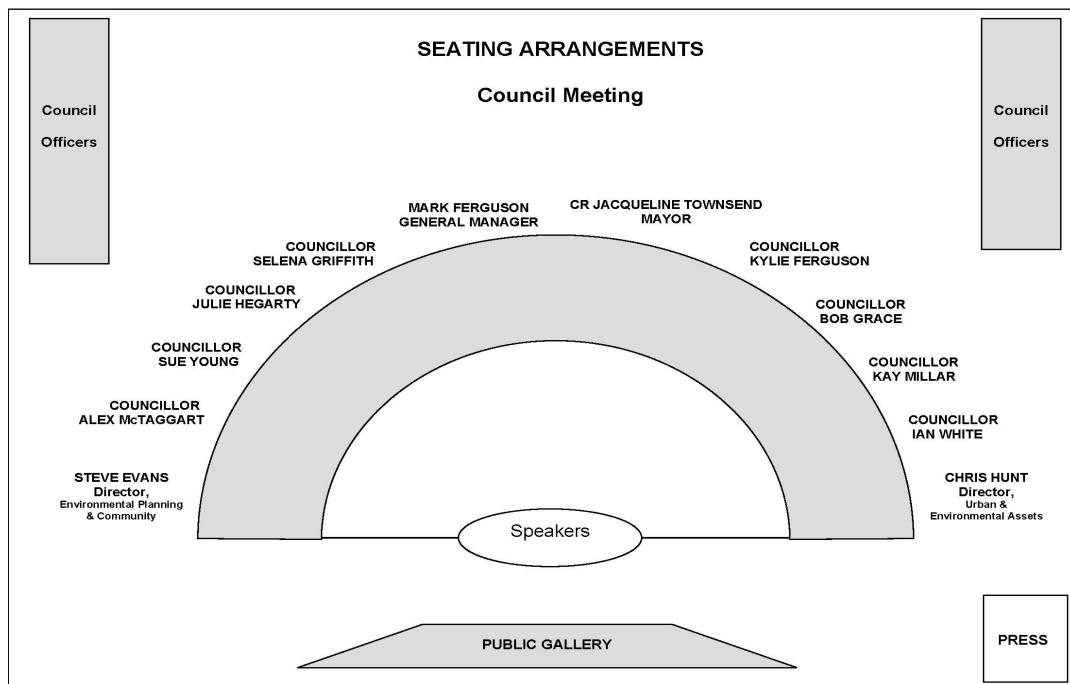
Notice is hereby given that a Council Meeting of Pittwater Council will be held at Mona Vale Memorial Hall on

18 February 2013

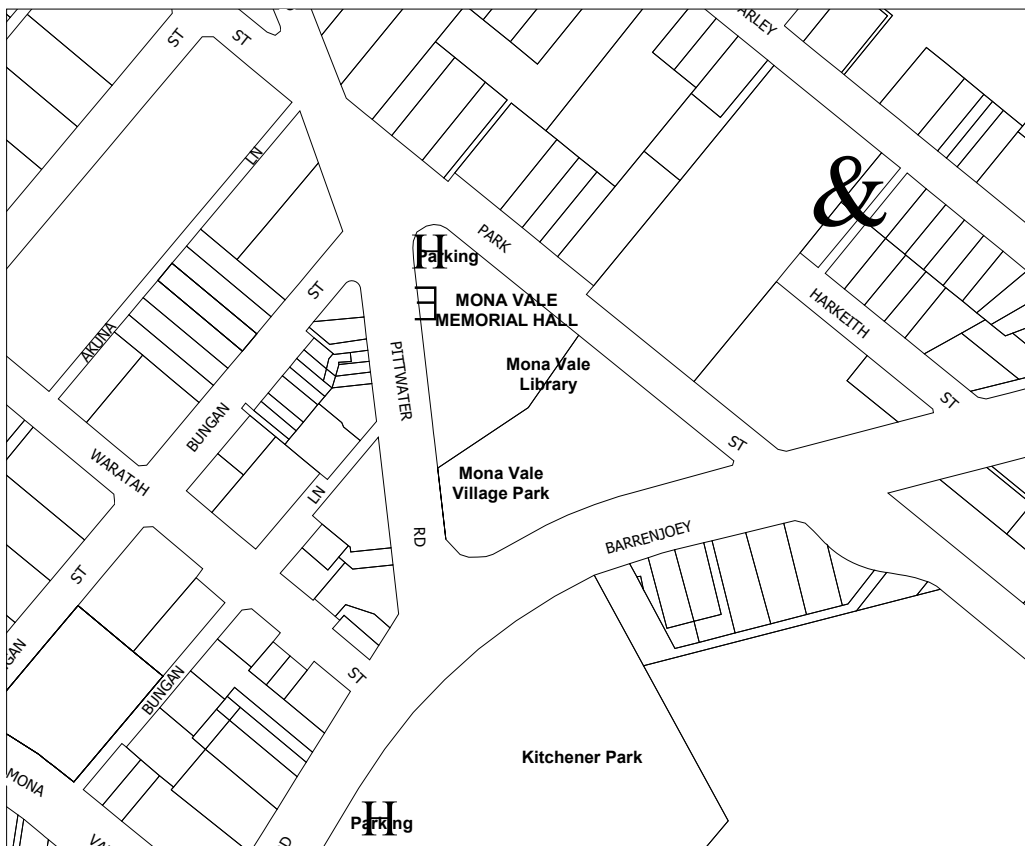
Commencing at 6.30pm for the purpose of considering the items included on the Agenda.

Mark Ferguson
GENERAL MANAGER

Seating Arrangements



Meeting Location



All Pittwater Council's Agenda and Minutes are available on the Pittwater website at www.pittwater.nsw.gov.au

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.**

Council Meeting

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

Council Meeting

1.0 Public Forum

GUIDELINES FOR RESIDENTS - PUBLIC FORUM

Objective

The purpose of the Public Forum is to gain information or suggestions from the community on new and positive initiatives that Council can consider in order to better serve the Pittwater community.

- The Public Forum is not a decision making forum for the Council;
- Residents should not use the Public Forum to raise routine matters or complaints. Such matters should be forwarded in writing to Council's Customer Service Centres at Mona Vale or Avalon where they will be responded to by appropriate Council Officers;
- There will be no debate or questions with, or by, Councillors during/following a resident submission;
- Council's general meeting procedures apply to Public Forums, in particular, no insults or inferences of improper behaviour in relation to any other person/s is permitted;
- No defamatory or slanderous comments will be permitted. Should a resident make such a comment, their submission will be immediately terminated by the Chair of the Meeting;
- Up to 20 minutes is allocated to the Public Forum;
- A maximum of 1 submission per person per meeting is permitted, with a maximum of 4 submissions in total per meeting;
- A maximum of 5 minutes is allocated to each submission;
- Public submissions will not be permitted in relation to the following matters:
 - Matters involving current dealings with Council (eg. development applications, contractual matters, tenders, legal matters, Council matters under investigation, etc);
 - Items on the current Council Meeting agenda;
- The subject matter of a submission is not to be repeated by a subsequent submission on the same topic by the same person within a 3 month period;
- Participants are not permitted to use Council's audio visual or computer equipment as part of their submission. However, photographs, documents etc may be circulated to Councillors as part of the submission;
- Any requests to participate in the Public Forum shall be lodged with Council staff by 12 noon on the day of the Council Meeting. To register a request for a submission, please contact Warwick Lawrence, phone 9970 1112.

Mark Ferguson
GENERAL MANAGER

2.0 Resident Questions

RESIDENT QUESTION TIME

Objective

The purpose of Resident Question Time is to provide the community with a forum to ask questions of the elected Council on matters that concern or interest individual members of the community.

The following guidelines apply to any person addressing a Council / Committee meeting in relation to a Resident Question:

- 1. Residents Question Time is conducted at the commencement of the second Council Meeting of the month and prior to the handling of General Business.*
- 2. A maximum of 10 minutes is allocated to Residents Question Time.*
- 3. Each Resident is restricted to two (2) questions per meeting.*
- 4. All questions are to be in writing or made electronically and lodged with the General Manager no later than 6.15pm on the day of the Council meeting at which it is to be considered.*
- 5. Questions must be precise and succinct and free of ambiguity and not contain any comments that may be offensive, defamatory or slanderous in any way.*
- 6. A brief preamble may accompany the question to clarify the issue however only the actual question will be included in the minutes of the Council meeting.*
- 7. Responses to residents questions made at the meeting will also be included in the minutes of the Council meeting.*
- 8. There will be no debate or questions with, or by, Councillors during / following a resident question and response.*

3.0 Apologies

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

4.0 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.

5.0 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.**"

Minutes of the Council Meeting held on 4 February 2013.

6.0 Public Addresses

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.

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.*

7.0 Mayoral Minutes

Nil.

8.0	Councillor Questions taken on Notice
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Nil.

9.0	Business by Exception
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10.0	Council Meeting Business
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Nil.

Governance Committee

11.0	Governance Committee Business
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C11.1	Quarterly Budget Review Statement for the Quarter Ending 31 December 2012
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Meeting: Governance

Date: 18 February 2013

STRATEGY: Business Management

Action: To provide monthly, quarterly and annual budgets and financial statements

PURPOSE OF REPORT

To provide Council with the financial results for the quarter ending 31 December 2012 of the 2012/2013 Financial Year, as per Local Government (General) Regulations Clause 203. These Reports are to be produced and reported, *"No later than 2 months after the end of each quarter (except the June quarter), and the Responsible Accounting Officer of a Council must prepare and submit to the council a budget review statement."*

1.0 BACKGROUND

- 1.1 The Integrated Planning and Reporting Framework as developed by the Division of Local Government requires Council to use a minimum standard of reporting that will assist in adequately disclosing its overall financial position and additionally provide sufficient information to enable informed decision making while ensuring transparency.

This reporting requirement, known as the Quarterly Budget Review Statement (QBRS) will facilitate progress reporting against the original and revised budgets at the end of a quarter. They will also provide explanations for major variations that result in budgetary changes and enable the Responsible Accounting Officer (RAO) to indicate whether the Council will be in a satisfactory financial position at the end of the Financial Year.

For the information of Council and the Community, the Original 2012/2013 Budget was adopted by Council as part of the 2012-2016 Delivery Program & Budget on 18 June 2012. The Revised 2012/13 Budget was adopted by Council on 18 November 2012, and has been transferred to the Revised Budget column in this report.

- 1.2 Council's reporting structure undertakes a dual format of both financial and strategic information which includes:

- Budget Review Statement
- Performance Indicators
- Summary of Financial Statements
- Financial Statements (Consolidated, Operating, Cash flow, Reserve Balance, Balance Sheet),
- Total Works Program (Including Capital Budget Review Statement)
- Loan Projections
- Special Rates Variation and Stormwater Management Service Charge
- Developer Contribution Plans
- Consultancy and Legal Expenses
- Key Directions and Associated Strategies

2.0 ISSUES

2.1 Responsible Accounting Officer (RAO) Budget Review Statement

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

"It is my opinion as the Chief Financial Officer that the Quarterly Budget Review for Pittwater Council for the quarter ended 31/12/12 indicates that Council's financial position at 31/12/12 is satisfactory."

Mark Jones - Chief Financial Officer (7/2/13)

"This position is summarised in the performance indicators of 2.2 of this report."

Investment Statement

The Responsible Accounting Officer (ROA) certifies that all funds including those under restriction have been invested in accordance with Section 625 of the Local Government Act, 1993 the Local Government (General) Regulations, and Council's Investment Policy (No 143).

Such restricted funds amount to \$24.078 million and form part of Council's total funds invested that amount to \$32.604 million as at 31st December 2012 (as per Council's September Investment Report).

Cash (Bank) Statement

The Responsible Accounting Officer (ROA) certifies that Council's Bank Statement has been reconciled up to and including the 31st December 2012 and the closing balance of cash of \$32.604 million forms part of Council's Current Assets on Council's Balance Sheet.

Reconciliation Statement

The Responsible Accounting Officer (ROA) certifies that the Year to Date (YTD) Cash and Investments (as per Council's Balance Sheet) have been reconciled with funds invested and those held at cash at bank. The table below outlines Council's Cash and Investment reconciliation.

Cash & Investment Reconciliation as at 31st December 2012

Total Cash on Hand	9,380
Council's Bank Account Ledger	(1,613,658)
Investments	34,208,204
Total Cash & Investments	32,603,926

2.2 Performance Indicators

In assessing an organisations financial position, there are a number of performance indicators that can assist to easily identify whether or not an organisation is financially sound. These indicators and their associated benchmarks, as stipulated by the Local Government Association of NSW and Shires Association of NSW are set out below.

#	Performance Indicator	2012/13 <i>Projected</i>	2011/12 Actual	2010/11 Actual	Local Government Bench Mark
1	Operating Result (before Capital amounts)	\$135,000 Surplus	\$1.106m Surplus	\$669,000 Surplus	Surplus
2	Consolidated Result	\$37,000 Surplus	\$579,000 Surplus	\$196,000 Surplus	N/A
3	Unrestricted Current Ratio	2.65:1	2.55:1	3.47:1	>100% or 1:1
4	Debt Service Ratio	2.43%	2.06%	2.20%	<10%
5	Rates and Annual Charges Coverage ratio	63.83%	55.44%	59.16%	>50%
6	Rates and Annual Charges Outstanding %	5%	5.49%	5.23%	<5%
7	Building and Infrastructure Renewals Ratio	97.00%	71.98%	74.85%	>100%

1. Operating Result (before Capital Contributions)

The Operating result is the Profit or Loss that Council makes from normal Operations (Excluding expenditure on Capital items). A Surplus is a positive financial indicator.

2. Consolidated Result

The Consolidated Result is the increase or call on Council funds which shows the source and application of both Operating and Capital Income and Expenditure along with transfers to and from Reserves applicable to those activities. A Surplus is a positive financial indicator.

3. Unrestricted Current Ratio

The Unrestricted Current ratio is the ratio of Unrestricted Cash Assets held that are available to meet any current liabilities. The above ratio indicates that Council currently projects to have \$2.65 (excluding externally restricted funds such as S94 and grant monies) available to service every \$1 of debt as it falls due at the end of the financial year. A ratio greater than one is a positive financial indicator.

4. Debt Service Ratio

This ratio demonstrates the cost of servicing Council's annual debt obligations (loan repayments, both principal and interest) as a portion of available Revenue from Ordinary Activities. A lower ratio is a positive financial indicator.

5. Rates and Annual Charges Coverage Ratio

This ratio indicates the dependency of Rates and Annual charges over Council's total Revenue from continuing operations. A higher ratio is a positive financial indicator.

6. Rates and Annual Charges Outstanding %

This indicates the percentage of Rates and Annual charges outstanding at the end of the financial year. A lower ratio is a positive financial indicator.

7. Building and Infrastructure Renewal Ratio

This ratio indicates the rate of renewal/replacement of existing assets as against the depreciation of the same category of Assets. A ratio greater than one is a positive financial indicator.

2.3 Summary of Financial Statements

2012-13 Statement of **Consolidated Financial Position**

Consolidated Statement shows the source and application of both Capital & Operating Income and Expenditure along with the movements in Reserves.

	(\$ '000)
Total direct income (Operating & Capital)	80,369
Total transfer from Reserves	16,129
Total income	96,498
Total direct Expenditure (Operating & Capital Expenditure)	91,926
Total transfers to Reserves	12,821
Total Expenditure	104,747
Add Back Depreciation - Non Cash	8,286
Increase in Council Funds (Includes Operating Results before Capital of \$135,000)	37

2012-13 **Income Statement**

Income statement shows the extent to which community equity has changed by net result of ordinary activities during year.

	(\$ '000)
Operating Income	70,871
Operating Expenditure	70,736
Operating Results before Capital	135
Capital Income (Grants and Contributions)	2,471
Changes in Net Assets – Resulting from Operations	2,607

2012-13 Statement of **Cashflows**

The statement of cash flows shows the nature and amount of council's cash inflows and outflows for all activities.

	(\$ '000)
Cash inflows	80,327
Cash outflows	83,053
NET Inflows/(Outflows)	-2,726
Funds Carried Forward from Prior year	34,222
Total General Fund	31,496

2012-13 **Balance Sheet**

The Balance sheet shows council's assets & liabilities which make up community equity.

	(\$ '000)
Current Assets (Includes Cash Assets of \$31,496)	36,079
Non Current Assets	1,038,941
Total Assets	1,075,020
Current Liabilities	13,941
Non Current Liabilities	12,571
Total Liabilities	26,512
Net Community Assets	1,048,508
Balance at Beginning of the year	1,045,901
Net results	2,607
TOTAL COMMUNITY EQUITY	1,048,508

2.4 Consolidated Financial Statement

Pittwater Council Budget Review for quarter ending - 31 December 2012 Consolidated Statement							
	\$000's						
	Original	Approved	Sept 2012	Revised	*Dec 2012	Projected	YTD
	Budget	Changes	Variations	Budget	Variations	Budget	Actual
Direct Income							
User Fees	11,382	0	273	11,655	377	12,032	6,415
Regulatory Fees	1,433	0	15	1,448	36	1,484	810
Regulatory Fines	2,626	0	0	2,626	-2	2,624	1,146
Operating Grant Transfers	3,645	0	-371	3,274	71	3,345	1,708
Capital Grant Transfers	977	0	314	1,291	107	1,398	481
Capital Contributions	8,643	0	-5,093	3,550	4,024	7,574	767
Operating Contributions	593	0	200	793	53	846	410
Rates Income	35,269	0	0	35,269	0	35,269	17,340
Domestic Waste Charges	11,481	0	0	11,481	0	11,481	5,722
Return on Investments & Other Interest Income	1,402	0	0	1,402	284	1,686	986
Rebates Income	350	0	10	360	0	360	360
Other Income	392	0	70	462	105	567	433
Capital Sales	6,945	0	-4,500	2,445	-741	1,704	972
Total Direct Income	85,138	0	-9,083	76,055	4,314	80,369	37,549
Reserve Transfer							
Transfer From Reserve-S94	11,987	263	-4,380	7,870	-2,226	5,643	2,539
Transfer From Reserve-Other	7,364	2,338	101	9,803	683	10,486	4,090
Total Transfers From Reserves	19,351	2,600	-4,279	17,672	-1,544	16,129	6,630
Direct Expenditure							
Salaries & Wages	21,455	0	15	21,470	28	21,498	10,683
Other Employee Costs	7,166	0	21	7,187	117	7,305	3,469
Materials	2,214	0	-373	1,840	1,247	3,087	1,711
Stores	165	0	0	165	-2	163	139
Minor Plant Purchases	32	0	0	32	14	46	40
Plant & Equipment	2,179	0	18	2,196	86	2,282	1,267
Contract Services External	26,800	2,047	-3,285	25,562	-2,931	22,632	10,443
Depreciation Expense	8,230	0	56	8,286	0	8,286	4,154
Interest Expense	633	0	0	633	47	680	296
Professional Expenses	4,950	15	-179	4,785	86	4,871	2,032
Legal Expenses	1,100	0	0	1,100	0	1,100	338
Bad & Doubtful Debts	360	0	0	360	0	360	154
Leases/Rentals/Hire/Licences	596	0	52	648	95	743	499
Public Utilities	1,820	0	-22	1,799	91	1,889	947
Communications	560	0	0	560	4	564	247
Advertising	302	0	1	303	-6	297	157
Insurance	993	0	0	993	22	1,015	549
Banking	169	0	0	169	0	169	100
Other Expenses	500	0	-38	462	20	482	245
Office Expenses	350	0	0	350	28	379	278
Sundry Services/Waste Disposal	4,859	0	0	4,859	30	4,889	2,240
Memberships	120	0	0	120	-7	113	76
Levies/Contributions/Subsidies	3,619	0	26	3,645	20	3,665	1,963
Capital Purchases/Payments	4,447	538	190	5,175	234	5,409	3,133
Total Direct Expenditure	93,620	2,600	-3,519	92,702	-776	91,926	45,158
Reserve Transfer							
Transfer To Reserve-S94	6,331	0	-5,093	1,237	0	1,237	743
Transfer To Reserve-Other	12,679	0	-4,664	8,016	3,568	11,584	2,142
Total Transfer to Reserves	19,010	0	-9,757	9,253	3,568	12,821	2,885
Increase/(call) on Council Funds(Inc Dep'n)	-8,141	0	-86	-8,227	-22	-8,249	-3,865
Add back Depreciation - Non Cash	8,230	0	56	8,286	0	8,286	4,154
Increase/(call) on Council Funds	89	0	-30	59	-22	37	289

As indicated in the above columns:

1. The "Original" Budget (+/-) the "Approved" Changes equals the "Revised" Budget
2. The "Revised" Budget (+/-) the "Quarterly Variations" equals the "Projected" Year End Budget.
3. * Recommended changes to Councils Revised budget are shown below in 2.5.

2.5 Consolidated Financial Statement Variance analysis

As a result of the December Quarterly review, the projected financial position shows a surplus in uncommitted funds of \$37,000, a decrease of \$22,000 from the previously adopted budget of \$59,000.

Budgeted Consolidated Result as per the Adopted Budget - Y/E 30 June 2013 Increase of Council Funds		\$	59
Recommended Changes to Revised Budget		\$000's	
INCOME			
Additional User fees mainly relating to Cemetery, Parking & Sportfields Income	\$	377	
Additional Operating Grant Transfers mainly relating to Day Care Services and Weed Eradication Projects	\$	71	
Additional Capital Grant Transfers mainly relating to works associated with the Western Foreshores Sturdee Lane East Fire Mitigation Project	\$	107	
Additional Capital Contributions mainly relating to the take up of the Local Infrastructure Renewal Scheme (LIRS) Loan for works associated with Mona Vale Car Park as per State Gov't requirements	\$	4,024	
Additional Return on Investments and Other Interest	\$	84	
Additional Return on Investments mainly relating to removal of CDO write downs due to Improvement CDO Exposures	\$	200	
Additional Other Income mainly relating to Legal & Insurance Recoveries and REF Rebates	\$	105	
Reduced Capital Sales mainly related to the timing of the Sale of Sydney Lakeside Cabins	-\$	741	
EXPENDITURE			
Reduced Materials, Stores & Contract Services External mainly relating to the timing of Mona Vale Car Park Works and Offset by WWV Boondah Rd/Macpherson St Upgrade	\$	1,586	
Additional Interest Expense Mainly relating to Local Infrastructure Renewal Scheme (LIRS) Borrowing	-\$	47	
Additional Professional Expenses mainly relating to Avalon Golf Management	-\$	86	
Additional Leases/Rentals/Hire/Licences mainly relating to works such as Scotland Island Drainage	-\$	95	
Additional Public Utilities Expenditure Mainly relating to Street Lighting	-\$	91	
Additional Capital Purchases/Payments mainly relating to Library Purchases & Community Centre Improvements	-\$	234	
Additional Other Expenditure mainly relating to Insurance, Waste Disposal & Printing	-\$	170	
RESERVE MOVEMENTS			
Reduced Transfers from Reserve - S94 mainly relating to Mona Vale Car Park works	-\$	2,226	
Increased Transfers from Reserve - Other mainly relating to Woorak Reserve, Old Church Pt Winn Bay Playground and Avalon Beach Lighting Works	\$	683	
Increased Transfer to Reserve - Other mainly relating to the Local Infrastructure Renewal Scheme Loan fund to be held in Reserve for the Mona Vale Car Park Works	-\$	3,568	
December Review - NET Changes	-\$	22	
Projected Budget Consolidated Result year ending 30 June 2013 - Increase of Council Funds		\$	37

2.6 Operating Statement

Pittwater Council Budget Review for the quarter ending - 31 December 2012 Operating Statement							
	Annual Budget - \$000's						
	Original Budget	Approved Changes	Sept 2012 Variations	Revised Budget	*Dec 2012 Variations	Projected Budget	YTD Actual
Direct Income							
User Fees	11,382	0	273	11,655	377	12,032	6,415
Regulatory Fees	1,433	0	15	1,448	36	1,484	810
Regulatory Fines	2,626	0	0	2,626	-2	2,624	1,146
Operating Grant Income	3,645	0	-371	3,274	71	3,345	1,715
Operating Contributions	593	0	200	793	53	846	410
Rates Income	35,269	0	0	35,269	0	35,269	17,340
Domestic Waste Charges	11,481	0	0	11,481	0	11,481	5,722
Return on Investments & Other Interest Income	1,402	0	0	1,402	284	1,686	986
Rebates Income	350	0	10	360	0	360	360
Other Income	392	0	70	462	105	567	426
Profit / (Loss) on Sale of Assets	2,139	0	-1,000	1,139	-561	578	239
Gain from Joint Venture Assets	0	0	500	500	0	500	0
Total Direct Income	70,711	0	-303	70,408	363	70,771	35,568
Internal Income							
Plant Hire/Service Agreement - Capital Works	100	0	0	100	0	100	90
Total Internal Income	100	0	0	100	0	100	90
Direct Expenditure							
Salaries & Wages	20,883	0	15	20,897	28	20,925	10,300
Other Employee Costs	6,961	0	21	6,982	117	7,099	3,340
Materials	862	0	-2	860	78	938	485
Stores	165	0	0	165	-7	158	100
Minor Plant Purchases	32	0	0	32	4	36	33
Plant & Equipment	2,179	0	9	2,187	66	2,253	1,218
Contract Services External	10,090	0	468	10,558	147	10,705	5,015
Depreciation Expense & Ammortisation	8,370	0	57	8,427	0	8,427	4,224
Interest Expense	633	0	0	633	47	680	296
Professional Expenses	4,039	0	101	4,140	-178	3,962	1,845
Legal Expenses	1,100	0	0	1,100	0	1,100	338
Bad & Doubtful Debts	360	0	0	360	0	360	154
Leases/Rentals/Hire/Licences	596	0	52	648	3	651	383
Public Utilities	1,820	0	-22	1,799	91	1,889	947
Communications	560	0	0	560	4	564	246
Advertising	302	0	1	303	-6	297	155
Insurance	993	0	0	993	22	1,015	549
Banking	169	0	0	169	0	169	100
Other Expenses	500	0	-38	462	20	482	242
Office Expenses	350	0	0	350	28	379	272
Sundry Services/Waste Disposal	4,859	0	0	4,859	5	4,864	2,207
Memberships	120	0	0	120	-7	113	76
Levies/Contributions/Subsidies	3,619	0	26	3,645	20	3,665	1,963
Total Direct Expenditure	69,563	0	688	70,251	484	70,736	34,486
Operating Results before Capital	1,248	0	-991	257	-122	135	1,172
Grants & Contributions - Capital	7,120	0	-4,780	2,341	131	2,471	1,427
Material Public Benefits - S94	0	0	0	0	0	0	0
Change in Net Assets - Resulting from Opera	8,368	0	-5,771	2,598	9	2,607	2,599

As indicated in the above columns:

1. The "Original" Budget (+/-) the "Approved" Changes equals the "Revised" Budget
2. The "Revised" Budget (+/-) the "Quarterly Variations" equals the "Projected" Year End Budget.
3. * Recommended changes to Councils Revised budget are shown below in 2.7

2.7 Operating Financial Statement Variance analysis

The Projected Operating Result before Capital for the financial year 2012/2013 is a surplus of \$135,000, a variance of \$122,000 compared to the previously adopted budget of \$257,000.

Budgeted Operating Results before Capital as per Adopted Budget for the year ending 30/6/13	\$	257
Recommended Changes to Revised Budget		\$000's
INCOME		
Additional User fees mainly relating to Cemetery, Parking & Sportfields Income	\$	377
Additional Operating Grant Transfers mainly relating to Day Care Services and Weed Eradication Projects	\$	71
Additional Return on Investments and Other Interest	\$	84
Additional Return on Investments mainly relating to removal of CDO write downs due to Improvement in CDO Exposures	\$	200
Additional Other Income mainly relating to Legal & Insurance Recoveries	\$	105
Reduced Capital Sales mainly related to the timing of the Sale of Sydney Lakeside Cabins	-\$	561
EXPENDITURE		
Additional Materials, Stores & Contract Services External mainly relating to additional Works such as Bushland, Restorations & Reserves maintenance	-\$	288
Additional Interest Expense Mainly relating to Local Infrastructure Renewal Scheme Borrowing	-\$	47
Reduced Professional Expenses relating to Coastal Zone Mgmt Plans	\$	178
Additional Public Utilities Expenditure Mainly relating to Street Lighting	-\$	91
Additional Other Expenditure mainly relating to Insurance, Stationary & Printing	-\$	150
December Review - NET Changes	-\$	122
Projected Operating Results before Capital for the year ending 30 June 2013 Surplus	\$	135

2.8 Cash Flow Statement and Reserves Balances

The Projected total General Fund for the year ended 30 June 2013 stands at \$31.496 million. Compared to the previously adopted budget this amount is a increase of \$5.089 million. This is mainly attributed to the take up of the Local Infrastructure Renewal Scheme (LIRS) Loan for Mona Vale Car Park works as per the State Governments loan requirements and the overall reduction in the total works program.

The Actual Result for the period ended 31 December 2012 is a net outflow of \$1.618 million.

Pittwater Council Budget review for the quarter ended - 31 December 2012 Cash Flow Statement							
	Original	Approved	*Sept 2012	\$000's Revised	*Dec 2012	Projected	YTD
	Budget	Changes	Variations	Budget	Variations	Budget	Actual
Cash Inflows							
Rates & Garbage	46,605	0	0	46,605	0	46,605	28,437
Grants	4,622	0	46	4,668	177	4,845	1,986
User Charges	11,382	0	273	11,655	377	12,032	6,783
Regulatory Fees & Fines	4,059	0	15	4,074	34	4,108	1,977
Contributions & Donations	593	0	200	793	77	870	434
Return on Investments & Other Interest Income	1,402	0	0	1,402	284	1,686	965
Sale of Assets (Excluding Land)	2,445	0	0	2,445	-741	1,704	972
Sale of Land	4,500	0	-4,500	0	0	0	0
Other	742	0	80	822	105	927	744
S94 Contributions Received	6,143	0	-5,093	1,050	0	1,050	743
Proceeds from loan	2,500	0	0	2,500	4,000	6,500	0
GST Net Inflow	0	0	0	0	0	0	316
Total Inflows	84,994	0	-8,979	76,015	4,312	80,327	43,357
Cash Outflows							
Employee Salary & Wages	21,455	0	15	21,470	28	21,498	11,877
Employee Other Costs	6,601	0	0	6,601	117	6,718	3,062
Insurance Claims/Premiums	993	0	0	993	22	1,015	1,005
Levies & Contributions	3,619	0	26	3,645	20	3,665	1,213
Materials/Stores/Contracts	46,009	2,062	-3,859	44,212	-1,244	42,968	24,259
Legal Expenses	1,100	0	0	1,100	0	1,100	338
Loan Interest Repayments	633	0	0	633	47	680	292
Loan Principal Repayments	932	0	0	932	54	986	471
Purchase Of Assets	3,515	538	190	4,243	180	4,423	2,458
Total Outflows	84,857	2,600	-3,628	83,829	-776	83,053	44,976
Net Inflows/(Outflows)	137	-2,600	-5,351	-7,814	5,089	-2,726	-1,618
Funds Carried Forward from Prior Year	22,209	12,013	0	34,222	0	34,222	34,222
Total General Fund	22,346	9,413	-5,351	26,408	5,089	31,496	32,604
Less Restricted Assets	4,529	4,254	-714	8,069	2,285	10,354	13,809
Less Unexpended Grants	900	-200	0	700	0	700	337
Less Internal Reserves	14,725	894	-4,765	10,854	2,828	13,682	9,932
Increase/(call) on Council Funds	2,192	4,465	128	6,785	-24	6,760	8,526

The above Total Projected General Fund Results for the financial year ending 30 June 2013 are made up of Externally Restricted, Internally Restricted and Available Cash as outlined in the Reserve Balances (Cash & Investments Budget Review Statement) below:

Pittwater Council
Budget review for the quarter ended - 31 December 2012
Reserve Balances
(Cash & Investments Budget Review Statement)

	Original Budget	Approved Changes	*Sept 2012 Variations	Revised Budget	*Dec 2012 Variations	Projected Budget	YTD Actual
Externally Restricted							
Section 94	2,661	4,135	-713	6,083	2,227	8,310	10,919
Domestic Waste Management	1,863	-92	0	1,984	0	1,984	1,503
Special Rates Variation	5	0	0	3	0	3	1074
Stormwater Levy	43	15	0	58	0	58	146
Grants	900	0	0	700	0	700	504
Total Externally Restricted	5,472	4,043	-713	8,769	2,227	11,054	14,146
Internally Restricted							
Avalon Golf Course	23	-9	0	14	0	14	7
Bus Shelter Reserve	29	-20	0	9	0	9	9
Capital Works Reserve	0	0	0	0	0	0	43
Caravan Park Capital Works	307	61	0	367	0	367	298
Caravan Park Loan	302	0	788	1089	-741	348	0
Cemetery Reserve	2021	324	205	2550	100	2650	2073
Church Point Carpark	411	-47	0	364	0	364	291
Commercial Centres Outdoor Seating	315	-1	-40	274	0	274	241
Community Centre Trusts	53	23	-40	36	-33	3	75
Election Reserve	0	0	0	0	0	0	221
Employee Leave Entitlement	1270	199	0	1469	0	1469	1469
Environmental Infrastructure Levy	144	-65	0	79	0	79	338
Environmental Levy (Escarpment)	157	21	0	178	-4	174	178
General Reserve	2726	-601	-530	1596	-127	1469	2157
IT Reserve	0	0	0	0	0	0	0
Kitchener Park Telco Tower	35	-35	0	0	0	0	0
Lagoon Entrance Clearing	175	-100	0	75	0	75	50
Marine Infrastructure	110	91	13	214	-181	34	177
Mona Vale Car Park Loan	0	0	0	0	3900	3900	0
Other	689	-24	0	665	72	737	582
Plant Replacement	20	0	0	20	0	20	0
Restoration Reserve	190	-75	0	115	0	115	115
RMS Contribution	0	1298	-742	556	0	556	646
Road Reserve	408	92	-80	420	-100	320	314
Sportsfield Contributions	173	-173	0	0	0	0	0
Strategic Property Rationalisation Reserve	4402	18	-4339	81	0	81	81
Tennis Liason Trust Fund	195	-10	0	186	0	186	153
Trust and Bonds (eg. Tree and Footpath)	529	-91	0	438	0	438	414
Total Internally Restricted	14,682	894	-4,765	10,854	2,886	13,681	9,932
Total Restricted	20,154	4,947	-5,478	19,623	5,113	24,736	24,078
Available Cash	2,192	4,466	127	6,785	-25	6,760	8,526
Total General Fund (Cash Flow Statement)	22,346	9,413	-5,351	26,408	5,088	31,496	32,604

As indicated in the above columns:

1. The "Original" Budget (+/-) the "Approved" Changes equals the "Revised" Budget
2. The "Revised" Budget (+/-) the "Quarterly Variations" equals the "Projected" Year End Budget.
3. * Recommended changes to Councils Revised budget are shown below

Revised Restricted Reserve Balance for the year ending 30/6/13	\$ 19,623
Recommended Changes to Revised Budget	\$000's
Additional Externally restricted Reserve S94 mainly relating to the timing of Mona Vale Car Park Works & Associated S94 Funds	\$ 2,227
Reduced Internally Restricted Reserves mainly relating to the timing in the sales of the Sydney Lakeside Cabins	-\$ 741
Reduced Internally Restricted Marine Infrastructure Reserves mainly relating to Additional Woorak Reserve Works	-\$ 181
Additional Internally Restricted Reserve MV Car Park Loan mainly relating to the take up of the Local Infrastructure Renewal Scheme (LIRS) Loan	\$ 3,900
Reduced Internally Restricted Reserve Other mainly relating to Road Reserves Expenditure on Pittwater Road Bayview	-\$ 92
Projected Restricted Reserve Balance for the year ending 30/6/2013	\$ 24,736

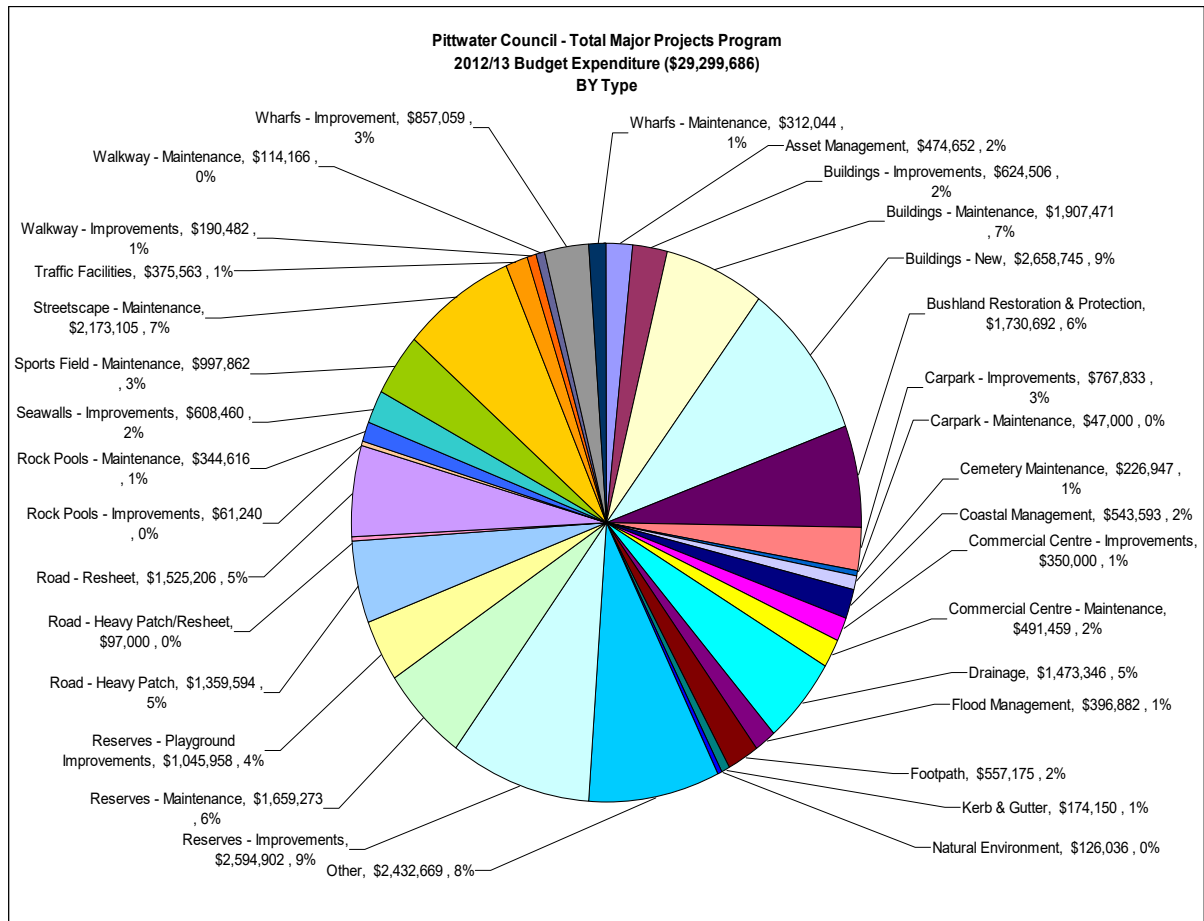
2.9 Balance Sheet

Council's Projected total increase in equity for the year ending 30 June 2013 is \$2.607 million (net change in assets resulting from operations) the increase of Total Equity is \$1.049 billion.

Pittwater Council Balance Sheet For Period 6 Ending 31 December 2012			
Actual		Projected	Actual
31/12/2012		30/06/2013	30/06/2012
\$'000's		\$'000	\$'000
CURRENT ASSETS			
1,296	Cash Assets	1,831	11,692
31,308	Investments	29,665	22,530
3,123	Receivables	4,192	4,122
78	Inventories	56	56
702	Other	335	335
0	Non Current Assets held for sale	0	0
<u>36,507</u>	TOTAL CURRENT ASSETS	<u>36,079</u>	<u>38,735</u>
NON-CURRENT ASSETS			
0	Investments	0	0
0	Receivables	883	883
0	Inventories	0	0
1,022,652	Infrastructure Property, Plant and Equipment	1,026,889	1,017,013
6,467	Investments Accounted for using the Equity Method	6,467	6,467
1,750	Investment Property	1,750	1,750
3,023	Intangible Assets	2,952	3,093
<u>1,033,892</u>	TOTAL NON-CURRENT ASSETS	<u>1,038,941</u>	<u>1,029,206</u>
<u>1,070,399</u>	TOTAL ASSETS	<u>1,075,020</u>	<u>1,067,941</u>
CURRENT LIABILITIES			
3,170	Payables	5,539	6,581
3,613	Rates & DWM Paid in Advance	0	0
457	Interest Bearing Liabilities	1,213	955
7,500	Provisions	7,189	7,189
<u>14,740</u>	TOTAL CURRENT LIABILITIES	<u>13,941</u>	<u>14,725</u>
NON-CURRENT LIABILITIES			
0	Payables	0	0
7,004	Interest Bearing Liabilities	12,416	7,160
155	Provisions	155	155
<u>7,159</u>	TOTAL NON-CURRENT LIABILITIES	<u>12,571</u>	<u>7,315</u>
<u>21,899</u>	TOTAL LIABILITIES	<u>26,512</u>	<u>22,040</u>
<u>1,048,500</u>	NET ASSETS	<u>1,048,508</u>	<u>1,045,901</u>
EQUITY			
1,048,500	Accumulated Surplus/ (Deficit)	1,048,508	1,045,901
	Asset Revaluation Reserve		
<u>1,048,500</u>	TOTAL EQUITY	<u>1,048,508</u>	<u>1,045,901</u>

2.10 Total Works Program Including Capital Budget Review Statement

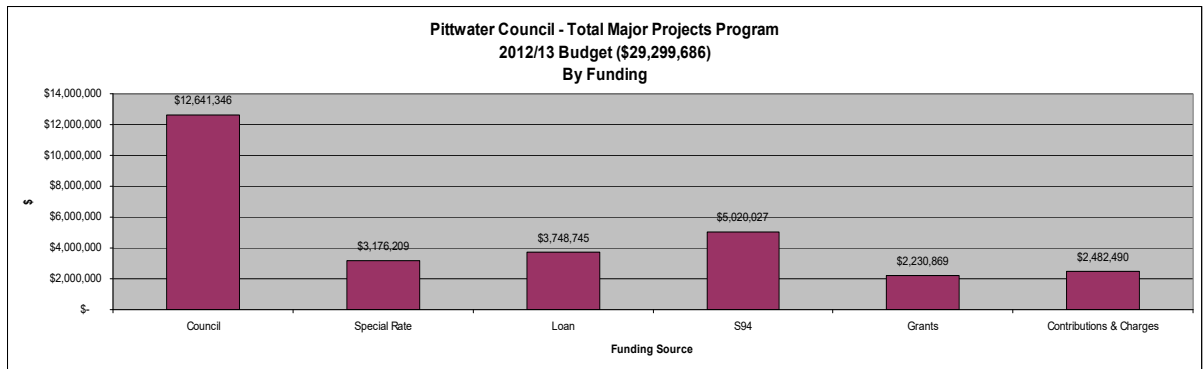
Council's Total Works Program including Maintenance and Capital (Renewals, Upgrades & New) expenditure amounts to \$29.300 million as at 31 December 2012. This expenditure has been categorised below in terms of budgeted expenditure by *Type*, associated *Funding* and by budgeted and actual expenditure by *Strategy* and *Key Direction*.



2012/13 Budget Expenditure - By Major Categories			
Infrastructure Based		Recreational/Environmental/Education Based	
Roads & Carpark	\$ 4,504,563	Natural Environment	\$ 2,161,376
Commercial Centres	\$ 3,014,564	Reserves & Sportsfields	\$ 6,524,942
Drainage & Flooding	\$ 2,028,445	Coastal	\$ 1,557,909
Buildings	\$ 5,348,939	Wharfs	\$ 1,169,103
Footpaths	\$ 557,175	Other	\$ 1,939,201
Other	\$ 493,468		
Total	\$ 15,947,155	Total	\$ 13,352,531

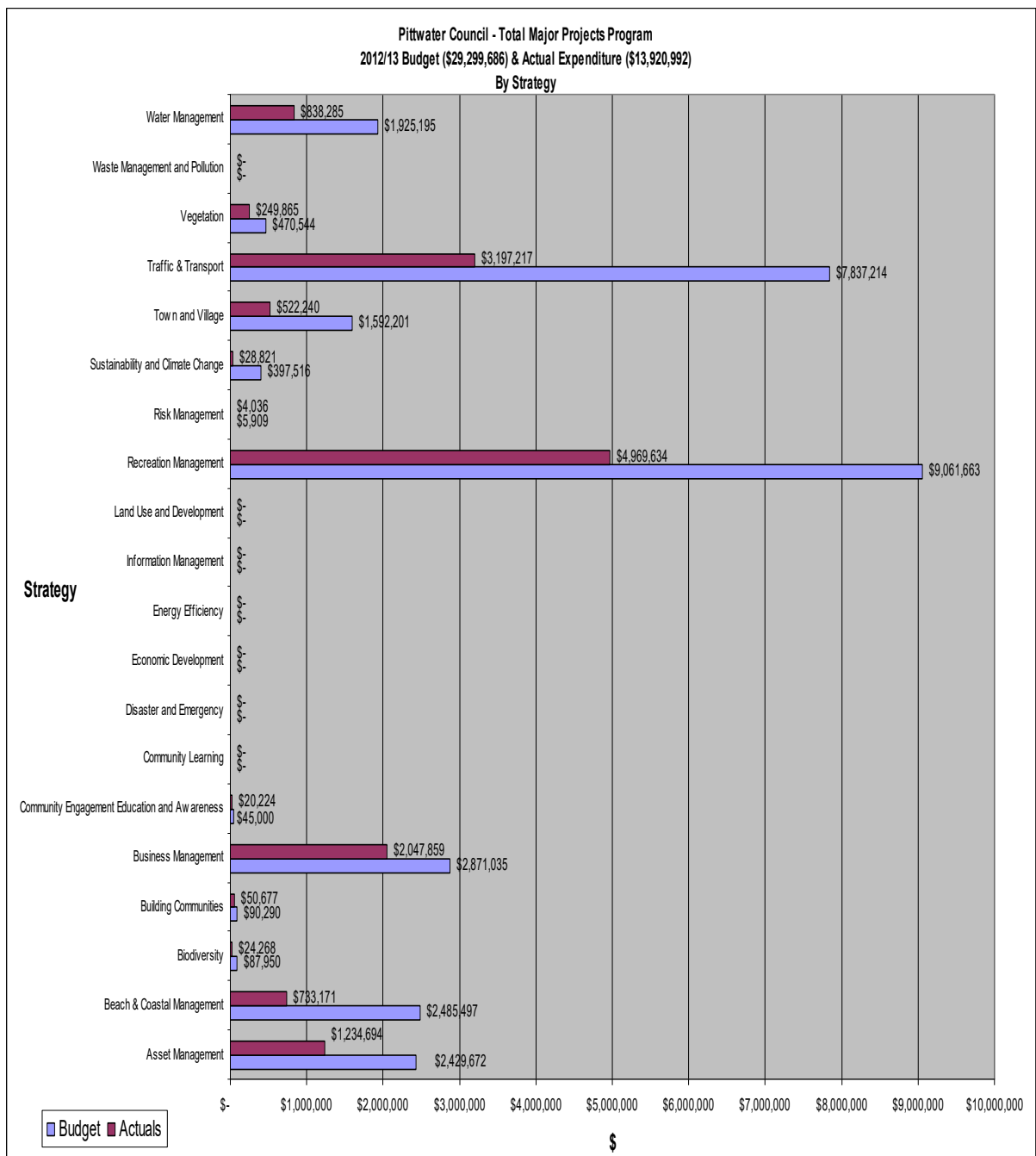
Note: Other incorporates Bridge Design, Cycleways, Traffic Projects, Carpark Studies etc

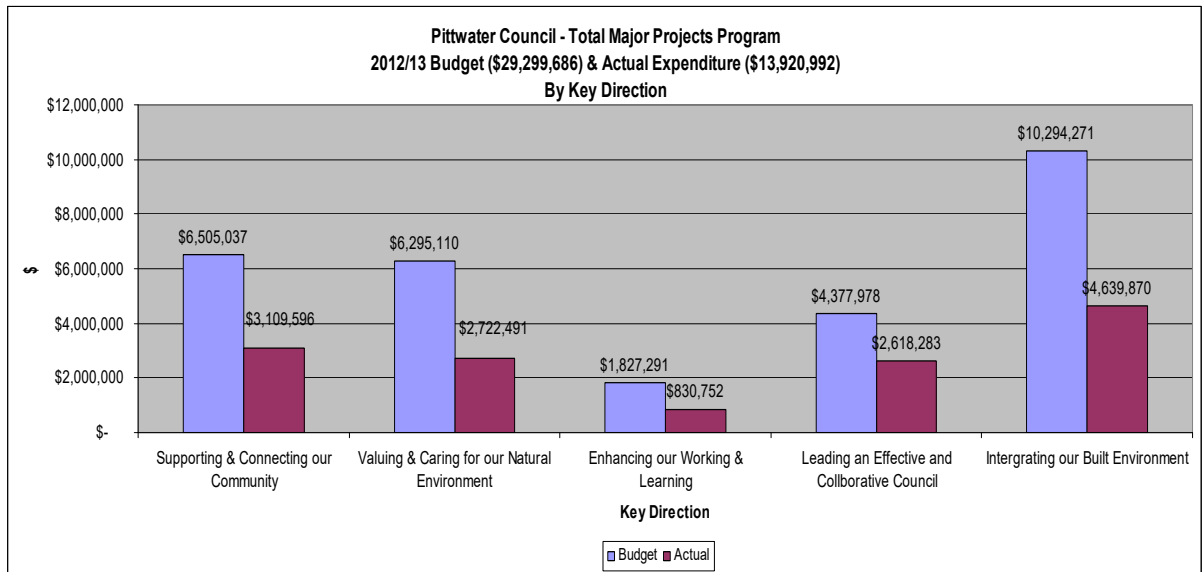
Note: Other incorporates Energy Initiatives, Education Programs, Tree Planting, Impact Studies etc



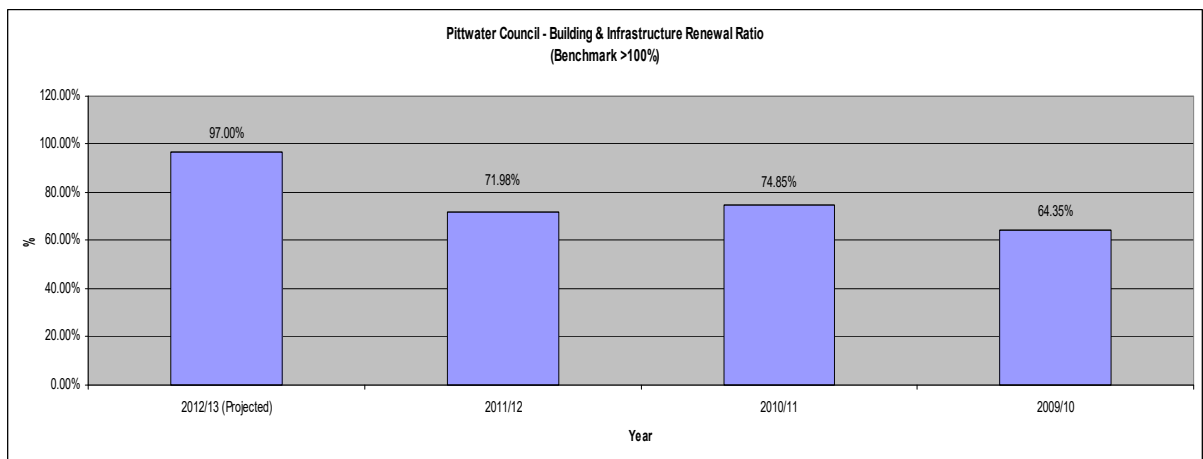
Total Major Projects Program has been categorised below by budgeted and actual expenditure in *Strategies*.

Total Major Projects Program Summary by Strategy





As a part of Council's Major Projects Program it has been recognised that more funds are required to be spent in the area of Building and Infrastructure Renewal in order for Council to achieve the industry benchmark of 100%. This benchmark reflects that for every \$1 of depreciation associated with Buildings and Infrastructure, Council's should be spending at least \$1 in renewals. Historically, Council has been below this benchmark but with the injection of funds raised via the Special Rate Variation into the area of Building and Infrastructure renewal this ratio has improved to be projected marginally below the industry benchmark at financial year end. It is anticipated that with the continual injection of such funds on an annual basis the benchmark will be met in future years.



Further to the above Total Works Program, Council is required under the Department of Local Government Quarterly Budget Review Statement (QBRs) guidelines to report on capital expenditure in isolation.

Accordingly, Total Capital Expenditure (including revotes) under the previously adopted 2012/2013 Delivery Program amounted to \$22.691 million as indicated in the Revised Budget Column shown below. The program has now been amended to \$21.431 million to reflect \$1.260 million of recommended budgetary changes within the December Quarterly Review.

<p style="text-align: center;">Pittwater Council Budget review for the quarter ended - 31 December 2012 Capital Budget Review Statement</p>							
	Original Budget	Approved Changes	*Sept 2012 Variations	Revised Budget	*Dec 2012 Variations	Projected Budget	YTD Actual
Capital Funding							
Rates & Other Untied Funding	2,513	0	0	2,514	830	3,344	4,936
Capital Grants & Contributions	977	0	314	1,291	107	1,398	481
Reserves:	0			0		0	0
- External Restrictions/Reserves	11,464	263	-4,420	7,307	-2,227	5,080	2,525
- Internal Restrictions/Reserves	4,538	1,180	849	6,567	-411	6,156	960
New Loans	2,198	1,157	-788	2,568	1,181	3,749	1,157
Receipts from Sale of Assets	0	0	0	0	0	0	0
- Plant & Equipment	1,354	0	0	1,354	0	1,354	972
- Land & Buildings	1,091	0	0	1,091	-741	350	0
Other Funding	0	0	0	0	0	0	0
Total Capital Funding	24,136	2,600	-4,045	22,691	-1,260	21,431	11,031
Capital Expenditure							
New Assets							
- Plant & Equipment	0	0	0	0	0	0	0
- Land & Buildings	2,551	1,157	-1,050	2,659	0	2,659	2,001
- Roads	3,813	82	-3,805	90	995	1,085	20
- Footpaths	0	143	0	143	0	143	42
- Drainage	927	0	-883	45	38	82	88
- Foreshore Assets	0	0	0	0	0	0	0
- Natural Assets	0	0	0	0	0	0	0
- Recreational Assets	2,897	37	195	3,129	100	3,229	2,634
- Other	175	0	166	341	45	385	107
Renewal & Upgrades of Assets							
- Land & Buildings	665	0	0	665	-10	655	210
- Roads	4,984	0	744	5,727	-3,221	2,507	1,352
- Footpaths	441	0	250	691	43	734	203
- Drainage	1,025	0	-289	736	0	736	291
- Foreshore Assets	1,272	505	72	1,849	47	1,896	370
- Natural Assets	300	98	150	548	137	685	83
- Recreational Assets	185	39	266	490	333	823	487
- Other	455	0	-50	405	0	405	10
Total Capital Works	19,689	-2,173	-4,235	17,516	-1,494	16,022	7,898
Other							
- Plant & Equipment Replacement	3,515	538	190	4,243	180	4,423	2,668
Loan Repayments (Principal)	932	0	0	932	54	986	465
Other Capital Expenditure	0	0	0	0	0	0	0
Total Capital Expenditure	24,136	-1,635	-4,045	22,691	-1,260	21,431	11,031

As indicated in the above columns:

1. The "Original" Budget (+/-) the "Approved" Changes equals the "Revised" Budget
2. The "Revised" Budget (+/-) the "Quarterly Variations" equals the "Projected" Year End Budget.
3. * Recommended changes to Councils Revised budget are shown below

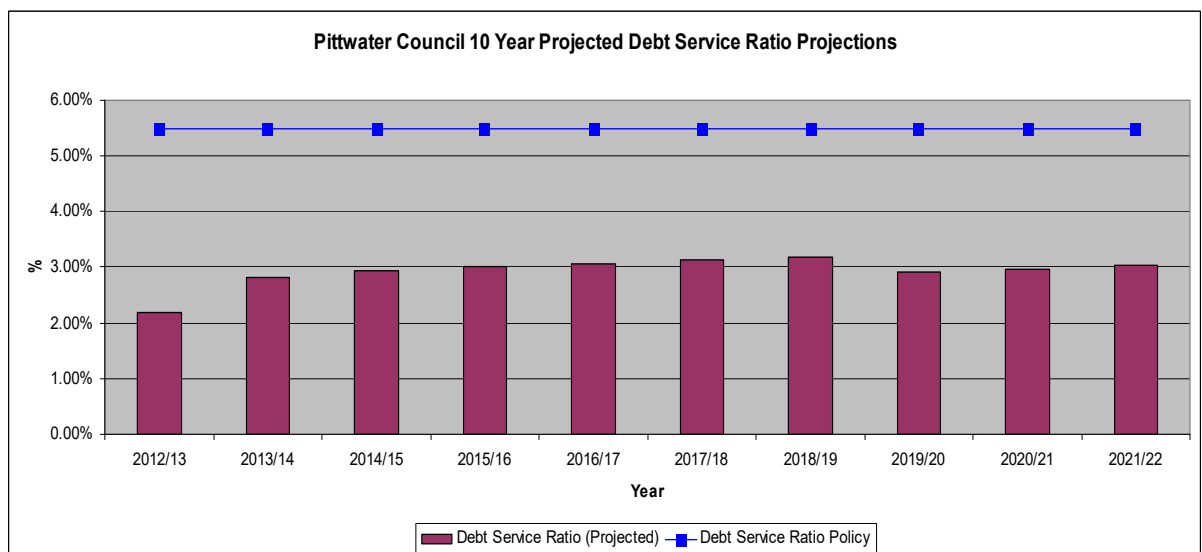
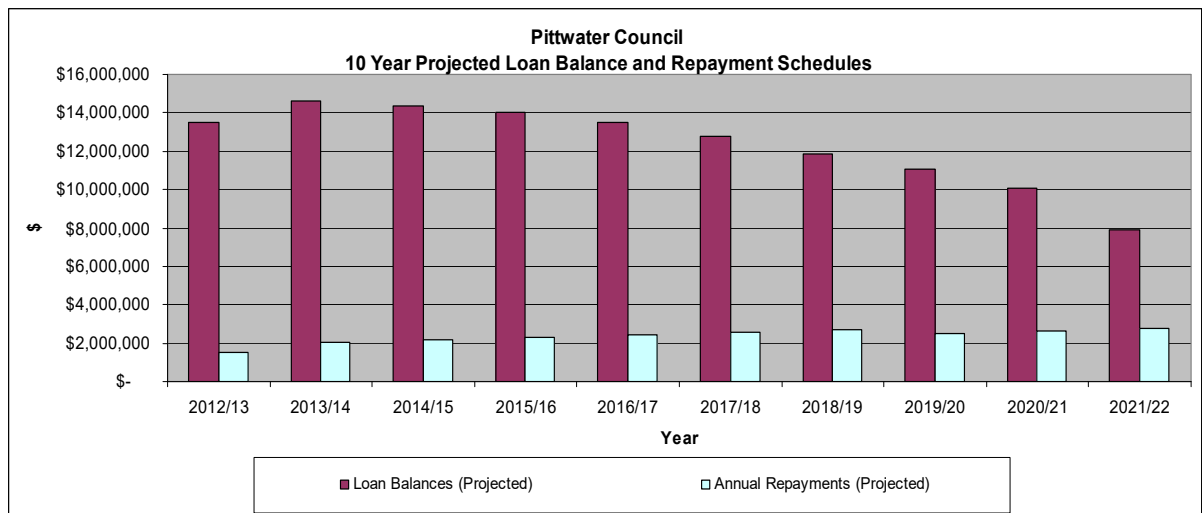
Budgeted Capital Expenditure as per Adopted Budget for the year ending 30/6/13	\$ 22,691
Recommended Changes to Revised Budget	\$000's
Additional Asset Expenditure Roads mainly relating to S94 WWV Works such as Boondah Rd/Macpherson St Upgrade	\$ 995
Additional Recreational Assets mainly relating to Avalon Reserve Lighting Project	\$ 100
Reduced Roads Expenditure mainly relating to timing of Mona Vale Car Park works	-\$ 3,221
Additional Natural Assets mainly relating to Western Foreshores Sturdee Ln East Fire Mitigation Works	\$ 137
Additional Recreational Assets mainly relating to Woorak Res & Winn Bay Playground works	\$ 333
Additional Other Assets mainly relating to Drainage, Footpath & Foreshore Works	\$ 216
Additional Plant & Equipment Replacement mainly relating to Plant Purchases	\$ 180
Projected Capital Expenditure for the year ending 30 June 2013	\$ 21,431

2.11 Loan Projections

Council's estimated loan balances, principal and interest repayments and debt service ratio (loans only) are demonstrated below for the next ten years. As indicated, Council's Loan program is increasing in order to support Council's infrastructure renewal needs and commercial opportunities. Although increasing, the debt service ratio remains well within Council's Policy and well within financially sustainable parameters.

Period	Year	New Loan Borrowings	Loan Balance at Financial Year End	Projected Principal Repayments	Projected Interest Repayments	Projected Repayments Annually	Debt Service Ratio
1	2012/13	\$ 6,500,000	\$ 13,473,242	\$ 957,724	\$ 545,077	\$ 1,502,801	2.19%
2	2013/14	\$ 2,300,000	\$ 14,587,572	\$ 1,185,744	\$ 837,609	\$ 2,023,353	2.82%
3	2014/15	\$ 1,000,000	\$ 14,372,809	\$ 1,214,900	\$ 934,247	\$ 2,149,147	2.93%
4	2015/16	\$ 1,000,000	\$ 14,002,049	\$ 1,370,947	\$ 909,397	\$ 2,280,344	3.02%
5	2016/17	\$ 1,000,000	\$ 13,465,667	\$ 1,536,602	\$ 874,927	\$ 2,411,530	3.05%
6	2017/18	\$ 1,000,000	\$ 12,753,430	\$ 1,712,477	\$ 830,225	\$ 2,542,702	3.13%
7	2018/19	\$ 1,000,000	\$ 11,854,445	\$ 1,899,222	\$ 772,377	\$ 2,671,599	3.19%
8	2019/20	\$ 1,000,000	\$ 11,055,940	\$ 1,798,721	\$ 710,232	\$ 2,508,952	2.91%
9	2020/21	\$ 1,000,000	\$ 10,070,845	\$ 1,985,266	\$ 653,983	\$ 2,639,250	2.97%
10	2021/22	\$ -	\$ 7,887,975	\$ 2,182,970	\$ 586,490	\$ 2,769,459	3.03%

Note: The above Loan Balances & Repayments exclude Council's Short Term Finance Lease and are based on a Loan drawdown in June each year



2.12 Special Rates Variation Levy

In order for Pittwater Council to remain a strong, independent and sustainable Council in 2011 an application was submitted to IPART for a Special Variation to Council's rates. This application was subsequently approved in full allowing for a cumulative growth in Council's rates of 7.8% in 2011/12, 7% in 2012/13 and 6% in 2013/14 (including CPI increases).

Council's Special Rate Variation (SRV) will provide funds for a wide range of Infrastructure Works and Environmental Programs that will progressively improve both our 'urban' and 'natural' environment. The schedule of works and programs will be overseen through the Special Rate Variation (SRV) Advisory Committee.

The 2012/13 list of funds and SRV works are shown below.

Opening Reserve Balance as at 01/07/12	337,540
Budget Income 2012/2013	2,841,222
Budget Expenditure 2012/2013 (as shown below)	3,176,209
Projected Budget Reserve Balance for the year ended 30 June 2013 (restricted)	2,553

Special Rates Variation Works	Budget	YTD Actuals
Addison Rd Ingleside - South end to McCowen Rd	24,764	15,842
Laurel Rd Ingleside - No 9 to Ingleside Rd	26,000	-
DeLauret Ave Newport - Turning Circle off Prince Alfrd Pde	15,000	-
Ilya Ave Bayview - Narla Rd to Turning Circle west	50,000	2,527
Coles Pde Newport - B'joey Rd to Foamcrest Ave	30,000	-
Calvert Pde Newport - Stanley St to Queens Pde	55,000	2,527
Beach Rd Palm Beach - Pittwater Rd to B'joey Rd	20,228	20,228
Melaleuca St Newport - Queens Pde East to Cul de sac	55,000	-
Park St Mona Vale - Maxwell to No 70	62,547	62,547
Grandview Pde Mona Vale - No 41 to No 49	16,140	16,140
Minkara Rd Bayview - Various Locations	60,000	-
Grandview Drive Newport - No 35 around Crn Opp Syb	59,188	4,880
Barrenjoey Rd Avalon - George St to North Avalon Pde	47,239	47,239
Powderworks Rd - Warraba Rd	49,000	64
Narroy Rd Footpath Stage 3 Nareen Creek	61,860	339
Scotland Island Roads & Drainage Infrastructure	146,958	146,958
Careel Bay Wharf Pontoon	29,838	87,505
McCarrs Crk Reserve Carpark	40,000	20,908
Avalon Beach Reserve Carpark	45,131	131,644
Boating Infrastructure Improvements - Cargo	73,262	71,760
Hitchcock Park Drainage	44,622	82,376
Beaches and Ocean pools Upgrades	41,240	-
Facilities and Services at Beaches Dune Restoration	51,550	778
Griffin Reserve Bayview	103,100	-
Palm Beach Wharf	500,035	36,879
Avalon Surf Club	299,506	35,919
Church Point Seawall	223,857	-
Bicentennial Coastal Walkway upgrades	18,403	8,383
Bushland Upgrades	130,832	508
Ingleside Chase Escarpment Bushland Restoration	25,775	-
Managing & Protecting Creeks and Waterways	103,100	17,585
Bushfire Asset Protection Zones	159,522	25,811
Risk Management – Bushland	81,399	64,534
Energy Saving Initiatives and Retrofits SRV	103,100	7,159
Water Saving and Re-Use Initiatives SRV	41,240	-
Facilities and Services at Beaches (Extension of Lifeguard Services)	103,100	10,221
Keeping Villages and Surrounding Areas Beautiful	85,573	24,337
Protecting Native Plants and Animals - Feral Animal Control	51,550	20,196
Noxious and Environmental Weed Eradication	30,930	-
Community Bushcare Program	10,620	5,710
Total Special Rates Variation Works	3,176,209	971,504

2.13 Stormwater Management Service Charge

The Stormwater Management Service Charge Program (based on Section 496A to the Local Government Act 1993 made by the Local Government Amendment (Stormwater) Act 2005 and in accordance with clauses 125A, 125AA, 200A and 217 of the Local Government (General) Regulation 2005) is levied on rateable urban land that is categorised for rating purposes as residential or business (excludes vacant land – see definition in the Act). The charge levied is:

- \$25 for land categorised as residential
- \$12.50 per residential strata lot
- \$25 per 350 square metres (or part thereof) for land categorised as business
- Pro-rata apportionment for business strata complexes.

The purpose of the service charge is to fund both capital projects and recurrent expenditure relating to new or additional stormwater management services to eligible land within the 23 sub-catchments within Pittwater by taking a 'global' approach to stormwater services and ensuring a reasonable equitable distribution of Stormwater Management Services over time.

The Stormwater Management Service Charge Annual Works Program is set out below;

Opening Reserve Balance as at 01/07/12	45,273
Budget Income 2012/2013	533,162
Budget Expenditure 2012/2013 (as shown below)	520,000
Projected Budget Reserve Balance for the year ended 30 June 2013 (restricted)	58,435

Stormwater Management Service Charge	Budget	YTD Actuals
Pit/Pipeline Adjustments - Various Locations	9,891	4,396
5 Taminga St Bayview	16,200	16,200
307 Hudson Parade Clareville	11,504	11,504
151 Riverview Rd Avalon	31,021	31,021
Irrawong Rd Nth Narrabeen - Drainage Outlet Structure	5,000	-
Cynthea Rd Palm Beach - Drainage Outlet Structure	10,000	-
Hudson Pde Clareville - Drainage	1,384	1,384
Waterview St Mona Vale	15,000	-
Careel Creek Catchment CCTV	90,000	-
Emergency Works	70,000	10,971
Ky Wong Reserve Elanora Heights - Creekline Rehab	15,000	-
Elvina Ave Newport Drainage	20,000	1,050
S/W System Impacts Assessment	40,000	-
Community & Industry S/W Pollution Education	25,000	4,758
S/W Quality Treatment Device Improvements	150,000	94,323
S/W Mapping	10,000	-
Total Stormwater Management Service Charge	520,000	175,606

2.14 Developer Contribution Plans

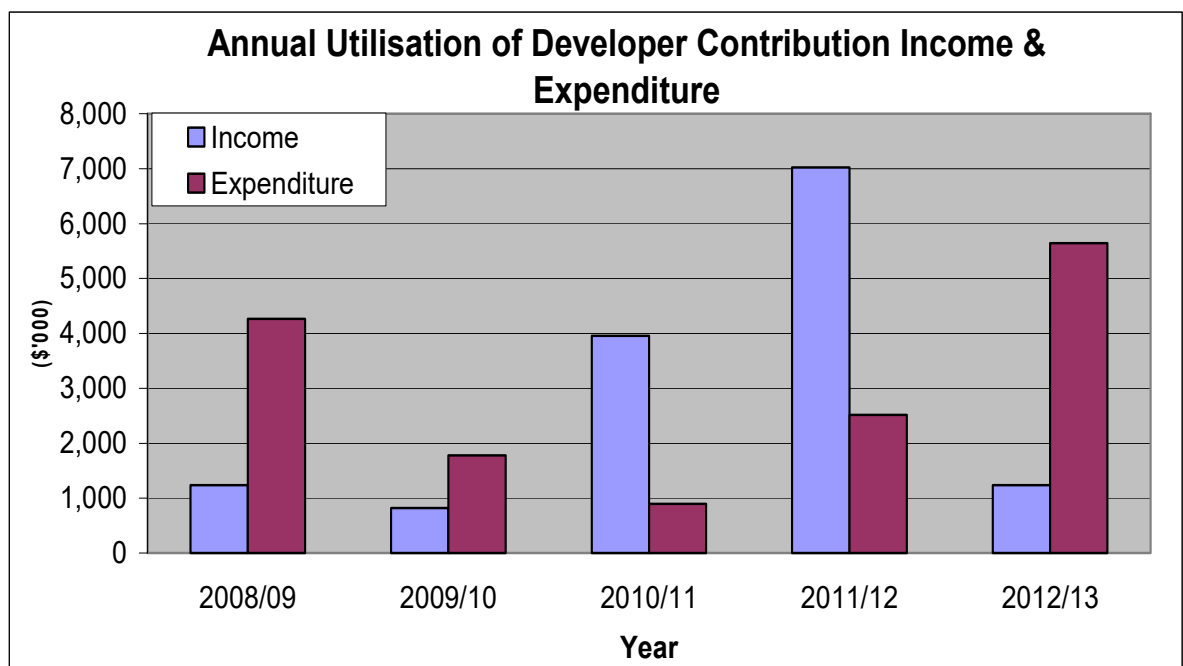
Developer Contributions are monetary contribution levied on developers at the development applications stage to pay for a proposed increase in demand for public services, such as roads and parks.

Council has a number of contribution plans, each containing income projections and work programs, enabling a financial strategy to efficiently and equitably administer the funds. A summary detailing the balances and projected income and expenditure for the current year of the various plans is contained within the table below:

DEVELOPER CONTRIBUTION PLANS	Plan Balance as at 30/06/12	Expenditure for 2012/13	Income for 2012/13	Plan Balance as at 30/06/13
Community Service Facilities	\$ 172,454	\$ 236,512	\$ 204,721	\$ 140,664
Mona Vale Car Parking	\$ 3,311,202	\$ -	\$ 56,716	\$ 3,367,918
Newport Car Parking	\$ 92,973	\$ -	\$ 1,593	\$ 94,565
Open Space	\$ 454,442	\$ 380,000	\$ 512,021	\$ 586,462
Village Streetscape	\$ 410,690	\$ 496,512	\$ 260,196	\$ 174,374
Public Libraries	\$ 282,062	\$ 240,000	\$ 106,112	\$ 148,174
Warriewood Valley	\$ 7,992,029	\$ 4,290,027	\$ 95,719	\$ 3,797,721
Totals	\$ 12,715,851	\$ 5,643,051	\$ 1,237,078	\$ 8,309,878

Council is required to undertake financial management of developer contributions as the authority responsible for most of the communities' infrastructure and regional facilities. The timing of the capital expenditure is heavily dependant upon the levels of development and contributions received.

To demonstrate Pittwater Council's financial management of developer contributions, a comparison of income (contributions received) versus expenditure for the provision of community facilities is shown in the graph below.



2.15 Consultancy and Legal Expenses

As a part of Council's Quarterly Budget Review Statement, expenditure associated with Consultancies and Legal Expenses are to be disclosed. Accordingly, YTD expenditure associated with Consultancies and Legal Fees are as follows:

Expenditure	Expenditure TYD	Budgeted (Y/N)
Consultancies	\$2,032,235	Yes – Budget \$4,870,818
Legal Fees	\$338,247	Yes – Budget \$1,100,000

An increase in the December Quarterly Budget Review associated with Consultancies has occurred. The budget has been increased from \$4,785,229 to \$4,870,818 mainly due to Mona Vale Car Park concept works.

No change in the December Quarterly Budget Review associated with the Legal Fees has occurred.

Contracts and Other Expenses

As a part of Council's Quarterly Budget Review Statement, a list of Contracts that **exceed \$50,000** and that have been entered into during the June 2012 Quarter and have yet to be fully performed are to be disclosed (*excluding contracts selected from Council's preferred supplier list and those associated with employment*). Accordingly, a list of such Contractors is as follows:

Contracts entered into in the December 2012 Quarter (exceeding \$50,000)

Contractor	Detail & Purpose	Contract Value	Start	Duration	Budget (Y/N)
NIL					

In determining Council's Original Budget and subsequent Budget Reviews an overall budget is assigned to functions of Council that incorporate a number of contracts to fulfil to projected works associated with that function of Council. Contracts that are undertaken throughout the year that give rise to an increase in the overall contractors budget assigned to a function of Council are required to be separately disclosed. Accordingly, a list of Contracts associated with a budgetary increase is listed below (*note: if no contracts are listed below, all contracts let during the Quarter have not given rise to a budgetary increase and have been facilitated with the Original or previous Quarterly Budgetary Reviews*):

Contracts entered into in the December 2012 Quarter that gave rise to a increase in the Budget.

Contractor	Detail & Purpose	Contract Value	Start	Duration	Budget (Y/N)
NIL					

3.0 KEY DIRECTIONS AND ASSOCIATED STRATEGIES

Over the last two years Pittwater Council, in collaboration with the Local Community, developed Pittwater 2020, the first of its kind. This strategic plan provides an overarching framework to proactively respond to the community aspirations and desires.

The Strategic Plan articulates the community vision for what Pittwater should be like in 2020 and outlines five interlinked and independent key directions and their associated strategies under which all planning will occur. The 20 key strategies have been developed providing the operational mechanism – vision, objectives, initiatives and measures – to achieve the inspirational goals and targets.

Accordingly, in an effort to assist Council's Strategic Plan and associated vision the 2012/13 budget, in addition to traditional financial reporting formats, has been broken down based upon the key five directions and their 20 associated strategies.

For information for the community the net consolidated position of each key direction and strategies are outlined below:

5 Key Directions - Net Budget Position:

3.1 Supporting & Connecting our Community (Social)

- 3.1.1 The net impact of the 2012/13 Budget for this key direction is a cost of \$6.105 million.

This net cost includes:	
Operating Expenditure	\$10.693 million
Capital Expenditure	\$3.525 million
Income	(\$4.382) million
Transfer from Reserve*	(\$4.158) million
Transfer to Reserve*	\$427,000
Net Cost to Council	\$6.105 million

3.2 Valuing & Caring for our Natural Environment (Environmental)

- 3.2.1 The net impact of the 2012/13 Budget for this key direction is a cost of \$4.887 million.

This net cost includes:	
Operating Expenditure	\$17.405 million
Capital Expenditure	\$3.216 million
Income	(\$12.123) million
Transfer from Reserve*	(\$4.323) million
Transfer to Reserve*	\$712,000
Net Cost to Council	\$4.887 million

3.3 Enhancing our Working & Learning (Economic)

- 3.3.1 The net impact of the 2012/13 Budget for this key direction is a cost of \$1.230 million.

This net cost includes:	
Operating Expenditure	\$5.234 million
Capital Expenditure	\$1.513 million
Income	(\$4.341) million
Transfer from Reserve*	(\$1.893) million
Transfer to Reserve*	\$718,000
Net Cost to Council	\$1.230 million

3.4 Leading an effective & Collaborative Council (Governance)

- 3.4.1 The net impact of the 2012/13 Budget for this key direction is income of \$18.265 million.

This net income includes:	
Operating Expenditure	\$22.570 million
Capital Expenditure	\$8.139 million
Income	(\$51.439) million
Transfer from Reserve*	(\$7.337) million
Transfer to Reserve*	\$9.802 million
Net Income to Council	(\$18.265) million

3.5 Integrating our Built environment (Infrastructure)

- 3.5.1 The net impact of the 2012/13 Budget for this key direction is a cost of \$6.006 million.

This net cost includes:	
Operating Expenditure	\$14.732 million
Capital Expenditure	\$5.038 million
Income	(\$8.083) million
Transfer from Reserve*	(\$6.843) million
Transfer to Reserve*	\$1.162 million
Net Cost to Council	\$6.006 million

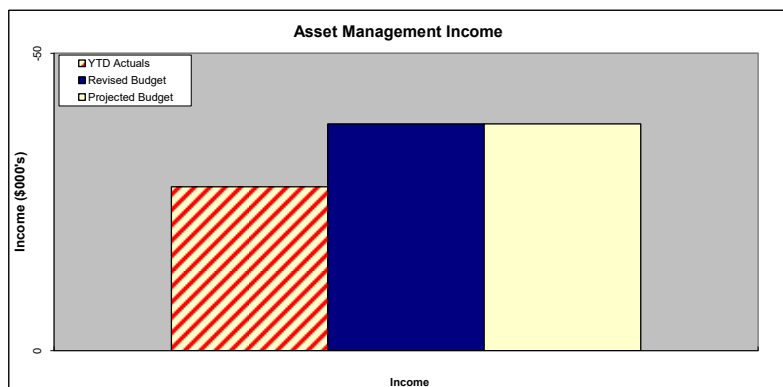
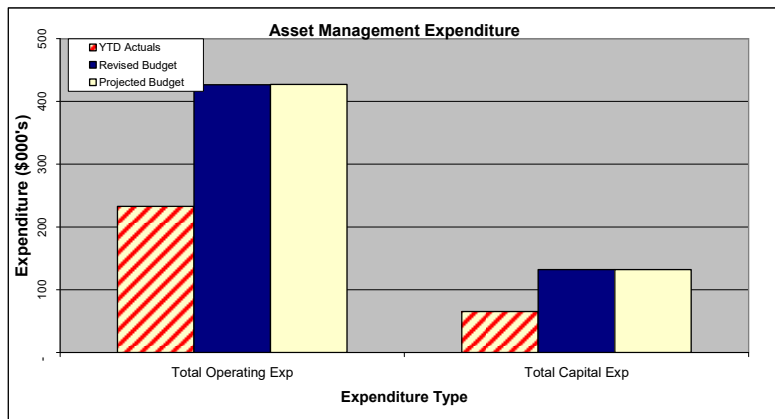
**Note: Transfers to and from Reserve represent funds acquired in the current and/or prior financial years but are utilised or placed into reserve in the current financial year.*

20 Strategies - Net Budget Position:

ASSET MANAGEMENT

STRATEGY Asset Management Coordination			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	159	297	297
Other Employee Costs	61	116	116
Materials and Contracts	0	(0)	(0)
Depreciation	0	0	0
Interest	0	0	0
Other Costs	13	14	14
Total Operating Exp	233	427	427
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	65	132	132
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	65	132	132
Income (Op & Cap)			
User Fees	0	0	0
Fees and Charges	0	0	0
Grant Transfers	0	0	0
Contributions	(27)	(38)	(38)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(1)	(1)	(1)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(28)	(38)	(38)
Transfers from Reserves	0	0	0
Transfers to Reserves	27	38	0
Net Cost* / (Income)	297	558	521

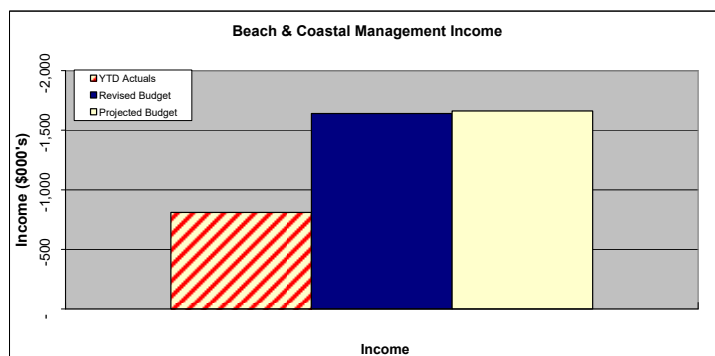
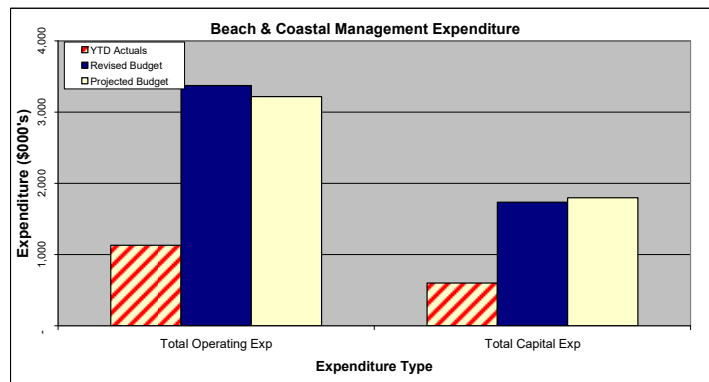
* Net Cost Funded By Rates



BEACH & COASTAL MANAGEMENT

STRATEGY Beach & Coastal Management			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	331	599	576
Other Employee Costs	105	179	172
Materials and Contracts	557	1,187	1,216
Depreciation	0	1,036	1,036
Interest	0	0	0
Other Costs	136	371	216
Total Operating Exp	1,130	3,372	3,216
Capital Expenditure			
Capital Asset Acquisitions	229	244	262
Capital Works Programs	372	1,491	1,536
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	600	1,734	1,797
Income (Op & Cap)			
User Fees	(748)	(1,444)	(1,534)
Fees and Charges	0	0	0
Grant Transfers	(7)	(120)	(50)
Contributions	(54)	(75)	(75)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(1)	(1)	(1)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(809)	(1,641)	(1,661)
Transfers from Reserves	(299)	(2,626)	(2,726)
Transfers to Reserves	147	226	0
Net Cost* / (Income)	769	1,066	627

* Net Cost Funded By Rates

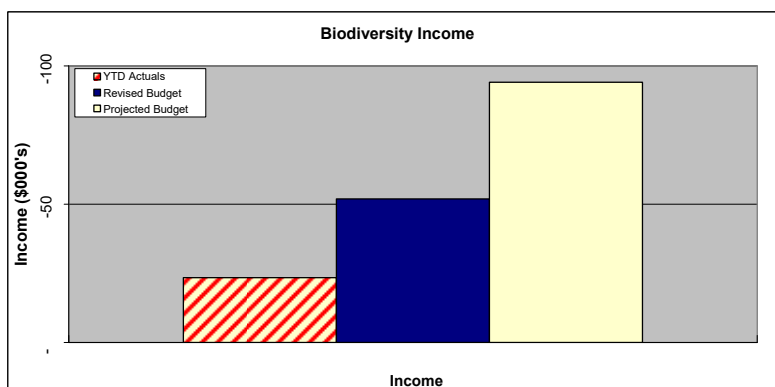
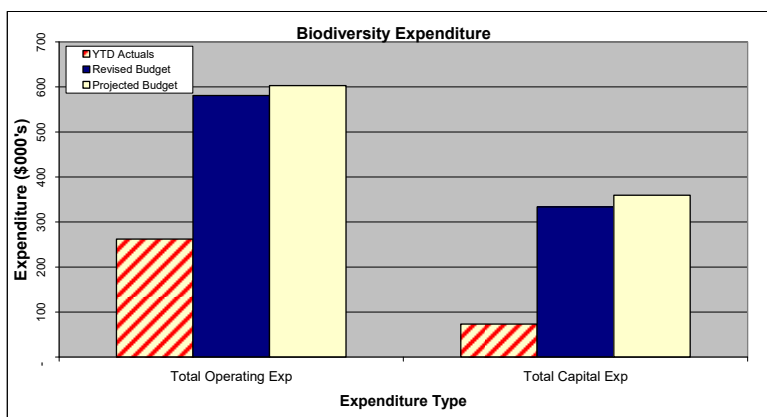


BIODIVERSITY

STRATEGY Biodiversity

Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	113	218	219
Other Employee Costs	34	67	67
Materials and Contracts	89	224	247
Depreciation	0	0	0
Interest	0	0	0
Other Costs	26	72	69
Total Operating Exp	262	581	603
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	74	333	360
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	74	333	360
Income (Op & Cap)			
User Fees	(0)	0	0
Fees and Charges	(7)	(7)	(7)
Grant Transfers	(12)	(45)	(85)
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(3)	0	(3)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(23)	(52)	(94)
Transfers from Reserves	(63)	(350)	(363)
Transfers to Reserves	0	0	0
Net Cost* / (Income)	249	512	505

* Net Cost Funded By Rates

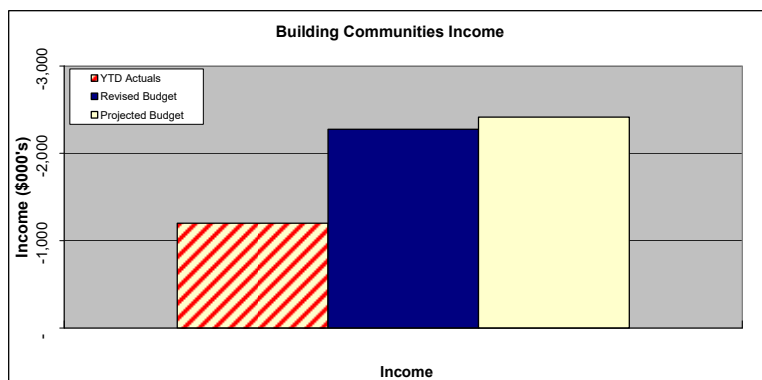
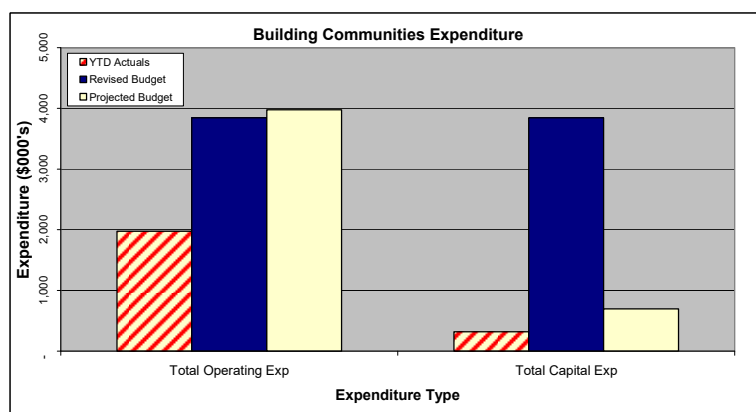


BUILDING COMMUNITIES

STRATEGY Building Communities

Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	1,061	2,004	2,113
Other Employee Costs	292	557	581
Materials and Contracts	115	283	293
Depreciation	0	1	1
Interest	1	2	2
Other Costs	505	999	984
Total Operating Exp	1,974	3,845	3,975
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	321	3,843	697
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	321	3,843	697
Income (Op & Cap)			
User Fees	(555)	(1,047)	(1,107)
Fees and Charges	(25)	(52)	(52)
Grant Transfers	(578)	(1,126)	(1,198)
Contributions	(37)	(47)	(52)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(6)	(5)	(7)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(1,200)	(2,277)	(2,416)
Transfers from Reserves	(260)	(3,760)	(582)
Transfers to Reserves	27	38	0
Net Cost* / (Income)	863	1,690	1,674

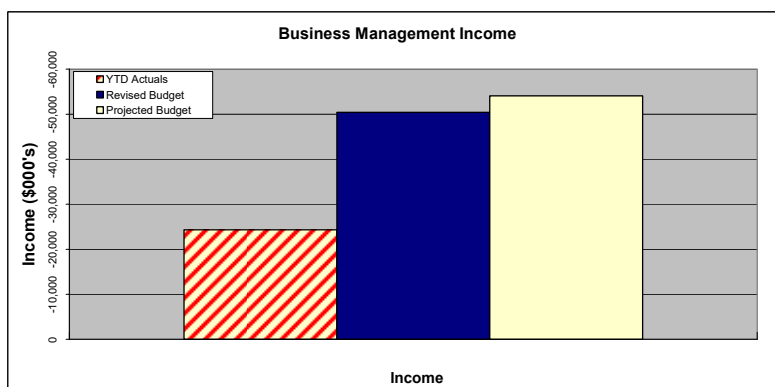
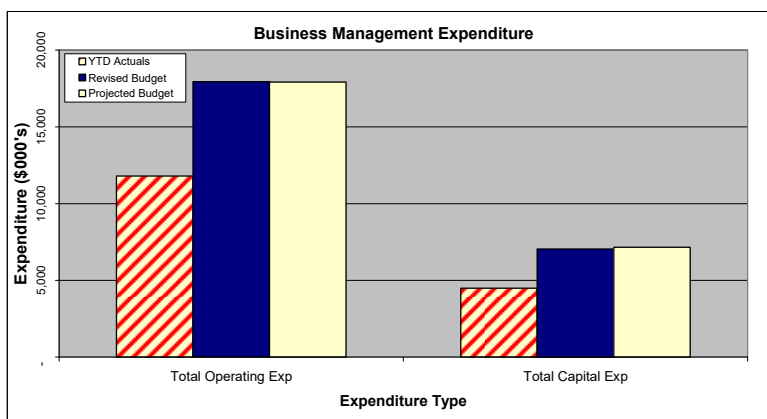
* Net Cost Funded By Rates



BUSINESS MANAGEMENT

STRATEGY Business Management			
Operating Expenditure	YTD	Total	Total
	Actuals	Revised	Projected
	\$'000's	Budget	Budget
		\$'000's	\$'000's
Salaries and Wages	2,281	4,698	4,540
Other Employee Costs	877	1,953	2,052
Materials and Contracts	1,068	1,995	2,000
Depreciation	4,224	2,168	2,167
Interest	288	617	664
Other Costs	3,059	6,502	6,481
Total Operating Exp	11,797	17,932	17,905
Capital Expenditure			
Capital Asset Acquisitions	2,192	3,198	3,245
Capital Works Programs	1,827	2,911	2,926
Capital Material Public Benefits	0	0	0
Loan Repayments	465	932	986
Total Capital Exp	4,484	7,041	7,157
Income (Op & Cap)			
User Fees	(3,481)	(6,461)	(6,541)
Fees and Charges	(156)	(308)	(308)
Grant Transfers	(811)	(1,341)	(1,350)
Contributions	(27)	(2,538)	(6,591)
Rates Income	(17,340)	(35,269)	(35,269)
Domestic Waste Charge	0	0	0
Return on Investments & Other I	(986)	(1,402)	(1,686)
Other Income	(564)	(631)	(646)
Capital Assets Disposals	(972)	(2,445)	(1,704)
Total Income (Op & Cap)	(24,337)	(50,394)	(54,095)
Transfers from Reserves	(6,313)	(5,396)	(5,403)
Transfers to Reserves	1,916	7,230	0
Net Cost* / (Income)	(12,453)	(23,587)	(34,437)

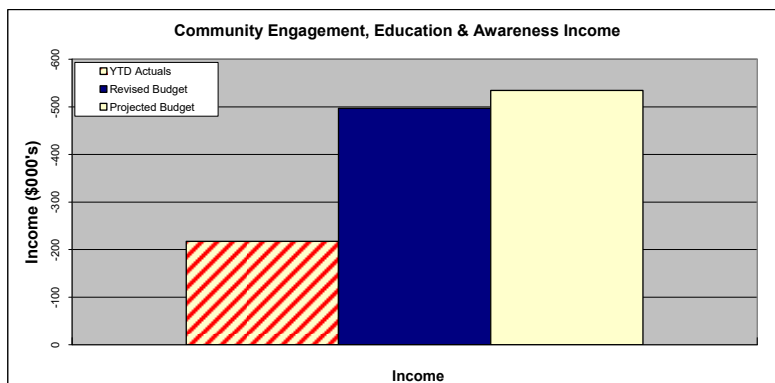
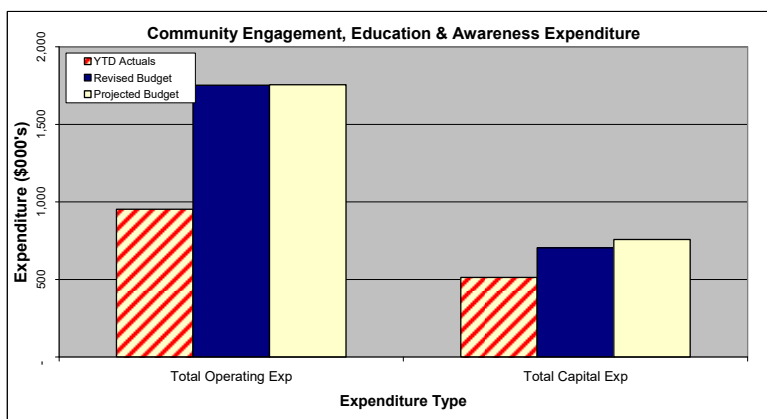
* Net Cost Funded By Rates



COMMUNITY ENGAGEMENT, EDUCATION & AWARENESS

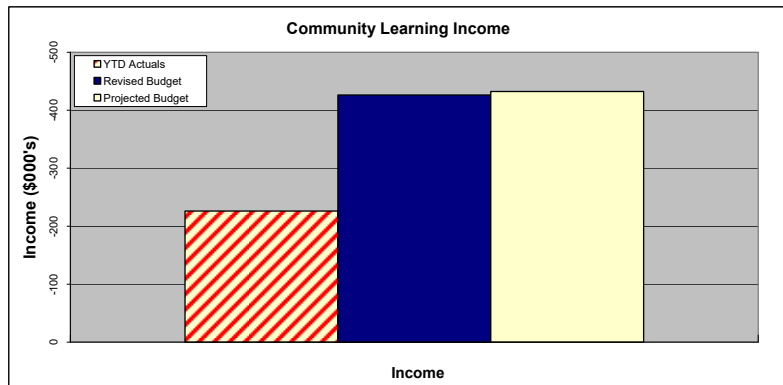
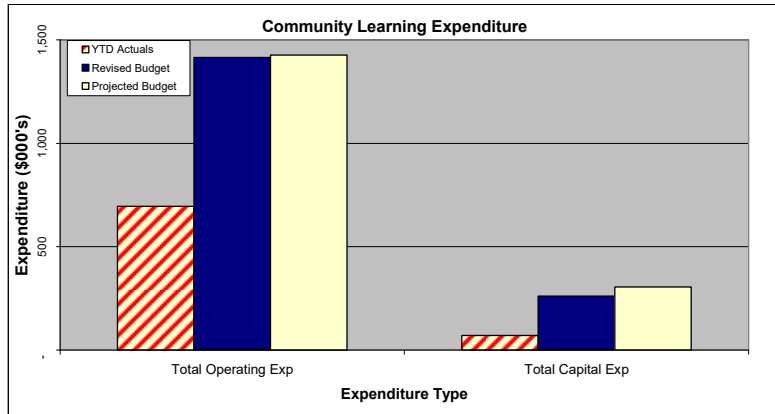
STRATEGY Community Engagement, Education & Awareness			
Operating Expenditure	YTD	Total	Total
	Actuals	Revised	Projected
	\$'000's	Budget	Budget
		\$'000's	\$'000's
Salaries and Wages	266	629	634
Other Employee Costs	75	178	178
Materials and Contracts	82	234	235
Depreciation	0	0	0
Interest	6	14	14
Other Costs	524	698	695
Total Operating Exp	953	1,752	1,756
Capital Expenditure			
Capital Asset Acquisitions	8	33	52
Capital Works Programs	505	672	706
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	513	705	758
Income (Op & Cap)			
User Fees	(138)	(297)	(298)
Fees and Charges	(17)	(28)	(30)
Grant Transfers	(21)	(93)	(128)
Contributions	(39)	(60)	(60)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(3)	(19)	(19)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(217)	(497)	(535)
Transfers from Reserves	(491)	(899)	(925)
Transfers to Reserves	39	60	0
Net Cost* / (Income)	797	1,121	1,054

* Net Cost Funded By Rates



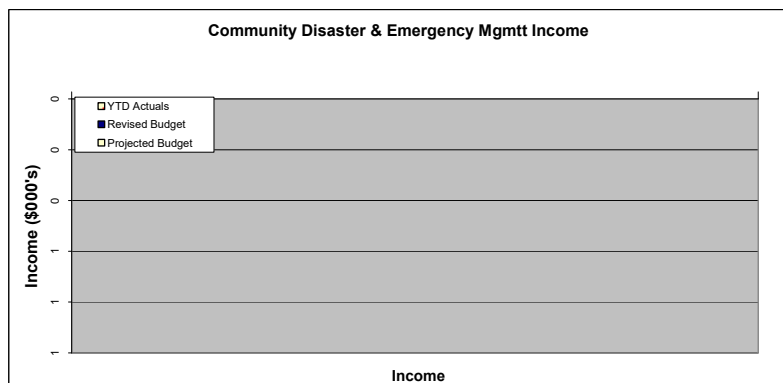
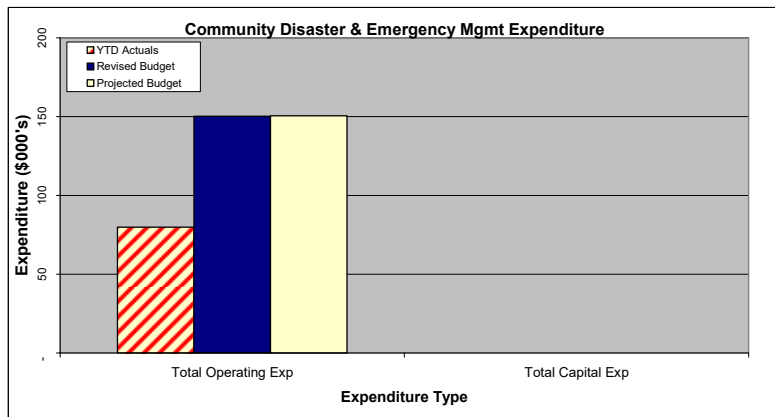
COMMUNITY LEARNING

STRATEGY Community Learning			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	404	765	770
Other Employee Costs	110	214	215
Materials and Contracts	80	153	155
Depreciation	0	124	124
Interest	0	1	1
Other Costs	101	157	162
Total Operating Exp	696	1,415	1,427
Capital Expenditure			
Capital Asset Acquisitions	71	261	298
Capital Works Programs	(0)	0	7
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	70	261	305
Income (Op & Cap)			
User Fees	(89)	(184)	(186)
Fees and Charges	(10)	(24)	(23)
Grant Transfers	(43)	(95)	(102)
Contributions	(84)	(120)	(120)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(0)	(3)	(2)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(226)	(426)	(432)
Transfers from Reserves	(71)	(375)	(419)
Transfers to Reserves	84	120	0
Net Cost* / (Income)	552	995	880
* Net Cost Funded By Rates			



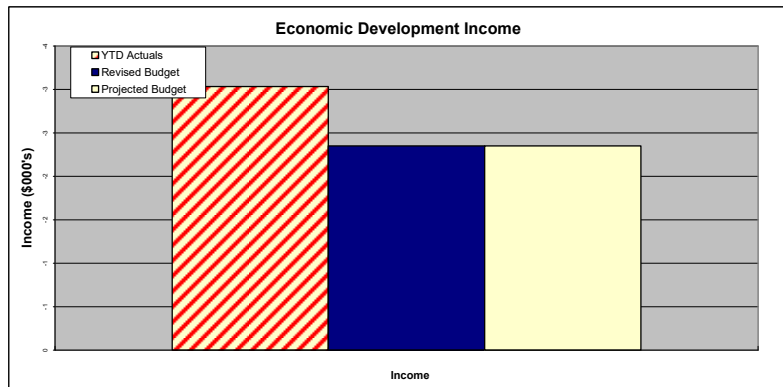
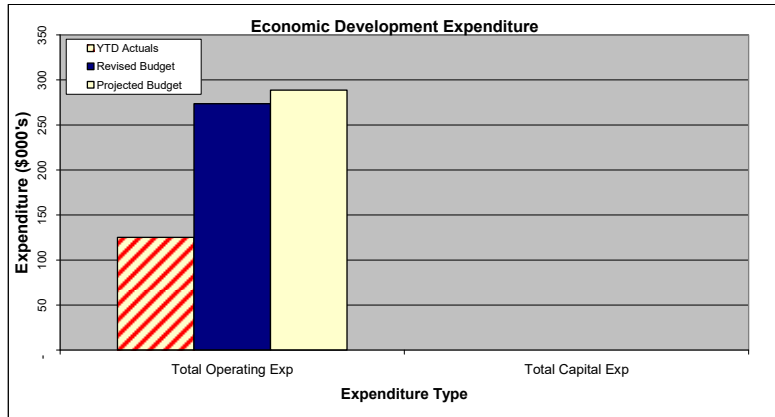
COMMUNITY DISASTER & EMERGENCY MANAGEMENT

STRATEGY Community Disaster & Emergency Management			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	27	44	44
Other Employee Costs	8	14	14
Materials and Contracts	(1)	1	1
Depreciation	0	0	0
Interest	0	0	0
Other Costs	47	91	91
Total Operating Exp	80	150	151
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	(0)	0	0
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	(0)	0	0
Income (Op & Cap)			
User Fees	0	0	0
Fees and Charges	0	0	0
Grant Transfers	0	0	0
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	0	0	0
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	0	0	0
Transfers from Reserves	0	0	0
Transfers to Reserves	0	0	0
Net Cost* / (Income)	80	150	151
* Net Cost Funded By Rates			



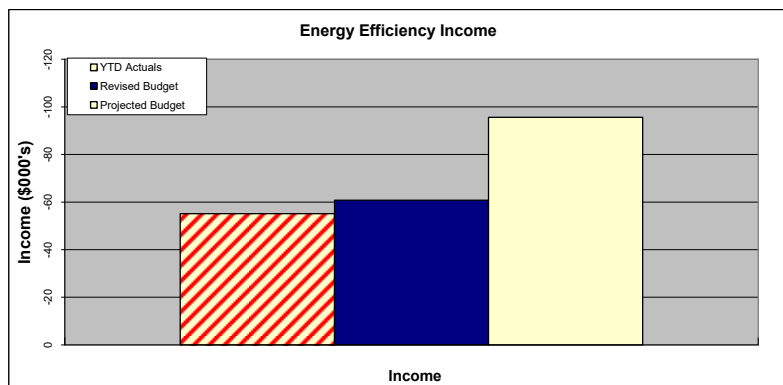
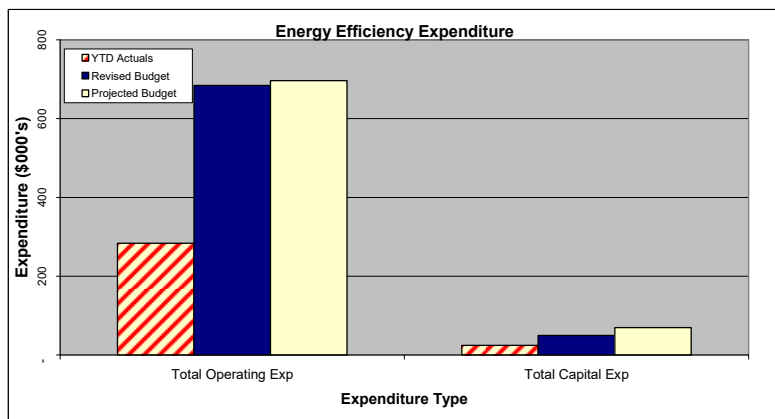
ECONOMIC DEVELOPMENT

STRATEGY Economic Development			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	54	116	117
Other Employee Costs	15	34	34
Materials and Contracts	1	18	18
Depreciation	0	0	0
Interest	0	0	0
Other Costs	56	105	120
Total Operating Exp	125	273	289
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	(0)	0	0
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	(0)	0	0
Income (Op & Cap)			
User Fees	(0)	0	0
Fees and Charges	(3)	0	0
Grant Transfers	0	0	0
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	0	(3)	(3)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(3)	(2)	(2)
Transfers from Reserves	0	0	0
Transfers to Reserves	0	0	0
Net Cost* / (Income)	122	271	286
* Net Cost Funded By Rates			



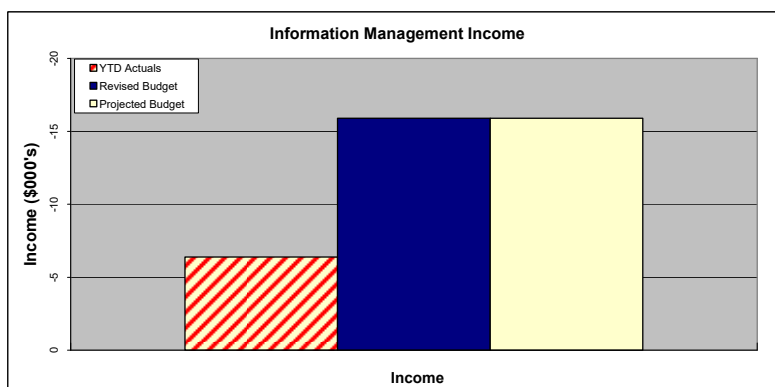
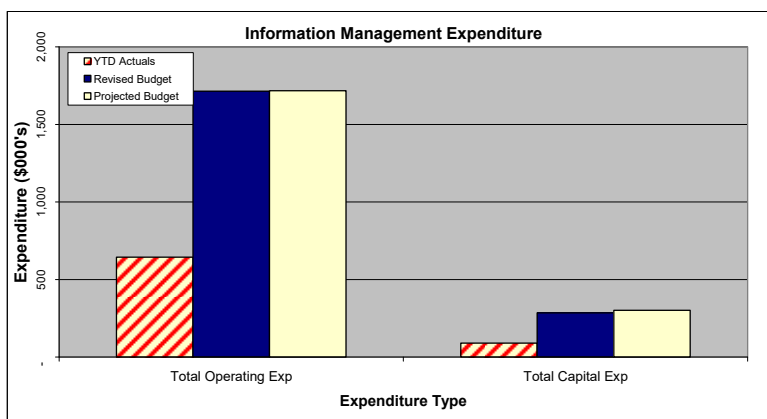
ENERGY EFFICIENCY

STRATEGY Energy Efficiency			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	69	165	164
Other Employee Costs	21	52	51
Materials and Contracts	56	94	95
Depreciation	0	108	108
Interest	0	0	0
Other Costs	138	265	279
Total Operating Exp	284	684	696
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	24	50	69
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	24	50	69
Income (Op & Cap)			
User Fees	(10)	(19)	(19)
Fees and Charges	(2)	0	0
Grant Transfers	(1)	(3)	(23)
Contributions	(27)	(38)	(38)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(16)	(1)	(16)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(55)	(61)	(96)
Transfers from Reserves	(4)	(116)	(117)
Transfers to Reserves	27	63	0
Net Cost* / (Income)	276	619	553
* Net Cost Funded By Rates			



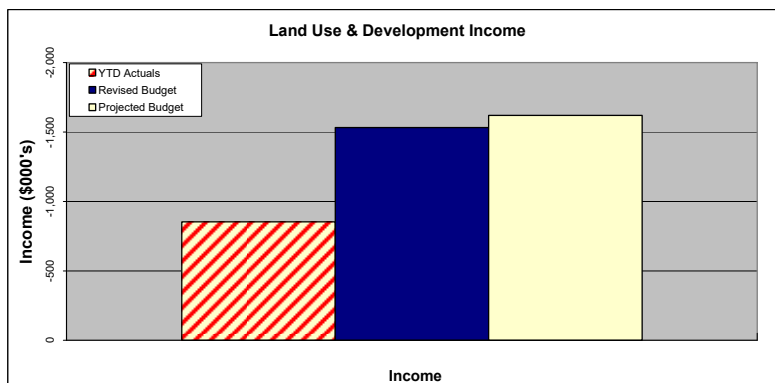
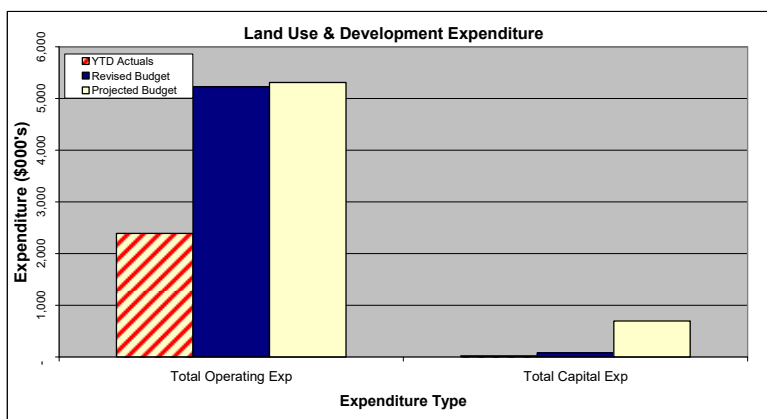
INFORMATION MANAGEMENT

STRATEGY Information Management			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	335	679	681
Other Employee Costs	98	195	195
Materials and Contracts	111	215	215
Depreciation	0	475	475
Interest	0	0	0
Other Costs	101	151	151
Total Operating Exp	645	1,714	1,717
Capital Expenditure			
Capital Asset Acquisitions	91	285	303
Capital Works Programs	(0)	0	0
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	91	285	303
Income (Op & Cap)			
User Fees	(5)	(10)	(10)
Fees and Charges	(0)	(1)	(1)
Grant Transfers	0	0	0
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(1)	(5)	(5)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(6)	(16)	(16)
Transfers from Reserves	(65)	(760)	(760)
Transfers to Reserves	0	0	0
Net Cost* / (Income)	665	1,223	1,244
* Net Cost Funded By Rates			



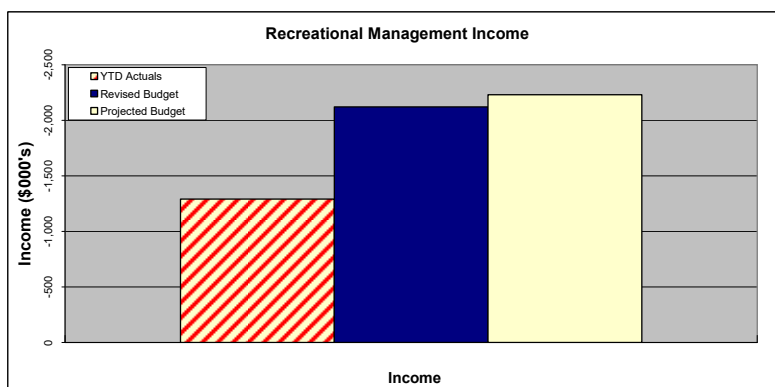
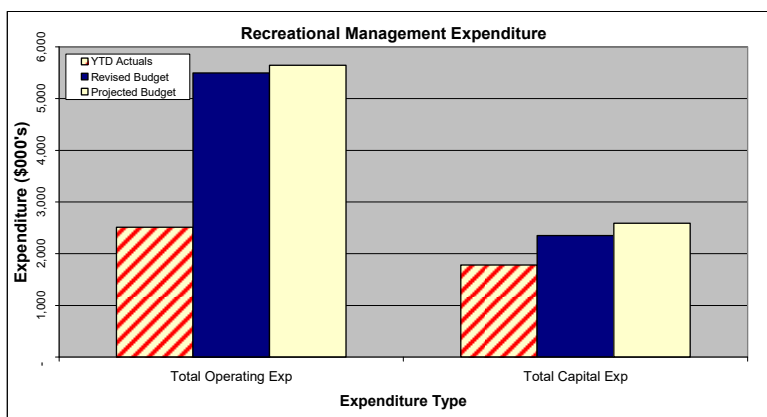
LAND USE & DEVELOPMENT

STRATEGY Land Use & Development			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	1,364	2,768	2,788
Other Employee Costs	388	790	790
Materials and Contracts	60	137	164
Depreciation	0	7	7
Interest	0	0	0
Other Costs	578	1,525	1,560
Total Operating Exp	2,391	5,227	5,308
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	23	77	697
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	23	77	697
Income (Op & Cap)			
User Fees	(90)	(170)	(170)
Fees and Charges	(687)	(1,263)	(1,297)
Grant Transfers	(18)	(61)	(70)
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(57)	(38)	(83)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(853)	(1,532)	(1,620)
Transfers from Reserves	(12)	(54)	(651)
Transfers to Reserves	0	8	0
Net Cost* / (Income)	1,549	3,726	3,734
* Net Cost Funded By Rates			



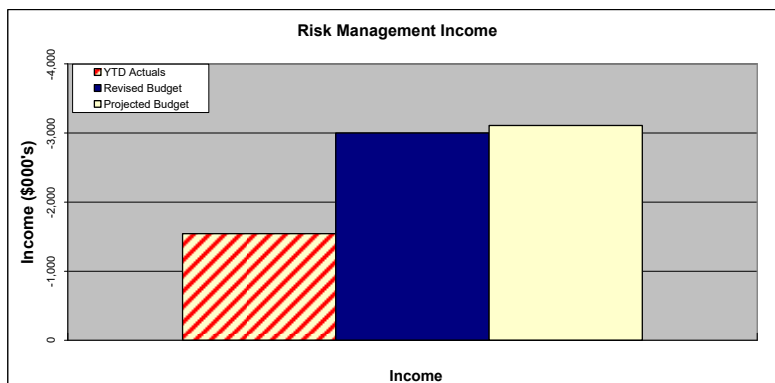
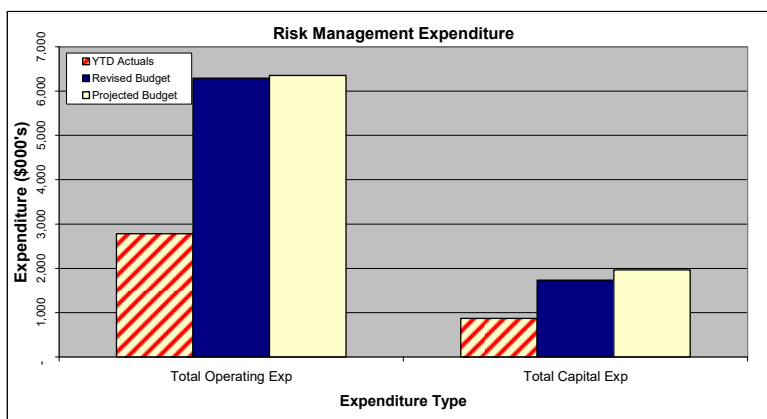
RECREATIONAL MANAGEMENT

STRATEGY Recreational Management			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	1,046	2,265	2,249
Other Employee Costs	314	697	686
Materials and Contracts	750	1,336	1,404
Depreciation	0	629	629
Interest	0	0	0
Other Costs	404	570	675
Total Operating Exp	2,514	5,497	5,643
Capital Expenditure			
Capital Asset Acquisitions	78	223	262
Capital Works Programs	1,703	2,126	2,329
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	1,780	2,349	2,592
Income (Op & Cap)			
User Fees	(882)	(1,449)	(1,541)
Fees and Charges	(99)	(225)	(224)
Grant Transfers	(90)	(161)	(161)
Contributions	(193)	(269)	(284)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(27)	(15)	(20)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(1,291)	(2,120)	(2,231)
Transfers from Reserves	(1,372)	(2,548)	(2,795)
Transfers to Reserves	163	252	0
Net Cost* / (Income)	1,795	3,430	3,209
* Net Cost Funded By Rates			



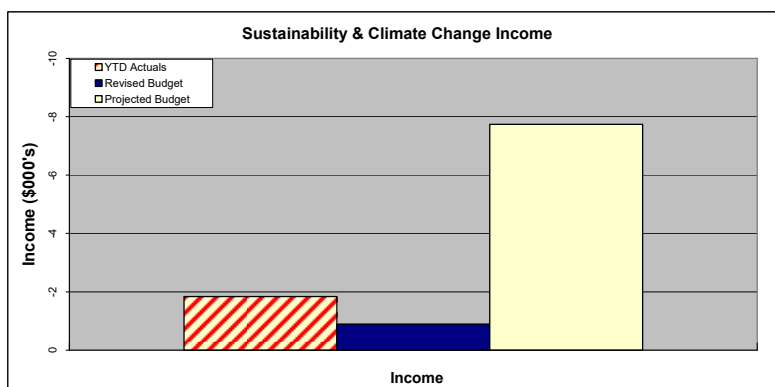
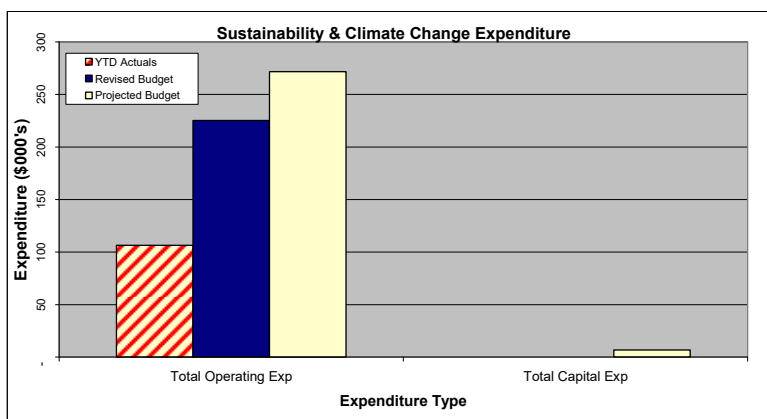
RISK MANAGEMENT

STRATEGY Risk Management			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	952	2,124	2,121
Other Employee Costs	311	706	699
Materials and Contracts	643	1,210	1,304
Depreciation	0	250	250
Interest	0	0	0
Other Costs	877	2,003	1,978
Total Operating Exp	2,782	6,293	6,352
Capital Expenditure			
Capital Asset Acquisitions	0	0	2
Capital Works Programs	869	1,732	1,965
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	869	1,732	1,966
Income (Op & Cap)			
User Fees	(223)	(307)	(342)
Fees and Charges	(675)	(1,523)	(1,523)
Grant Transfers	(241)	(591)	(645)
Contributions	(305)	(482)	(487)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(98)	(97)	(112)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(1,542)	(3,000)	(3,108)
Transfers from Reserves	(564)	(1,418)	(1,610)
Transfers to Reserves	212	323	0
Net Cost* / (Income)	1,756	3,930	3,600
* Net Cost Funded By Rates			



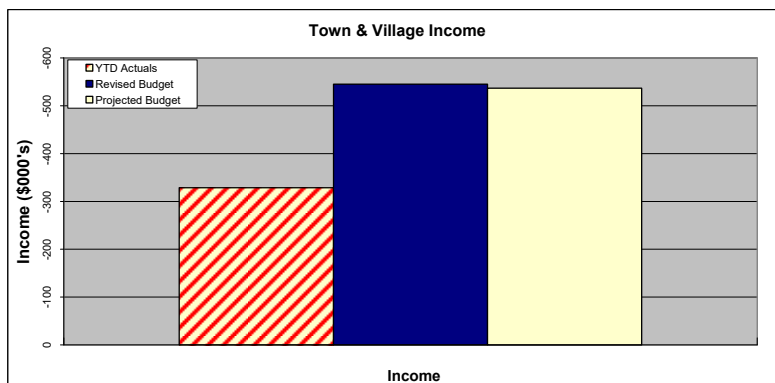
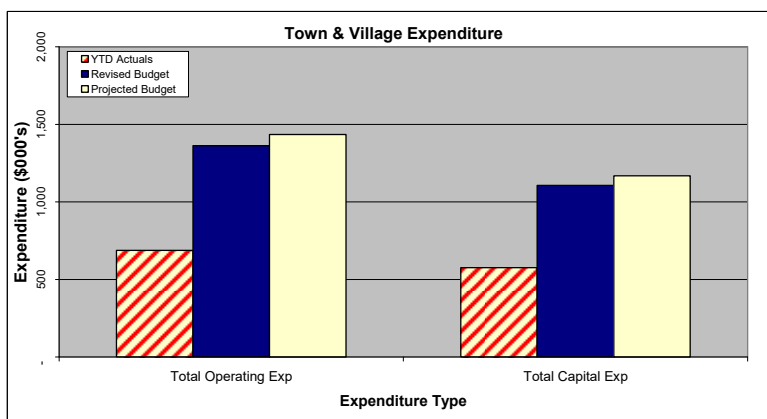
SUSTAINABILITY & CLIMATE CHANGE COORDINATION

STRATEGY Sustainability & Climate Change Coordination			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	72	137	173
Other Employee Costs	20	40	50
Materials and Contracts	1	28	28
Depreciation	0	0	0
Interest	0	0	0
Other Costs	13	19	20
Total Operating Exp	106	225	272
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	(0)	0	7
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	(0)	0	7
Income (Op & Cap)			
User Fees	(0)	0	0
Fees and Charges	(2)	0	0
Grant Transfers	(0)	(1)	(8)
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	0	0	0
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(2)	(1)	(8)
Transfers from Reserves	0	0	(0)
Transfers to Reserves	0	0	0
Net Cost* / (Income)	105	224	270
* Net Cost Funded By Rates			



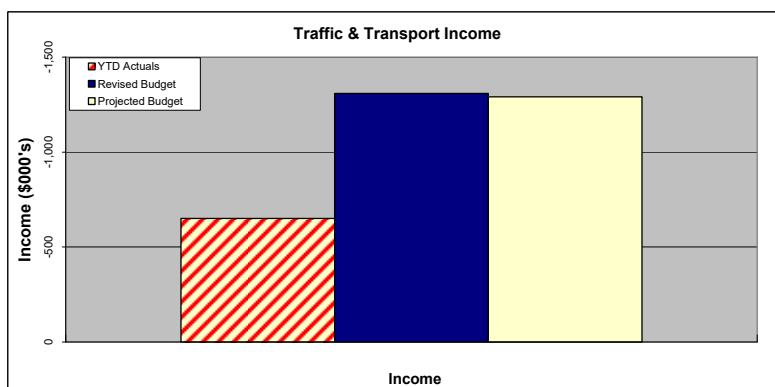
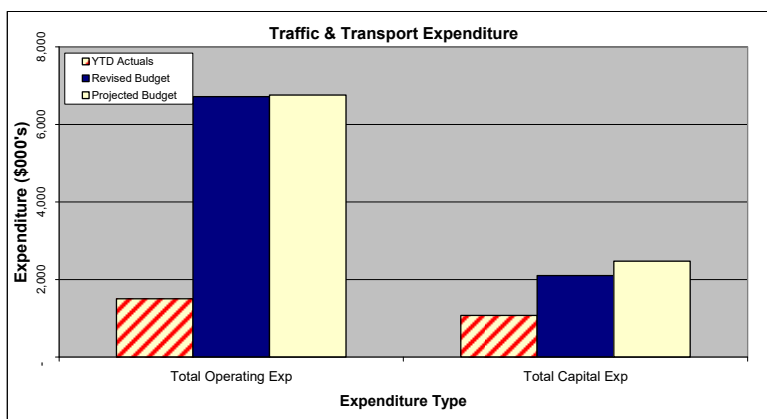
TOWN & VILLAGE

STRATEGY Town & Village			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	376	759	805
Other Employee Costs	128	265	278
Materials and Contracts	71	154	157
Depreciation	0	0	0
Interest	0	0	0
Other Costs	112	184	195
Total Operating Exp	687	1,361	1,435
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	576	1,107	1,168
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	576	1,107	1,168
Income (Op & Cap)			
User Fees	(110)	(157)	(157)
Fees and Charges	(12)	(23)	(23)
Grant Transfers	(87)	(181)	(171)
Contributions	(116)	(183)	(183)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(4)	(2)	(3)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(329)	(545)	(537)
Transfers from Reserves	(410)	(858)	(930)
Transfers to Reserves	185	261	0
Net Cost* / (Income)	709	1,326	1,136
* Net Cost Funded By Rates			



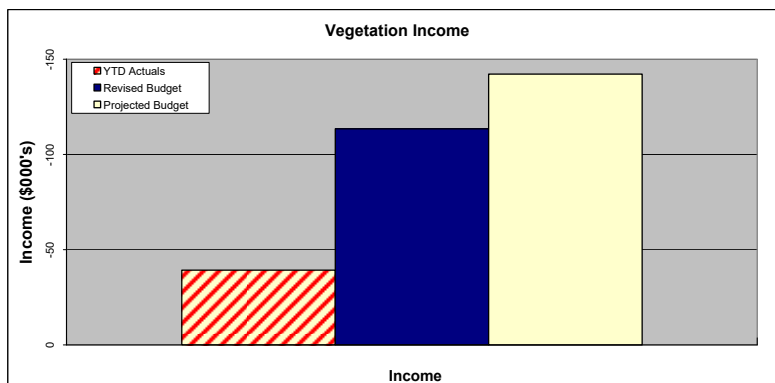
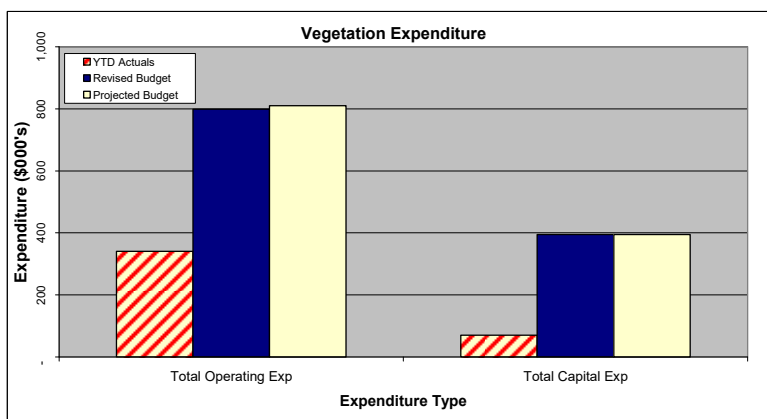
TRAFFIC & TRANSPORT

STRATEGY Transport & Traffic			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	630	1,375	1,372
Other Employee Costs	243	540	537
Materials and Contracts	303	595	604
Depreciation	0	3,621	3,621
Interest	0	0	0
Other Costs	327	582	622
Total Operating Exp	1,502	6,714	6,756
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	1,077	2,103	2,476
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	1,077	2,103	2,476
Income (Op & Cap)			
User Fees	(58)	(90)	(90)
Fees and Charges	(91)	(207)	(207)
Grant Transfers	(230)	(514)	(495)
Contributions	(267)	(495)	(495)
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(3)	(1)	(3)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(650)	(1,308)	(1,291)
Transfers from Reserves	(671)	(5,994)	(6,330)
Transfers to Reserves	58	96	0
Net Cost* / (Income)	1,315	1,610	1,612
* Net Cost Funded By Rates			



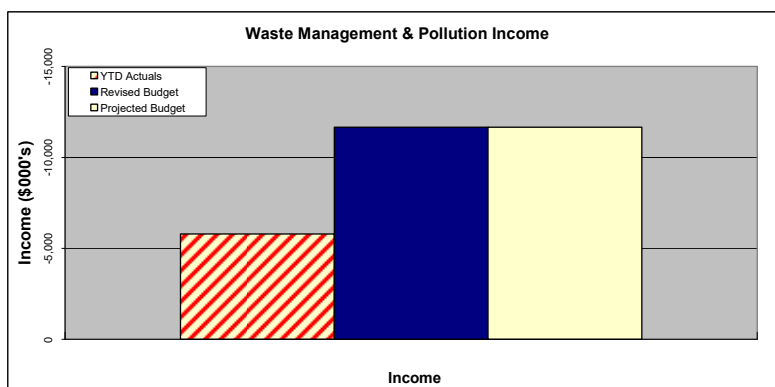
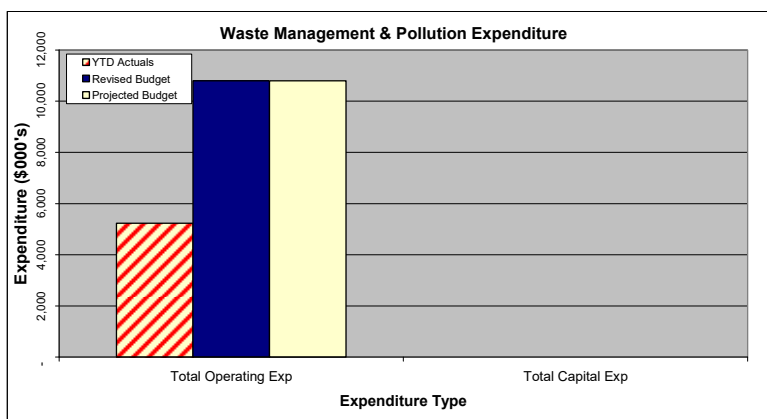
VEGETATION

STRATEGY Vegetation			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	156	277	278
Other Employee Costs	46	88	88
Materials and Contracts	123	383	394
Depreciation	0	0	0
Interest	0	0	0
Other Costs	17	50	51
Total Operating Exp	341	799	810
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	70	395	395
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	70	395	395
Income (Op & Cap)			
User Fees	(0)	0	0
Fees and Charges	(6)	(7)	(7)
Grant Transfers	(29)	(107)	(133)
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(5)	0	(3)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(39)	(114)	(142)
Transfers from Reserves	(93)	(424)	(424)
Transfers to Reserves	0	0	0
Net Cost* / (Income)	279	656	639
* Net Cost Funded By Rates			



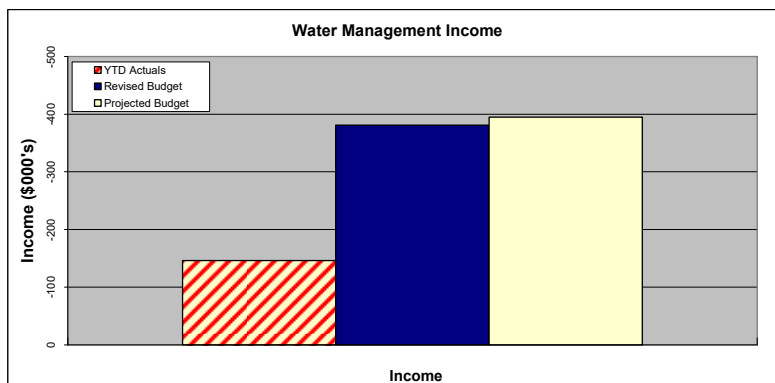
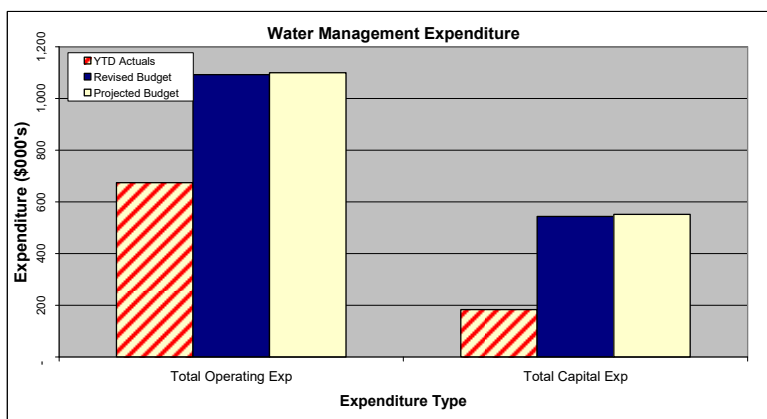
WASTE MANAGEMENT & POLLUTION CONTROL

STRATEGY Waste Management & Pollution Control			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	303	564	565
Other Employee Costs	90	167	167
Materials and Contracts	2,577	5,294	5,294
Depreciation	0	3	3
Interest	0	0	0
Other Costs	2,263	4,767	4,769
Total Operating Exp	5,233	10,795	10,798
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	(0)	0	0
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	(0)	0	0
Income (Op & Cap)			
User Fees	(0)	(0)	(0)
Fees and Charges	(67)	(170)	(170)
Grant Transfers	0	0	0
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	(5,722)	(11,481)	(11,481)
Return on Investments & Other I	0	0	0
Other Income	(4)	0	0
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(5,792)	(11,651)	(11,651)
Transfers from Reserves	0	0	0
Transfers to Reserves	0	541	0
Net Cost* / (Income)	(559)	(315)	(853)
* Net Cost Funded By Rates			



WATER MANAGEMENT

STRATEGY Water Management			
Operating Expenditure	YTD Actuals -\$000's	Total Revised Budget -\$000's	Total Projected Budget -\$000's
Salaries and Wages	303	414	418
Other Employee Costs	104	131	131
Materials and Contracts	87	161	167
Depreciation	0	5	5
Interest	0	0	0
Other Costs	180	382	379
Total Operating Exp	674	1,093	1,099
Capital Expenditure			
Capital Asset Acquisitions	0	0	0
Capital Works Programs	183	543	552
Capital Material Public Benefits	0	0	0
Loan Repayments	0	0	0
Total Capital Exp	183	543	552
Income (Op & Cap)			
User Fees	(26)	(20)	(35)
Fees and Charges	(98)	(236)	(236)
Grant Transfers	(22)	(125)	(123)
Contributions	0	0	0
Rates Income	0	0	0
Domestic Waste Charge	0	0	0
Return on Investments & Other I	0	0	0
Other Income	(1)	0	(1)
Capital Assets Disposals	0	0	0
Total Income (Op & Cap)	(146)	(381)	(395)
Transfers from Reserves	(167)	(520)	(520)
Transfers to Reserves	0	0	0
Net Cost* / (Income)	544	735	737
* Net Cost Funded By Rates			



4.0 EXECUTIVE SUMMARY

4.1 In providing the Council with the financial results for the period ending 31 December 2012 the following information should be noted:

- The Projected Consolidated financial result for the year ending 30 June 2013 is an increase on Council funds of \$37,000. Compared to the previously adopted budget of \$59,000 this amounts to a decrease of \$22,000.
- The Projected Operating result before capital for the year ending 30 June 2013 is a surplus of \$135,000. Compared to the previously adopted budget of \$257,000 surplus this amounts to a decrease of \$122,000.
- The Projected Total Capital Actual Expenditure stands at \$21.431 million for 2012/13. Compared to the previously adopted budget figure of \$22.691 million this amounts to a decrease of \$1.260 million.
- The Projected cash and investment position at 30 June 2013 is \$31.496 million. Compared to the previously adopted budget figure of \$26.408 million this amounts to a increase of \$5.089 million.

RECOMMENDATION

1. That the financial results for the period ending 31 December 2012 be noted.
2. That the Projected Budget incorporating all amendments as detailed in this report be adopted.

Report prepared by
Myles Thana, Management Accountant

Mark Jones
CHIEF FINANCIAL OFFICER

C11.2 Investment Balances as at 31 January 2013

Meeting: Governance Committee**Date:** 18 February 2013

STRATEGY: Business Management**ACTION:** To Provide Effective Investment of Council's Funds

PURPOSE OF REPORT

To advise on the status of Council's Investment Balances as at 31 January 2013.

1.0 BACKGROUND

- 1.1 As provided for in Regulation 212 of the Local Government (General) Regulation, 2005, a report listing Council's investments (see **Attachment 1**) must be presented.

2.0 ISSUES**2.1 MONTHLY RETURN**

Investment return for the month of December 2012:

Term deposits interest income:	\$134,456
Tradable CDO / Structured Note interest income:	\$1,766
Tradable CDO / Structured Note capital movement:	<u>\$8,826</u>
Net investment return for December 2012:	\$145,048

Investment return for the month of January 2013:

Term deposits interest income:	\$126,686
Tradable CDO / Structured Note interest income:	\$ -
Tradable CDO / Structured Note capital movement:	<u>(\$15,604)</u>
Net investment return for January 2013:	\$111,082

YEAR TO DATE RETURN

Investment return year to date January 2013:

Tradable CDO / Structured Note interest income:	\$3,597
Tradable CDO / Structured Note capital movement:	<u>\$24,400</u>
Net investment return year to date:	\$999,001

Projected investment return budget for financial year: \$1,519,000

2.2 PERFORMANCE OF COUNCIL'S PORTFOLIO FOR THE LAST FIVE YEARS

Annual returns of Council's portfolio for the last five years:

Year to	Net Return	Return on average funds invested
June 2009	\$ 534,575	2.4%
June 2010	\$ 1,364,315	6.1%
June 2011	\$ 1,521,223	5.9%
June 2012	\$ 1,679,693	6.4%
January 2013	\$ 999,001	5.1%
Projected Budget	\$ 1,519,000	4.5%

Note: Net investment return includes interest income and capital movements.

2.3 Sale of Structured Note

Council sold its Longreach / Citigroup Structured Note on the 14th of January 2013. The note was purchased in June 2007 at a value of \$500,000 with a maturity date of June 2014 and an interest rate of 7%. In 2008, as a result of the Global Financial Crisis, this particular investment became capital locked whereby Council's invested funds reverted to a capital protected term deposit securing Council's initial investment of \$500,000 but no longer paying an interest coupon. It has remained this way to date and was more than likely to remain in such a state until maturity.

Accordingly, upon analysis it was decided to sell the investment at a discounted price of \$476,600, realising an immediate loss of \$23,400. However, these funds were then reinvested in an interest bearing term deposit maturing in June 2014 and earning interest of \$32,759 in total. When assessing the immediate loss against the long term interest, Council will gain a net benefit of \$9,359 at maturity.

3.0 RESPONSIBLE ACCOUNTING OFFICER CERTIFICATION

- 3.1 The Responsible Accounting Officer certifies that all investments have been made in accordance with Section 625 of the Local Government Act, 1993, the Local Government (General) Regulations, and Council's Investment Policy (No 143).

4.0 SUSTAINABILITY ASSESSMENT

This report does not require a sustainability assessment.

5.0 EXECUTIVE SUMMARY

- 5.1 The net investment return as at 31 January 2013 is \$999,001.

RECOMMENDATION

That the information provided in the report be noted.

Report prepared by
Renaë Wilde, Senior Project Accountant

Mark Jones
CHIEF FINANCIAL OFFICER



PITTWATER COUNCIL

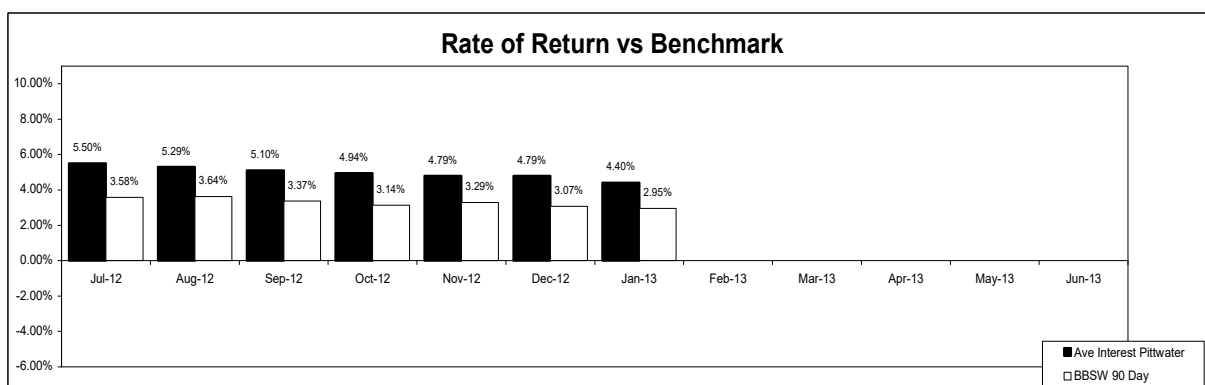
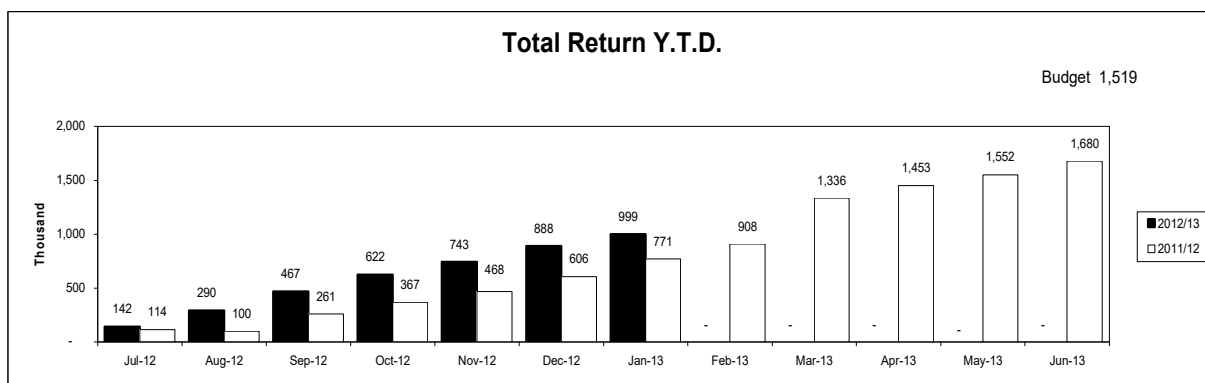
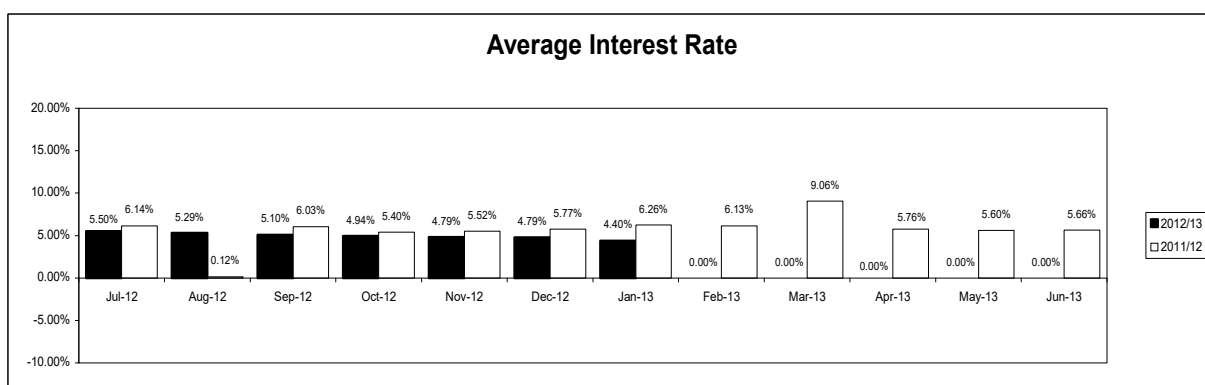
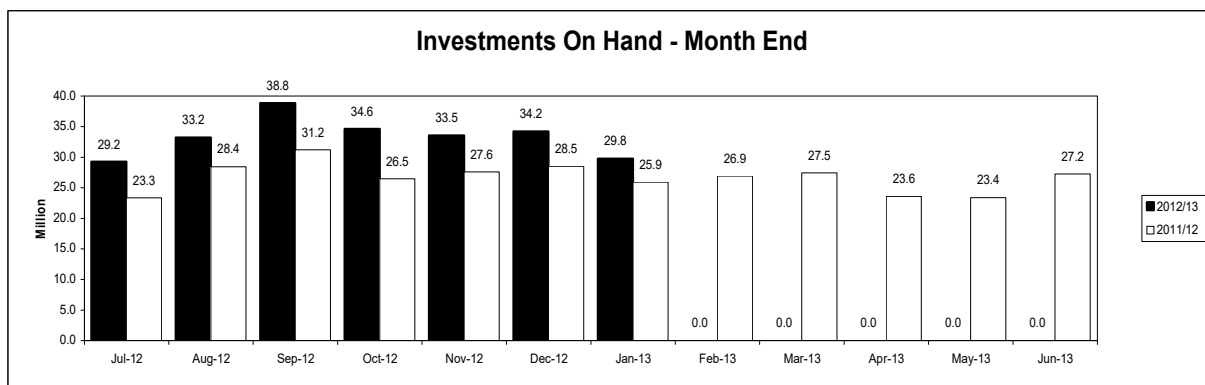
INVESTMENT BALANCES

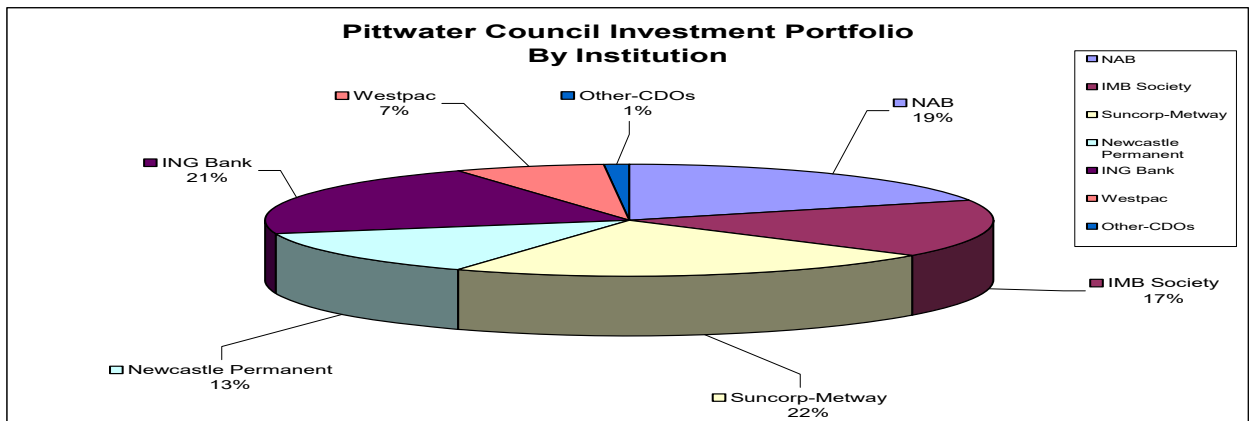
As at 31st January 2013

TYPE	INSTITUTION	Rating	AMOUNT \$	DATE INVESTED	MATURITY DATE	TERM (DAYS)	INTEREST RATE
At Call	NAB	AA-	700,000.00 *	At Call	At Call	1	3.50%
At Call Total			700,000.00				
Term Dep	IMB Society	BBB	1,000,000.00	21-Sep-12	18-Feb-13	150	4.80%
Term Dep	IMB Society	BBB	1,000,000.00	6-Dec-12	7-Mar-13	91	4.50%
Term Dep	IMB Society	BBB	1,000,000.00	11-Dec-12	11-Mar-13	90	4.50%
Term Dep	IMB Society	BBB	1,000,000.00	17-Dec-12	18-Mar-13	91	4.50%
Term Dep	IMB Society	BBB	1,000,000.00	14-Jan-13	15-Apr-13	91	4.30%
Investee Total			5,000,000.00				
Term Dep	Suncorp-Metway	A+	1,000,000.00	28-Aug-12	25-Feb-13	181	5.02%
Term Dep	Suncorp-Metway	A+	1,000,000.00	3-Sep-12	11-Feb-13	161	4.95%
Term Dep	Suncorp-Metway	A+	500,000.00	19-Nov-12	18-Feb-13	91	4.58%
Term Dep	Suncorp-Metway	A+	1,000,000.00	23-Nov-12	20-May-13	178	4.55%
Term Dep	Suncorp-Metway	A+	1,000,000.00	5-Dec-12	3-Jun-13	180	4.60%
Term Dep	Suncorp-Metway	A+	500,000.00	6-Dec-12	4-Jun-13	180	4.60%
Term Dep	Suncorp-Metway	A+	1,000,000.00	10-Dec-12	8-Apr-13	119	4.50%
Term Dep	Suncorp-Metway	A+	500,000.00	12-Dec-12	11-Jun-13	181	4.53%
Investee Total			6,500,000.00				
Term Dep	Westpac	AA-	1,000,000.00	30-Nov-12	28-Feb-13	90	4.61%
Term Dep	Westpac	AA-	1,000,000.00	3-Dec-12	5-Mar-13	92	4.61%
Investee Total			2,000,000.00				
Term Dep	Newcastle Permanent	BBB+	1,000,000.00	26-Nov-12	25-Feb-13	91	4.50%
Term Dep	Newcastle Permanent	BBB+	1,000,000.00	26-Nov-12	4-Mar-13	98	4.50%
Term Dep	Newcastle Permanent	BBB+	1,000,000.00	3-Dec-12	4-Mar-13	91	4.50%
Term Dep	Newcastle Permanent	BBB+	1,000,000.00	21-Jan-13	29-Apr-13	98	4.30%
Investee Total			4,000,000.00				
Term Dep	ING Bank	A	750,000.00	7-Aug-12	4-Feb-13	181	5.22%
Term Dep	ING Bank	A	1,000,000.00	10-Sep-12	12-Mar-13	183	5.00%
Term Dep	ING Bank	A	1,000,000.00	17-Sep-12	18-Mar-13	182	5.02%
Term Dep	ING Bank	A	500,000.00	27-Nov-12	27-May-13	181	4.73%
Term Dep	ING Bank	A	500,000.00	12-Dec-12	11-Jun-13	181	4.74%
Term Dep	ING Bank	A	500,000.00	8-Jan-13	27-Jun-14	535	4.47%
Term Dep	ING Bank	A	1,000,000.00	14-Jan-13	15-Jul-13	182	4.54%
Term Dep	ING Bank	A	1,000,000.00	22-Jan-13	22-Jul-13	181	4.42%
Investee Total			6,250,000.00				
Term Dep	NAB	AA-	1,000,000.00	29-Aug-12	25-Feb-13	180	5.01%
Term Dep	NAB	AA-	1,000,000.00	3-Sep-12	4-Mar-13	182	5.04%
Term Dep	NAB	AA-	1,000,000.00	4-Dec-12	3-Jun-13	181	4.65%
Term Dep	NAB	AA-	1,000,000.00	10-Jan-13	1-Apr-13	81	4.45%
Term Dep	NAB	AA-	1,000,000.00	18-Jan-13	22-Apr-13	94	4.34%
Investee Total			5,000,000.00				
* Arranging Institution							
Floating Rate CDO	* Merrill Lynch	D	124,000.00	14-Dec-11	20-Mar-13		bbsw + 1.70%
Floating Rate CDO	* Lehman Bros	Legal Matter	192,000.00	20-Mar-07	20-Sep-14		Pending Legal Ruling
Floating Rate CDO	* Morgan Stanley	D	0.00	15-Aug-06	20-Jun-15		bbsw + 3.30%
Investee Total			316,000.00				
						January BBSW Close	2.95%
TOTAL INVESTMENTS			\$29,766,000.00				

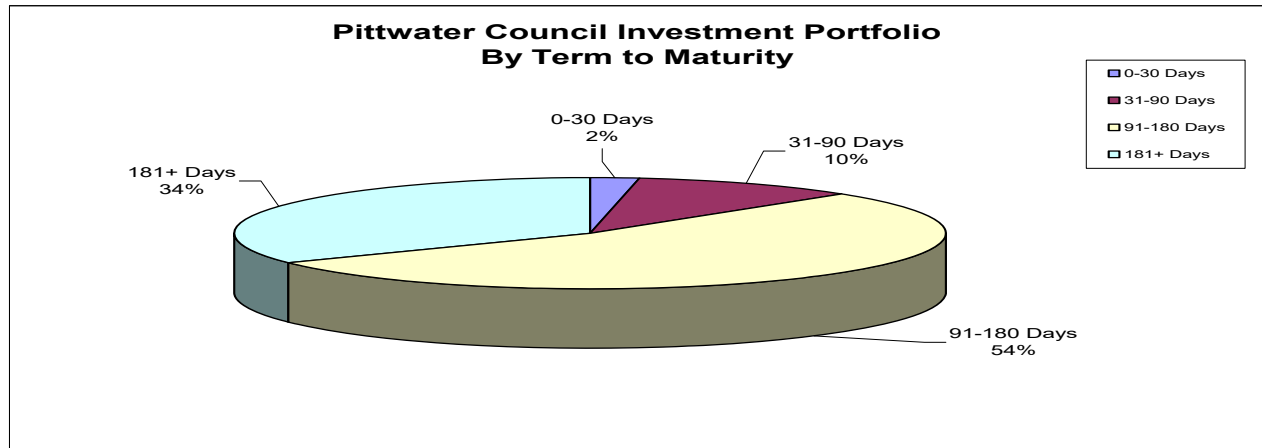
Note: Investments denoted with an * are held in Cash and Cash Equivalents in Council's Balance Sheet along with Cash at Bank and Floats.

All other investments are held as Investment Securities in Council's Balance Sheet

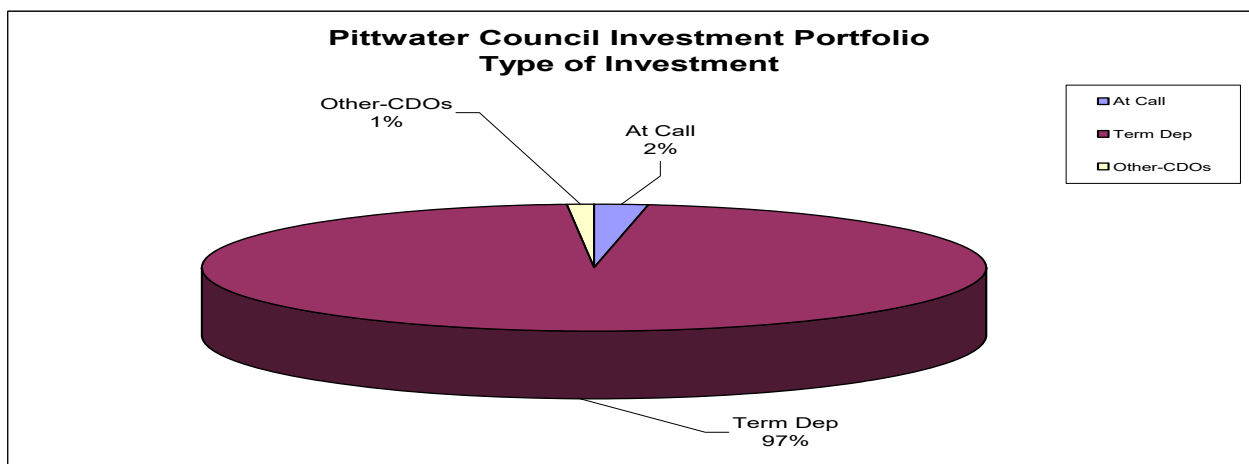
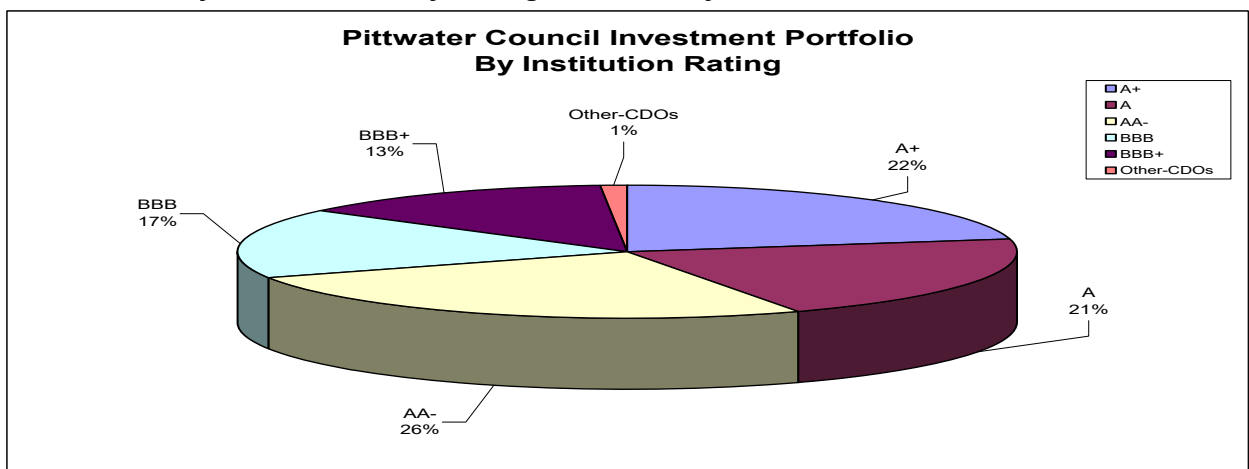




Note: Council Policy - No Institution can hold more than 25% of Council's Total Portfolio



Note: Council Policy - No Term to Maturity can be greater than two years



Investment Information:

Types of Investments

At Call refers to funds held at a financial institution and can be recalled by Council either same day or on an overnight basis.

A **Term Deposit** is a short term deposit held at a financial institution for a fixed term and attracting interest at a deemed rate.

A **Structured Note** is a medium to long term investment where by the investment return is contingent upon the underlying value of the asset class within the note. The capital investment in Council's structured note is protected until maturity.

A **Floating Rate CDO** or Collateralised Debt Obligation is an investment backed by a diversified pool of one or more classes of debt. These investments are for longer terms and offer a higher rate of interest. Credit Ratings are assigned to these investments as detailed in the investment balances listing.

Credit Rating Information

Credit ratings are generally a statement as to the institutions credit quality.

Ratings ranging from BBB- to AAA (long term) are considered investment grade.

A general guide as to the meaning of each credit rating is as follows:

AAA	<i>Extremely strong capacity to meet financial commitments (highest rating)</i>
AA	<i>Very strong capacity to meet financial commitments</i>
A	<i>Strong capacity to meet financial commitments, but somewhat more susceptible to adverse economic conditions and changes in circumstances</i>
BBB	<i>Adequate capacity to meet financial commitments with adverse economic conditions or changing circumstances more likely to lead to a weakened capacity of the obligor to meet its financial commitments</i>
BB	<i>Less vulnerable in the near term, but faces major ongoing uncertainties and exposures to adverse business, financial, and economic conditions</i>
B	<i>More vulnerable to non-payment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation</i>
CCC	<i>Currently vulnerable, and is dependent upon favourable business, financial, and economic conditions to meet its financial commitments</i>
CC	<i>Currently highly vulnerable</i>
C	<i>Highly likely to default</i>
D	<i>Defaulted</i>

The **Bank Bill Swap Rate (BBSW)** is the average mid rate, for Australian Dollar bills of exchange, accepted by an approved bank, having regard to a designated maturity.

C11.3 Loan Borrowings - February 2013

Meeting: Governance Committee

Date: 18 February 2013

STRATEGY: Business Management

Action: To provide the necessary funding source for Council's Capital Improvements Program, Capital Upgrades at Sydney Lakeside Holiday Park and Bungan Lane Car Park at Mona Vale.

PURPOSE OF REPORT

To seek Council's approval to borrow funds as per the 2012/13 December Revised Budget and to seek Delegated Authority for the General Manager to finalise the proposed borrowings.

1.0 BACKGROUND

1.1 As indicated in Council's 2012/13 December Revised Budget, Council is to borrow \$6,500,000 to assist with the funding of Council's Capital Improvements Program (\$1,000,000), Capital Upgrades at Sydney Lakeside Holiday Park (\$1,500,000) and Bungan Lane Car Park at Mona Vale (\$4,000,000).

2.0 ISSUES

2.1 Funding Requirements

Council's Capital Improvements Program \$1,000,000

As a part of Council's forward planning of its Capital Improvements Program which includes the renewal, upgrade and acquisition of Council assets, an annual rolling loan program of \$1,000,000 is required as a part of the funding process. The use of loan funds as a part of Council's asset funding mix is to maintain a level of inter-generational equity regarding the cost and utilisation of Council assets and to maintain an adequate level of capital works within the current and future budget process.

Overall, Council's 2012/13 Revised Budget for its Capital Improvements Program amounts to \$21.431 million dollars which is funded by sources including Borrowings, Developer Contributions, Grants, SRV funds, Storm Water Management Service Charge and Council funds.

Sydney Lakeside Tourist Park \$1,500,000

Council has developed a Masterplan for improvements to Sydney Lakeside Holiday Park at Narrabeen in order to generate greater returns from the facility. To continue this improvement process, \$1,500,000 has been budgeted to be borrowed in the 2012/13 Financial Year for the Capital Upgrade of the facility.

Bungan Lane Car Park at Mona Vale \$4,000,000

As a part of the 2012/16 Delivery Program and Budget, the Loan for the upgrade of the Bungan Lane Car Park at Mona Vale was incorporated into the 2013/14 Financial Year at an amount of \$3.3 million. As a result of the conditions of the Local Government Infrastructure Renewal Scheme (LIRS) of which Council applied for to subsidise (4% subsidy) the Bungan Lane Car Park Works, the loan must be sourced by the end of February 2013.

Accordingly, in Council's December Quarterly Budget Review (for adoption by Council in this agenda), the Bungan Lane Car Park loan has been increased and included in the budget (refer 2.11 Loan Projections). The increase associated with the loan is as a result of cost estimations of the project being increased and the offer by the LIRS program to assist Council with an interest rebate (up to \$967,000) which equates to a borrowing of \$4 million. The balance of the project will be funded by existing Developer Contributions.

The Local Infrastructure Renewal Scheme was established by the NSW Government to provide a 4% interest subsidy on loans obtained by Council in order to help fund infrastructure backlogs. After an extensive review and assessment of Council's financials by NSW Treasury, Council was deemed financially sustainable to increase borrowings and the subsidy was granted for the Bungan Lane Car Park at Mona Vale.

2.2 Financial Information

Council sought quotes for all loan borrowings (as above) from the Banking and Finance Sector. These quotes were to be issued to Council on the 6th of February 2013 in order for Council's Finance Department to compare and determine the most cost effective loans. Seven institutions were invited to quote. Of the seven, four formally responded with indicative quotes. Indicative borrowing rates range from the mid 5% to the low 6% range for a 10 year fixed rate loan on a semi-annual repayment cycle. Based on the indicative market quotes, it is envisaged that the total cost (principal and interest) to Council over the 10 year period would be approximately \$8,500,000.

However it must be noted that the total cost of the above loans will be reduced by approximately \$967,000 based on Council's LIRS interest subsidy, bringing the total loan cost to Council to \$7,533,000.

2.3 Policy Implications

All proposed borrowings in the Report comply with Councils Policy 115 - Loan Borrowing – Infrastructure Replacement and Creation.

3.0 SUSTAINABILITY ASSESSMENT

A sustainability assessment is not required for this Report.

4.0 EXECUTIVE SUMMARY

- 4.1 Approval is being sought from Council to borrow funds for the purposes of funding the Council's Capital Improvements Program (\$1,000,000), Capital Upgrades at Sydney Lakeside Holiday Park (\$1,500,000) and Bungan Lane Car Park at Mona Vale (\$4,000,000).
- 4.2 In order to facilitate the borrowings, Delegated Authority for the General Manager is sought to finalise quotes and accept the most financially advantageous loans from the lending market.
- 4.3 In facilitating such borrowings, Council has complied with Loan Policy No. 115 in that funds are sought for the purposes of Infrastructure Replacement and Creation and that the debt service ratio still remains within the Policy limit of 5.5%.

RECOMMENDATION

1. That in accordance with Council's 2012/13 December Revised Budget, Council authorises borrowings totalling \$6,500,000 in order to fund the following:
 - a. Capital Works Program \$1,000,000
 - b. Sydney Lakeside Holiday Park Capital Program \$1,500,000
 - c. Bungan Lane Car Park at Mona Vale \$4,000,000
2. That the General Manager be authorised to finalise quotes and accept the most financially advantageous loan/s from the lending market.
3. That the seal of Council be affixed to all relevant documentation, if necessary.

Report prepared by

Mark Jones
CHIEF FINANCIAL OFFICER

C11.4 Council Report - Review of Community Engagement Policy

Meeting: Governance Committee

Date: 18 February 2013

STRATEGY: Community Engagement, Education & Awareness

ACTION: Implement and effectively resource Council's Community Engagement Policy

PURPOSE OF REPORT

To provide Council with an update on the review of Council's Community Engagement Policy and mechanisms to engage and inform the community.

1.0 BACKGROUND

1.1 At its Council meeting on 15 October 2013 Council resolved that:

- A Committee of Review be established with a charter of reviewing the Community Engagement policy and mechanisms used to engage and inform the community
- A revised policy be returned to Council for their consideration.

1.2 A Committee of Review was established including:

- 3 Councillors (Cr Griffith, Cr Ferguson and Cr Hegarty)
- Members from each Reference Group
- A youth representative
- Council staff from Urban Infrastructure, Reserves, Recreation & Building Services, Natural Environment, Planning & Assessment, Administration and Governance, Finance & IT and Corporate Strategy & Commercial Business Units.

1.3 The Committee convened on two occasions. At its meeting on 19 November the Committee mapped existing community engagement methods and undertook a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis of these methods and Council's overall approach to community engagement. At its second meeting on 10 December 2012 the Committee reviewed Council's Community Engagement Policy to assess whether it provided a sufficient platform from which to drive community engagement initiatives. A comparison with other Council community engagement policies was also undertaken.

1.4 In general, the Review Committee found that Council has a broad and varied approach to community engagement that is appropriately applied. It was recognised that there is a continuous improvement approach to community engagement as a response to the need to keep up to date with new and emerging methodology that invites participation.

1.5 The Committee was supportive of the Community Engagement Framework and in particular found the documents (*Community Engagement Procedures* and *Community Engagement Toolkit*) useful in providing guidance for staff.

1.6 A number of ideas generated by the Committee related to very specific implementation issues more appropriately dealt with in the *Community Engagement Procedures* document. Revisions to Council's *Community Engagement Procedures* document will be made accordingly. These include:

- Further examples should be provided to the table on page 12 to make it clear the type of projects that would be representative of the Levels of Impact. For example:
 Level 1 (High Impact Pittwater LGA) e.g. Local Environmental Plan, Community Strategic Plan
 Level 2 (High Impact Local Area) e.g. Warriewood Valley Strategic Review
 Level 3 (Low Impact Pittwater LGA) e.g. Policy initiatives
 Level 4 (Low Impact Local Area) e.g. Temporary road closure
- It was suggested that Northern Beaches Radio be added as an additional method of communication within the procedures document matrix on p.20.
- A further amendment to the matrix was recommended: That 'direct communication' with the community on projects impacting at the local level should be changed to "essential".

2.0 ISSUES

Issues raised within the Review Committee are discussed in two themes as follows:

1. Revision of community engagement policy
2. Ideas to strengthen the mechanisms used to engage and inform the community

2.1 REVISION OF COMMUNITY ENGAGEMENT POLICY

2.1.1 Definitions

- Definitions about community engagement and consultation should be included. There are good examples of this in other Council's community engagement policies. Making the distinction between these terms will assist to manage community expectations.

2.1.2 Core values

- The set of core values recently endorsed by Council should be updated within the revised policy. In addition to core values, the principles underpinning Council's approach, contained within the *Community Engagement Procedures* document, have also been added to p. 10-11 of the revised policy.

2.1.3 Clarity about the community's role in decision making

- The policy should make clearer links between the levels on the IAP2 spectrum (e.g. Inform, Consult, Involve, and Collaborate) and what this means in terms of the scope of decision making the community will have.
- It was recognised that there will be occasions when the community will have a limited role in decision making. On these occasions the level of participation will be at "Inform".
- Councillors will mostly make the final decision but the intention is to engage the community in shaping options and informing the final decision. This is now clearly articulated within the revised policy.
- Examples have been given to demonstrate the types of projects that will result in increasing levels of participation from the community.

2.1.4 When to Engage

- Further information about “when to engage” (as identified in the Community Engagement Procedures document) is included in the policy. There are a number of triggers that may warrant community engagement which are in addition to Council’s statutory requirements. These may include:
 - A need to inform a community about matters that will affect them
 - Legislative requirements
 - Complex issues and multiple stakeholders
 - Issues of significant importance across the Local Government Area (LGA)
 - A difficult history related to a project and a need to build trust and respect
 - A need to involve the community in seeking solutions
 - A desire for the community to be part of a vision for the Pittwater area

2.1.5 Feedback to the community

- The Committee discussed the need to strengthen communication that provides feedback to the community about how their input has been considered. This has been highlighted within the section “Principles Underpinning Council’s Approach” of the revised policy.
- Council has a range of feedback mechanisms that need to be more widely promoted and understood by the community.

2.1.6 Resources for Engagement

- Reference should be made within the policy about the need to allocate budget for consultation within projects.

2.2 MECHANISMS USED TO ENGAGE AND INFORM THE COMMUNITY

2.2.1 Council’s website

- There were many positive comments about Council’s website but it was acknowledged that updating is required. Consideration of software that helps to capture communication through the website is warranted.
- It was noted that a review of Council’s website, especially the home page, is indicated so that less scrolling is needed. A “cleaner” layout of information and links to additional pages may assist with this. Succinct information and the use of graphics would also be beneficial.

2.2.2 Social media

- The Committee was informed about the different social media mechanisms used to engage the community. There was a recognition of the increase in the community’s use of online methods of engagement such as social media.
- It was noted that despite innovative technologies the last two community surveys conducted by Council have indicated residents’ preference for direct communication such as email and letter. It was also noted that it was important to retain face to face methods of engagement.

2.2.3 Broadening Participation

- The Committee highlighted that the participation of young people in decision making is a priority and was keen to see engagement of the broadest cross-section of the community. But it was noted that engagement of young people has to be on issues of importance to them. Examples from other projects demonstrated that communication, promotion and methods have to be specifically designed with young people in mind.
- Council is pursuing a youth engagement model to encourage young people to have a say and will further develop this in conjunction with current consultation conducted through our local high schools.
- Community groups should be communicated with to ascertain if there are other groups Council should be communicating with. This is certainly a focus of the update currently being undertaken concerning the Pittwater Register of Community Groups.

2.2.4 Promotion methods

- It was commented that some materials used to promote activities could be updated. Presentation of communication that is appealing, including more visual images was recommended. It was suggested that a more modern approach to noticeboards which are eye-catching and informative be investigated. Community noticeboards need a review to ensure that they are up to date and appealing so that the community will go to them for information.
- It was suggested that school newsletters should be used more frequently to disseminate information to particular sections of the community, especially young families.

2.2.5 Responsibility of the community to take up opportunities to have input.

- Discussion also centred on the fact that the Council cannot always be responsible for residents not engaging in consultation activities. It was understood that residents will not generally engage unless a matter affects them directly. The Review Committee felt that the community should be encouraged to be active and collaborate with each other on issues of importance to them.

2.2.6 Build capacity of the community to engage with Council

- A number of members of the Committee felt that there was a need to build the capacity of the community to engage. Members felt that a sizeable part of the community is not informed about the role and functions of local government. Many do not know about the breadth of services and activities delivered by Pittwater Council.
- Involving schools in educating young people about local government was seen as a positive approach. Further promotion and communication about projects and services, "i.e. the good news", was supported by the Committee.

3.0 SUSTAINABILITY ASSESSMENT

3.1 Supporting & Connecting our Community (Social)

- 3.1.1 This policy reiterates Council's commitment to engaging the community on matters of importance to Pittwater residents. This policy recognises the enormous value of engaging the community, seeking their input and shaping decisions that are in the best interests of the Pittwater community.

3.2 Valuing & Caring for our Natural Environment (Environmental)

- 3.2.1 There is no environmental impact.

3.3 Enhancing our Working & Learning (Economic)

3.3.1 There is no economic impact.

3.4 Leading an Effective & Collaborative Council (Governance)

3.4.1 This policy emphasises the importance of involving members of the community in decision making processes. It is anticipated as a result there will be further confidence in Council's ability to plan and make decisions that that will respond to the present and future needs of the community.

3.5 Integrating our Built Environment (Infrastructure)

3.5.1 There is no infrastructure impact.

4.0 EXECUTIVE SUMMARY

- 4.1 Council at its meeting on 15 October 2012 resolved to undertake a review of the existing Community Engagement Policy and mechanisms used to engage and inform the community.
- 4.2 A Review Committee comprising Councillors, community members and Council staff was initiated to assist with the Review.
- 4.3 A revised policy has been developed (see **Attachment 1**) for Council's consideration and to be placed on public exhibition to seek further community feedback.
- 4.4 The range of suggestions regarding improvements to mechanisms to engage and inform the community will be pursued by the Principal Officer, Community Engagement.

RECOMMENDATION

- 1. That Council note the findings from the Community Engagement Policy Review Committee.
- 2. That the draft Community Engagement Policy (2013) be adopted and placed on public exhibition for a period of 28 days.
- 3. That a final Community Engagement Policy be presented back to Council after comments raised during the public exhibition have been considered.

Report prepared by
Jane Mulroney, Principal Officer – Community Engagement

Paul Reid
MANAGER, CORPORATE STRATEGY AND COMMERCIAL

Council Policy – No 170	Adopted:	22.10.2007
	Amended:	20. 6. 2011
Version:		

TITLE:	Community Engagement Policy
STRATEGY:	Community Engagement, Education and Awareness
BUSINESS UNIT:	Corporate Strategy and Commercial
RELEVANT LEGISLATION:	Local Government Act 1993 Environmental Planning and Assessment Act 1979 Privacy and Personal Information Protection Act 1998 Government Information (Public Access) Act 2009
RELATED POLICIES:	Privacy Management Plan (Policy 134)

PURPOSE OF POLICY

To outline the approach to community engagement that will be undertaken by staff, consultants and elected representatives of Pittwater Council.

POLICY OBJECTIVES

- To confirm Council's commitment to conducting quality consultation and its willingness to actively engage the community in its decision making processes.
- To clarify the role that Council will take to engage residents in decision making.
- To ensure that Council meets its obligations concerning community engagement processes specified by relevant legislation.
- To develop a framework that ensures a consistent approach is undertaken by Council staff in relation to proposals and projects requiring community consultation.
- To create an organisational culture in which community engagement processes are seen in a context of best practice and good governance.
- To provide clarity for staff undertaking consultation and increase their capacity to effectively engage with residents.

POLICY STATEMENT

Pittwater Council is committed to informing the community and involving them in decision making processes on issues that are important and that affect them. This policy recognises the enormous value of engaging the community and involving them in a dialogue which shapes and influences outcomes which the community supports.

An ultimate goal of community engagement is to strengthen trust between Council and the community and build confidence in Council's ability to plan and make decisions that will respond to present and future needs of the community.

Community engagement is always multifaceted and requires a standard of consultation that appropriately responds to the nature, complexity and impact of the issue/s involved. The range of methodologies utilised may be dependent on the resources that are available.

This policy emphasises that the community should be kept informed throughout the consultation process and receive feedback that demonstrates how their input has influenced decisions. It also recognises that the community also has the responsibility to avail themselves of the information and opportunities for input provided by Council if they wish to do so.

POLICY DIRECTION

This policy identifies fundamental principles and core values that will guide Council's approach to community engagement. It provides clarity about the level of the community's participation in decision making and the processes that will be utilised to achieve this. It sets out the planning and reporting requirements when undertaking this work.

DEFINITIONS

Community Engagement

"Any process that involves the community in problem-solving or decision making and uses the community input to make better decisions" International Association for Public Participation (IAP2).

Consultation

The act of discussing something with somebody or with a group of people before making a decision about it (Oxford Dictionary).

Community

Community is a broad term used to define a group of people; whether they are stakeholders, interest groups or residents. A community may be a geographic location (community of place), a community of similar interest (community of practice) or a community of affiliation or identity (such as business or sporting clubs).

Level of impact

The degree to which a community is affected by a decision.

Participation

The degree to which a community is involved in decision making.

COMMUNITY ENGAGEMENT FRAMEWORK

This policy forms part of Council's community engagement framework described as follows:

Community Engagement Policy - This policy provides the foundation upon which all community engagement processes will be developed.

Community Engagement Procedures – The procedures provide a step by step guide to completing community engagement plans which outline the consultation approach to be implemented.

Community Engagement Toolkit - The Toolkit provides guidance to staff about appropriate methodologies and identifies expected practice standards to be incorporated into all consultation activities.

Staff are expected to be familiar with the contents of each of these documents.

CORE VALUES

Staff will conduct community consultation with Council's core values of Service, Respect, Leadership, Communication, Wellbeing and Integrity at the forefront of the community engagement process.

Council's 'Statement of Respect' promotes the collaborative relationship that Council aspires to have with its community:

"Pittwater Council promotes and strives to achieve a climate of respect for others and civic pride; valuing and protecting our unique environment, both natural and built, for current and future generations".

PRINCIPLES UNDERPINNING COUNCIL'S APPROACH TO COMMUNITY ENGAGEMENT

The following principles will underpin Council's approach to all community engagement activities:

Commitment

Community engagement will be conducted in a way that demonstrates a genuine commitment to quality consultation with the community and a desire to hear the community's views and aspirations.

Coordinated

Community engagement strategies will be well planned and directed towards getting a better understanding of the community's views on issues of importance to them.

Timely

Community engagement must seek to engage stakeholders at the earliest stage possible and continue to keep them informed and involved throughout the process.

Inclusive

Community engagement will be designed so that the broadest cross-section of the community is involved, especially those that are hardest to reach. Particular strategies may be required to gain involvement of those where barriers exist to their participation (e.g. young people, Aboriginal and Torres Strait Islander people, people from a culturally and linguistically diverse background or people with a disability).

Clarity

Consultation objectives should be well defined from the outset. The role of the community in the decision making process should be made clear and there should be recognition of the ultimate decision making responsibilities of elected representatives.

Transparent

Information provided to the community will be comprehensive and provide objective, balanced content about the issue/s involved with any particular project.

Engaging

Different methodologies will be utilised and delivered in a way that engages those participating. Innovative methodologies including electronic and on-line technologies will be implemented where possible to encourage participation and engagement of the community.

Meaningful

Consultation activities will provide opportunities for meaningful dialogue and input from key stakeholders.

Accountable

Strategies should be incorporated into community engagement plans to ensure that Council staff provide feedback to the community about the progress of the project or plan and which also demonstrate how their input has influenced the decision-making process.

Evaluation

Planning for community engagement will also include steps to evaluate the effectiveness of the engagement process and its outcomes.

Council's principles are consistent with the social justice principles of equity, access, participation and rights as prescribed by the Local Government Act 1993.

BENEFITS OF ENGAGEMENT

There are numerous benefits that result from engaging the community to shape Council decisions. These include:

- A better understanding of the community needs, wants and concerns
- A strengthening of the relationship between Council and its community
- Further transparency in decision making
- Better outcomes which match community aspirations
- Increased trust in public administration

WHEN TO ENGAGE?

A range of triggers will necessitate engagement of the community in decision making processes.

These may include:

- A need to inform a community about matters that will affect them
- Legislative requirements
- Complex issues and multiple stakeholders
- Issues of significant importance across the Local Government Area (LGA)
- A difficult history related to a project and a need to build trust and respect
- A need to involve the community in seeking solutions
- A desire for the community to be part of a vision for the Pittwater area

LEGISLATIVE REQUIREMENTS

At times there will be projects where there is a statutory requirement for consultation. Staff should ensure that they are familiar with any statutory requirements concerning consultation especially those identified within the legislation below:

Local Government Act 1993 (NSW) - sets out in a number of sections the obligation of Council to consult with the community and promotes consultation as a necessary part of delivering services to the community.

Local Government Amendment (Planning and Reporting) Act 2009 requires Council to establish and implement a community engagement strategy when developing and reviewing the community strategic plan. This strategy must be based on the social justice principles of equity, access, participation and rights.

Environmental Planning and Assessment Act 1979 - specifies that nearby neighbours and interested community groups shall be notified in respect to Development Applications.

WHAT DETERMINES THE LEVEL OF PUBLIC PARTICIPATION?

The community's involvement in decision making will vary greatly according to the nature of the project. For most matters the final decision will be made by Council's elected representatives. Community members and key stakeholders however, have a vital role in voicing concerns, shaping ideas and concepts within projects and informing the final decision.

The Public Participation Spectrum outlined as follows, clearly sets out the level of public participation according to the role the community will have in shaping decisions.

PUBLIC PARTICIPATION SPECTRUM

Pittwater Council's approach to community engagement is informed by the internationally recognised "Public Participation Spectrum" developed by the International Association for Public Participation (IAP2) which outlines five levels of public participation. When planning for community engagement Council staff will need to determine the most appropriate level of participation depending on the nature and complexity of the project/issue.

The following provides a description of the entire public participation model but it must be recognised that Council performs a specific role. Many decisions whilst informed by community input will ultimately rest with Councillors, the community's elected representatives. Accordingly, Council will most commonly conduct community engagement processes at the Inform, Consult and Involve levels of participation.

IAP2 Spectrum

Level of Participation	Public Participation Goal	Examples of projects requiring participation
Inform	To provide the public with balanced and objective information to assist them in understanding the problems, alternatives, opportunities and/or solutions.	<ul style="list-style-type: none"> • Inform about a change to legislation. • Raise public awareness of a situation or proposal • Advise about a decision or direction
Consult	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	<ul style="list-style-type: none"> • Seek feedback about a service • Seek comment on a proposal or issue • Identify needs and concerns • Collect data or technical information
Involve	To obtain feedback public on analysis, alternatives and/or decisions.	<ul style="list-style-type: none"> • Involve community to generate discussion • Seek views about proposal options • Identify solutions to difficult problems
Collaborate	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	<ul style="list-style-type: none"> • Establish a working group to define options and make recommendations • Share responsibility for achieving outcomes
Empowerment	To place final decision making in the hands of the public.	<ul style="list-style-type: none"> • Elected representatives will make the final decision

PLANNING FOR COMMUNITY ENGAGEMENT

A Community Engagement Plan must be completed for every project requiring community participation and consultation. Council's *Community Engagement Procedures* provides a step by step process to follow when planning for community engagement. Key elements of this process include:

Stages of Planning	
Defining the issues	What are the project objectives and desired outcomes?
Identify the level of impact a project may have on the community	Will it impact on a section of the community or the entire LGA?
Be clear about the scope of the community's input	What is the community to decide on?
Identify stakeholders	Who should be involved in the consultation process?
Decide on appropriate methods for consultation and communication	What will assist the community to be informed and have input?

The combination of all the steps undertaken in planning will determine the nature of consultation to be implemented. The design of consultation will be influenced by the level of participation required.

The development of a community engagement plan is intended to clarify the purpose and objectives of consultation and result in the development of a strategy that incorporates appropriate engagement techniques to maximise participation.

All community engagement plans will be reviewed by the relevant Business Unit Manager, or their delegate, to ensure that the consultation design meets the project objectives and to ensure that sufficient resources are provided for community engagement activities.

A completed copy of the plan must be forwarded to the Community Engagement Officer. The project team staff will also save a copy of the community engagement plan in the "Community Engagement Plan" folder within Council's electronic content management system.

A community engagement plan must be finalised in a timely manner so that appropriate resources can be allocated and communication strategies can be maximised.

Notice of any consultation activities will be given to the Office of the General Manager and Office of the Mayor and Councillors at the earliest opportunity.

REPORTING REQUIREMENTS

All reports to Council where consultation is a desired outcome must incorporate detail about the intended methods of engagement with the community. This may include a copy of the completed community engagement plan as an attachment.

Details about plans for community engagement must also be included in any briefing to Senior Management where community consultation is intended.

PRIVACY IN COMMUNITY CONSULTATION

It is likely that Council will collect personal information during the course of consultation efforts. Consequently, it is important to adhere to Council's Privacy Management Plan (Policy 134) which states that:

"Council will advise the public in letters, on website, in advertising and at public meetings how any personal information that is collected will be handled".

Unless indicated otherwise such personal information will generally be dealt with as follows:-

Public Meetings: Personal information collected at public meetings (e.g. contact details on an attendance list) will only be collected for the purpose of ongoing consultation on the issue by Council officers. Such information will not be made available for release to the public.

Submissions: All submissions received as part of a community engagement process will be considered in the public arena and as such the content of any submission will be made available in its entirety if so requested, unless confidentiality is requested in accordance with the provisions of Section 739 of the Local Government Act. Individual's personal details will not be handed on to a third party.

This process is in accordance with the principles outlined in the *Privacy and Personal Information Protection Act 1998 (2000)*.

EVALUATION

Effort is required to measure the effectiveness of community engagement practices.

Stage of engagement	Performance Measures
Planning	Adequate resources and expertise have been provided to implement consultation outlined in the community engagement plan.
Consultation	Participants have a clear understanding of the objectives of engagement and their level of involvement in decision making.
	There is a variety of means by which the community can have a say
Analysis	The mix of methods used in consultation have engaged key stakeholders
	Participation of stakeholders reflects the demographic profile of the community of interest
Results	Stakeholders have been informed about the results of consultation and can observe how their input has been considered

Evaluation of this policy should be undertaken every two years.

C11.5 New Model Code of Conduct Framework

Meeting: Governance Committee

Date: 18 February 2013

STRATEGY: Business Management

ACTION: Maintain and Service Council's range of Committees and to provide administrative support to elected Councillors

PURPOSE OF REPORT

To adopt the new model Code of Conduct and supporting procedures, to appoint complaint coordinators and to note the process being undertaken in relation to the appointment of a new panel of Conduct Reviewers.

1.0 BACKGROUND

- 1.1 The Division of Local Government has released a new Model Code of Conduct ("the Code") for Councils in NSW and a new Code needs to be adopted by Council prior to it coming into force on 1 March 2013.
- 1.2 The new Model Code has accompanying procedures for the administration of the Code which also needs to be adopted by Council.
- 1.3 Copies of the Model Code and procedures are appended to this report (refer **Attachment 1** and **2**) as well as a summary of standards of Conduct (**Attachment 3**) which is basically an easy guide to what is in the code regarding conduct.
- 1.4 The key changes to the Code as identified in the circular provided by the DLG are reproduced hereunder:-
 - *For clarity and simplicity, standards of conduct and procedures for dealing with breaches will be separately prescribed.*
 - *Minor changes have been made to the standards prescribed under the code in relation to binding caucus votes, the disclosure of political donations, loss of quorum, the management of significant non-pecuniary conflicts of interests in relation to principal planning instruments, gifts, relationships between councillors and staff and use of council resources for re-election purposes.*
 - *New standards have been included to address misuse of the code and other conduct intended to undermine its implementation.*
 - *New provisions have been included to improve all councils' access to suitably skilled conduct reviewers.*
 - *Under the new procedures, complaints will be managed from start to finish by an independent conduct reviewer at arms length from the council if they are not informally resolved at outset.*
 - *There will be an increased focus on informal resolution of less serious matters.*

- *Code of conduct matters will be dealt with confidentially. However, where a conduct reviewer determines that a councillor has breached the code and a sanction is imposed by the council, this will be made public via the minutes of the meeting.*
 - *There will be limited rights of review to the Division where a person is subject to an adverse outcome.*
 - *The Division will have more options for dealing with matters directly under the misconduct provisions. This will enable it to directly police the administration of the code and address issues such as misuse or failure to cooperate.*
 - *Penalties for misconduct will be expanded and increased to improve deterrence.*
 - *Both the Division and the Pecuniary Interest and Disciplinary Tribunal will be able impose stronger penalties for repeated misconduct. This will enable the more effective management of ongoing disruptive behaviour by individual councillors to enable councils to get on with the core business of serving their communities.*
- 1.5 The new Code has been provided following an extensive consultation with Councils and other stakeholders.
- 1.6 The Model Code may be adopted in its entirety or if necessary enhanced, provided the provisions of the Model Code are not “watered down” in any way.
- 1.7 Council previously adopted the Model Code of Conduct without alteration and I see no additional issues that need to be included in a new Code.
- 1.8 As Councillors are aware training on Code of Conduct issues was provided prior to Christmas and prior to the release of the new model code. Generally that training addressed the majority of issues that are contained in the new code however matters relating to the accompanying procedures was not discussed. It is suggested that Councillors familiarise themselves with the code and its attachments and advise me if you consider that you would require further training on the subject.
- 1.9 In addition to adopting the new code and the procedures the following additional administrative arrangements are required:-
- the appointment of staff members other than the General Manager as Complaints Coordinator and an alternative Complaints Coordinator, and
 - Making arrangements to ensure that a panel of conduct reviewers, appointed using the selection criteria prescribed in the new procedures, are in place by 30 September 2013.
- 1.10 The procedures for administration of the code requires the Complaints Coordinator to also be a nominated Disclosures Coordinator appointed for the purpose of receiving reports of wrong doing under the Public Interest Disclosures Act 1994. As the Manager Administration and Governance has been delegated with that role it is proposed that the Complaints Coordinator also be the Manager Administration and Governance with the alternative Coordinator being the Internal Auditor.
- 1.11 In relation to the appointment of a panel of conduct reviewers Pittwater Council has partnered with SHOROC and its member Councils to undertake a process for the appointment of such a panel. A meeting of representatives from each Council has taken place and advertisements have already been placed with a local and national newspaper circulating in the area calling for Expressions of Interest from suitable qualified and experienced persons.

- 1.12 The closing date for applications is the 8 March 2013 after which time a cull of applications will be undertaken followed by an interview of short listed applicants.
- 1.13 As the General Manager is not to be involved in this process Council's Manager Administration and Governance will represent Pittwater Council during this process.
- 1.14 After the Interview Process a separate report will be provided to Council recommending the appointment of a panel of Conduct Reviewers.
- 1.15 In the interim, Council will be relying on the Interim panel which was appointed in September 2012, should a code of conduct issue arise requiring the appointment of a sole reviewer or review committee.

2.0 ISSUES

- 2.1 Council needs to comply with the direction provided to Council in the Division of Local Government Circular No 12-45 dated 19 December 2012 relating to the new model code of conduct framework and implementation arrangements.

3.0 SUSTAINABILITY ASSESSMENT

3.1 Supporting & Connecting our Community (Social)

- 3.1.1 The report has no effect on this key direction

3.2 Valuing & Caring for our Natural Environment (Environmental)

- 3.2.1 The report has no effect on this key direction

3.3 Enhancing our Working & Learning (Economic)

- 3.3.1 The appointment of a sole reviewer or panel to conduct an investigation into an alleged code of conduct is a costly exercise the cost of which is unbudgeted and as such would need to be funded from the legal expenses vote, which is already well utilised.

3.4 Leading an Effective & Collaborative Council (Governance)

- 3.4.1 Council's Code of Conduct sets stringent guidelines and direction for the conduct of Councillors and staff. Compliance with the Code will instil public confidence in the Council's ability to undertake its duties ethically, honestly and without favour.

3.5 Integrating our Built Environment (Infrastructure)

- 3.5.1 The report has not effect on this key direction.

4.0 EXECUTIVE SUMMARY

Council is required to adopt a Code of Conduct based on the Model Code and the supporting procedures as presented by the Division of Local Government, by 1 March 2013.

Council is also required to appoint a Complaints Coordinator and an alternative Complaints Coordinator

- 2.3 A Panel of Conduct Reviewers needs to be appointed in accordance with the new procedures by 30 September 2013.

RECOMMENDATION

1. That the Model Code of Conduct dated March 2013 and the Procedures for the Administration of the Model Code, as appended at **Attachments 1 and 2** to this report, be adopted.
2. That the Manager of Administration and Governance be appointed as the Complaints Coordinator and the Internal Auditor appointed as the alternative Complaint Coordinator for any complaints made under this Code.
3. That the process for appointment of a Conduct Review Panel be noted and a further report be brought to Council for appointment of a panel after the interview process has been completed.

Report prepared by

Warwick Lawrence

MANAGER, ADMINISTRATION AND GOVERNANCE



Premier & Cabinet
Division of Local Government

The Model Code of Conduct for Local Councils in NSW



March 2013

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The Model Code of Conduct for Local Councils in NSW – March 2013

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PART 1 INTRODUCTION

This Model Code of Conduct for Local Councils in NSW ("the Model Code of Conduct") is made for the purposes of section 440 of the *Local Government Act 1993* ("the Act"). Section 440 of the Act requires every council to adopt a code of conduct that incorporates the provisions of the Model Code. For the purposes of section 440 of the Act, the Model Code of Conduct comprises all parts of this document.

Councillors, administrators, members of staff of council, independent conduct reviewers, members of council committees including the conduct review committee and delegates of the council must comply with the applicable provisions of council's code of conduct in carrying out their functions as council officials. It is the personal responsibility of council officials to comply with the standards in the code and regularly review their personal circumstances with this in mind.

Failure by a councillor to comply with the standards of conduct prescribed under this code constitutes misconduct for the purposes of the Act. The Act provides for a range of penalties that may be imposed on councillors for misconduct, including suspension or disqualification from civic office.

Failure by a member of staff to comply with council's code of conduct may give rise to disciplinary action.

A better conduct guide has also been developed to assist councils to review and enhance their codes of conduct. This guide supports this code and provides further information on the provisions in this code.

PART 2 PURPOSE OF THE CODE OF CONDUCT

The Model Code of Conduct sets the minimum requirements of conduct for council officials in carrying out their functions. The Model Code is prescribed by regulation.

The Model Code of Conduct has been developed to assist council officials to:

- understand the standards of conduct that are expected of them
- enable them to fulfil their statutory duty to act honestly and exercise a reasonable degree of care and diligence (section 439)
- act in a way that enhances public confidence in the integrity of local government.

PART 3 GENERAL CONDUCT OBLIGATIONS

General conduct

- 3.1 You must not conduct yourself in carrying out your functions in a manner that is likely to bring the council or holders of civic office into disrepute. Specifically, you must not act in a way that:
- a) contravenes the Act, associated regulations, council's relevant administrative requirements and policies
 - b) is detrimental to the pursuit of the charter of a council
 - c) is improper or unethical
 - d) is an abuse of power or otherwise amounts to misconduct
 - e) causes, comprises or involves intimidation, harassment or verbal abuse
 - f) causes, comprises or involves discrimination, disadvantage or adverse treatment in relation to employment
 - g) causes, comprises or involves prejudice in the provision of a service to the community. (*Schedule 6A*)

3.2 You must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out your functions under the Act or any other Act. (*section 439*)

3.3 You must treat others with respect at all times.

Fairness and equity

3.4 You must consider issues consistently, promptly and fairly. You must deal with matters in accordance with established procedures, in a non-discriminatory manner.

3.5 You must take all relevant facts known to you, or that you should be reasonably aware of, into consideration and have regard to the particular merits of each case. You must not take irrelevant matters or circumstances into consideration when making decisions.

Harassment and discrimination

3.6 You must not harass, discriminate against, or support others who harass and discriminate against colleagues or members of the public. This includes, but is not limited to harassment and discrimination on the grounds of sex, pregnancy, age, race, responsibilities as a carer, marital status, disability, homosexuality, transgender grounds or if a person has an infectious disease.

Development decisions

3.7 You must ensure that development decisions are properly made and that parties involved in the development process are dealt with fairly. You must avoid any occasion for suspicion of improper conduct in the development assessment process.

3.8 In determining development applications, you must ensure that no action, statement or communication between yourself and applicants or objectors

conveys any suggestion of willingness to provide improper concessions or preferential treatment.

Binding caucus votes

- 3.9 You must not participate in binding caucus votes in relation to matters to be considered at a council or committee meeting.
- 3.10 For the purposes of clause 3.9, a binding caucus vote is a process whereby a group of councillors are compelled by a threat of disciplinary or other adverse action to comply with a predetermined position on a matter before the council or committee irrespective of the personal views of individual members of the group on the merits of the matter before the council or committee.
- 3.11 Clause 3.9 does not prohibit councillors from discussing a matter before the council or committee prior to considering the matter in question at a council or committee meeting or from voluntarily holding a shared view with other councillors on the merits of a matter.
- 3.12 Clause 3.9 does not apply to a decision to elect the Mayor or Deputy Mayor or to nominate a person to be a member of a council committee.

PART 4 CONFLICT OF INTERESTS

- 4.1 A conflict of interests exists where a reasonable and informed person would perceive that you could be influenced by a private interest when carrying out your public duty.
- 4.2 You must avoid or appropriately manage any conflict of interests. The onus is on you to identify a conflict of interests and take the appropriate action to manage the conflict in favour of your public duty.
- 4.3 Any conflict of interests must be managed to uphold the probity of council decision-making. When considering whether or not you have a conflict of interests, it is always important to think about how others would view your situation.
- 4.4 Private interests can be of two types: pecuniary or non-pecuniary.

What is a pecuniary interest?

- 4.5 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. (*section 442*)
- 4.6 A person will also be taken to have a pecuniary interest in a matter if that person's spouse or de facto partner or a relative of the person or a partner or employer of the person, or a company or other body of which the person, or a nominee, partner or employer of the person is a member, has a pecuniary interest in the matter. (*section 443*)
- 4.7 Pecuniary interests are regulated by Chapter 14, Part 2 of the Act. The Act requires that:
 - a) councillors and designated persons lodge an initial and an annual written disclosure of interests that could potentially be in conflict with their public or professional duties (*section 449*)
 - b) councillors and members of council committees disclose an interest and the nature of that interest at a meeting, leave the meeting and be out of sight of the meeting and not participate in discussions or voting on the matter (*section 451*)
 - c) designated persons immediately declare, in writing, any pecuniary interest. (*section 459*)
- 4.8 Designated persons are defined at section 441 of the Act, and include, but are not limited to, the general manager and other senior staff of the council.
- 4.9 Where you are a member of staff of council, other than a designated person (as defined by section 441), you must disclose in writing to your supervisor or the general manager, the nature of any pecuniary interest you have in a matter you are dealing with as soon as practicable.

What are non-pecuniary interests?

4.10 Non-pecuniary interests are private or personal interests the council official has that do not amount to a pecuniary interest as defined in the Act. These commonly arise out of family, or personal relationships, or involvement in sporting, social or other cultural groups and associations and may include an interest of a financial nature.

4.11 The political views of a councillor do not constitute a private interest.

Managing non-pecuniary conflict of interests

4.12 Where you have a non-pecuniary interest that conflicts with your public duty, you must disclose the interest fully and in writing, even if the conflict is not significant. You must do this as soon as practicable.

4.13 If a disclosure is made at a council or committee meeting, both the disclosure and the nature of the interest must be recorded in the minutes. This disclosure constitutes disclosure in writing for the purposes of clause 4.12.

4.14 How you manage a non-pecuniary conflict of interests will depend on whether or not it is significant.

4.15 As a general rule, a non-pecuniary conflict of interests will be significant where a matter does not raise a pecuniary interest but it involves:

- a) a relationship between a council official and another person that is particularly close, for example, parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child of the person or of the person's spouse, current or former spouse or partner, de facto or other person living in the same household
- b) other relationships that are particularly close, such as friendships and business relationships. Closeness is defined by the nature of the friendship or business relationship, the frequency of contact and the duration of the friendship or relationship
- c) an affiliation between the council official and an organisation, sporting body, club, corporation or association that is particularly strong.

4.16 If you are a council official, other than a member of staff of council, and you have disclosed that a significant non-pecuniary conflict of interests exists, you must manage it in one of two ways:

- a) remove the source of the conflict, by relinquishing or divesting the interest that creates the conflict, or reallocating the conflicting duties to another council official
- b) have no involvement in the matter, by absenting yourself from and not taking part in any debate or voting on the issue as if the provisions in section 451(2) of the Act apply

4.17 If you determine that a non-pecuniary conflict of interests is less than significant and does not require further action, you must provide an explanation of why you consider that the conflict does not require further action in the circumstances.

4.18 If you are a member of staff of council, the decision on which option should be taken to manage a non-pecuniary conflict of interests must be made in consultation with your manager.

4.19 Despite clause 4.16(b), a councillor who has disclosed that a significant non-pecuniary conflict of interests exists may participate in a decision to delegate council's decision-making role to council staff through the general manager, or appoint another person or body to make the decision in accordance with the law. This applies whether or not council would be deprived of a quorum if one or more councillors were to manage their conflict of interests by not voting on a matter in accordance with clause 4.16(b) above.

Reportable political donations

4.20 Councillors should note that matters before council involving political or campaign donors may give rise to a non-pecuniary conflict of interests.

4.21 Where a councillor has received or knowingly benefitted from a reportable political donation:

- a) made by a major political donor in the previous four years, and
- b) where the major political donor has a matter before council,

then the councillor must declare a non-pecuniary conflict of interests, disclose the nature of the interest, and manage the conflict of interests in accordance with clause 4.16(b).

4.22 For the purposes of this Part:

- a) a "reportable political donation" is a "reportable political donation" for the purposes of section 86 of the *Election Funding, Expenditure and Disclosures Act 1981*,
- b) a "major political donor" is a "major political donor" for the purposes of section 84 of the *Election Funding, Expenditure and Disclosures Act 1981*.

4.23 Councillors should note that political donations below \$1,000, or political donations to a registered political party or group by which a councillor is endorsed, may still give rise to a non-pecuniary conflict of interests. Councillors should determine whether or not such conflicts are significant and take the appropriate action to manage them.

4.24 If a councillor has received or knowingly benefitted from a reportable political donation of the kind referred to in clause 4.21, that councillor is not prevented from participating in a decision to delegate council's decision-making role to council staff through the general manager or appointing another person or body to make the decision in accordance with the law (see clause 4.19 above).

Loss of quorum as a result of compliance with this Part

4.25 Where a majority of councillors are precluded under this Part from consideration of a matter the council or committee must resolve to delegate consideration of the matter in question to another person.

- 4.26 Where a majority of councillors are precluded under this Part from consideration of a matter and the matter in question concerns the exercise of a function that may not be delegated under section 377 of the Act, the councillors may apply in writing to the Chief Executive to be exempted from complying with a requirement under this Part relating to the management of a non-pecuniary conflict of interests.
- 4.27 The Chief Executive will only exempt a councillor from complying with a requirement under this Part where:
- a) compliance by councillors with a requirement under the Part in relation to a matter will result in the loss of a quorum, and
 - b) the matter relates to the exercise of a function of the council that may not be delegated under section 377 of the Act.
- 4.28 Where the Chief Executive exempts a councillor from complying with a requirement under this Part, the councillor must still disclose any interests they have in the matter the exemption applies to in accordance with the requirements of this Part.
- 4.29 A councillor, who would otherwise be precluded from participating in the consideration of a matter under this Part because they have a non-pecuniary conflict of interests in the matter, is permitted to participate in consideration of the matter, 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
 - b) the councillor declares any interest they have in the matter that would otherwise have precluded their participation in consideration of the matter under this Part.

Other business or employment

- 4.30 If you are a member of staff of council considering outside employment or contract work that relates to the business of the council or that might conflict with your council duties, you must notify and seek the approval of the general manager in writing. (*section 353*)
- 4.31 As a member of staff, you must ensure that any outside employment or business you engage in will not:
- a) conflict with your official duties
 - b) involve using confidential information or council resources obtained through your work with the council
 - c) require you to work while on council duty
 - d) discredit or disadvantage the council.

Personal dealings with council

4.32 You may have reason to deal with your council in your personal capacity (for example, as a ratepayer, recipient of a council service or applicant for a consent granted by council). You must not expect or request preferential treatment in relation to any matter in which you have a private interest because of your position. You must avoid any action that could lead members of the public to believe that you are seeking preferential treatment.

PART 5 PERSONAL BENEFIT

For the purposes of this section, a reference to a gift or benefit does not include a political donation or contribution to an election fund that is subject to the provisions of the relevant election funding legislation.

Gifts and benefits

- 5.1 You must avoid situations giving rise to the appearance that a person or body, through the provision of gifts, benefits or hospitality of any kind, is attempting to secure favourable treatment from you or from the council.
- 5.2 You must take all reasonable steps to ensure that your immediate family members do not receive gifts or benefits that give rise to the appearance of being an attempt to secure favourable treatment. Immediate family members ordinarily include parents, spouses, children and siblings.

Token gifts and benefits

- 5.3 Generally speaking, token gifts and benefits include:
 - a) free or subsidised meals, beverages or refreshments provided in conjunction with:
 - i) the discussion of official business
 - ii) council work related events such as training, education sessions, workshops
 - iii) conferences
 - iv) council functions or events
 - v) social functions organised by groups, such as council committees and community organisations
 - b) invitations to and attendance at local social, cultural or sporting events
 - c) gifts of single bottles of reasonably priced alcohol to individual council officials at end of year functions, public occasions or in recognition of work done (such as providing a lecture/training session/address)
 - d) ties, scarves, coasters, tie pins, diaries, chocolates or flowers
 - e) prizes of token value.

Gifts and benefits of value

- 5.4 Notwithstanding clause 5.3, gifts and benefits that have more than a token value include, but are not limited to, tickets to major sporting events (such as state or international cricket matches or matches in other national sporting codes (including the NRL, AFL, FFA, NBL)), corporate hospitality at a corporate facility at major sporting events, discounted products for personal use, the frequent use of facilities such as gyms, use of holiday homes, free or discounted travel.

How are offers of gifts and benefits to be dealt with?

- 5.5 You must not:
 - a) seek or accept a bribe or other improper inducement
 - b) seek gifts or benefits of any kind
 - c) accept any gift or benefit that may create a sense of obligation on your part or may be perceived to be intended or likely to influence you in carrying out your public duty

- d) accept any gift or benefit of more than token value
- e) accept an offer of cash or a cash-like gift, regardless of the amount.

5.6 For the purposes of clause 5.5(e), a "cash-like gift" includes but is not limited to gift vouchers, credit cards, debit cards with credit on them, prepayments such as phone or internal credit, memberships or entitlements to discounts.

5.7 Where you receive a gift or benefit of more than token value that cannot reasonably be refused or returned, this must be disclosed promptly to your supervisor, the Mayor or the general manager. The recipient, supervisor, Mayor or general manager must ensure that any gifts or benefits of more than token value that are received are recorded in a Gifts Register. The gift or benefit must be surrendered to council, unless the nature of the gift or benefit makes this impractical.

Improper and undue influence

5.8 You must not use your position to influence other council officials in the performance of their public or professional duties to obtain a private benefit for yourself or for somebody else. A councillor will not be in breach of this clause where they seek to influence other council officials through the appropriate exercise of their representative functions.

5.9 You must not take advantage (or seek to take advantage) of your status or position with or of functions you perform for council in order to obtain a private benefit for yourself or for any other person or body.

PART 6 RELATIONSHIP BETWEEN COUNCIL OFFICIALS

Obligations of councillors and administrators

- 6.1 Each council is a body politic. The councillors or administrator/s are the governing body of the council. The governing body has the responsibility of directing and controlling the affairs of the council in accordance with the Act and is responsible for policy determinations, for example, those relating to workforce policy.
- 6.2 Councillors or administrators must not:
- a) direct council staff other than by giving appropriate direction to the general manager in the performance of council's functions by way of council or committee resolution, or by the Mayor or administrator exercising their power under section 226 of the Act (*section 352*)
 - b) in any public or private forum, direct or influence or attempt to direct or influence, any other member of the staff of the council or a delegate of the council in the exercise of the functions of the member or delegate (*Schedule 6A of the Act*)
 - c) contact a member of the staff of the council on council related business unless in accordance with the policy and procedures governing the interaction of councillors and council staff that have been authorised by the council and the general manager
 - d) contact or issue instructions to any of council's contractors or tenderers, including council's legal advisers, unless by the Mayor or administrator exercising their power under section 226 of the Act. This does not apply to council's external auditors or the Chair of council's audit committee who may be provided with any information by individual councillors reasonably necessary for the external auditor or audit committee to effectively perform their functions.

Obligations of staff

- 6.3 The general manager is responsible for the efficient and effective operation of the council's organisation and for ensuring the implementation of the decisions of the council without delay.
- 6.4 Members of staff of council must:
- a) give their attention to the business of council while on duty
 - b) ensure that their work is carried out efficiently, economically and effectively
 - c) carry out lawful directions given by any person having authority to give such directions
 - d) give effect to the lawful decisions, policies, and procedures of the council, whether or not the staff member agrees with or approves of them
 - e) ensure that any participation in political activities outside the service of the council does not conflict with the performance of their official duties.

Obligations during meetings

- 6.5 You must act in accordance with council's Code of Meeting Practice, if council has adopted one, and the *Local Government (General) Regulation 2005* during council and committee meetings.
- 6.6 You must show respect to the chair, other council officials and any members of the public present during council and committee meetings or other formal proceedings of the council.

Inappropriate interactions

- 6.7 You must not engage in any of the following inappropriate interactions:
- a) Councillors and administrators approaching staff and staff organisations to discuss individual or operational staff matters other than broader workforce policy issues.
 - b) Council staff approaching councillors and administrators to discuss individual or operational staff matters other than broader workforce policy issues.
 - c) Council staff refusing to give information that is available to other councillors to a particular councillor.
 - d) Councillors and administrators who have lodged a development application with council, discussing the matter with council staff in staff-only areas of the council.
 - e) Councillors and administrators being overbearing or threatening to council staff.
 - f) Councillors and administrators making personal attacks on council staff in a public forum.
 - g) Councillors and administrators directing or pressuring council staff in the performance of their work, or recommendations they should make.
 - h) Council staff providing ad hoc advice to councillors and administrators without recording or documenting the interaction as they would if the advice was provided to a member of the community.
 - i) Council staff meeting with applicants or objectors alone AND outside office hours to discuss applications or proposals.
 - j) Councillors attending on-site inspection meetings with lawyers and/or consultants engaged by council associated with current or proposed legal proceedings unless permitted to do so by council's general manager or, in the case of the Mayor or administrator, exercising their power under section 226 of the Act.

PART 7 ACCESS TO INFORMATION AND COUNCIL RESOURCES

Councillor and administrator access to information

- 7.1 The general manager and public officer are responsible for ensuring that members of the public, councillors and administrators can gain access to the documents available under the *Government Information (Public Access) Act 2009*.
- 7.2 The general manager must provide councillors and administrators with information sufficient to enable them to carry out their civic office functions.
- 7.3 Members of staff of council must provide full and timely information to councillors and administrators sufficient to enable them to carry out their civic office functions and in accordance with council procedures.
- 7.4 Members of staff of council who provide any information to a particular councillor in the performance of their civic duties must also make it available to any other councillor who requests it and in accordance with council procedures.
- 7.5 Councillors and administrators who have a private (as distinct from civic) interest in a document of council have the same rights of access as any member of the public.

Councillors and administrators to properly examine and consider information

- 7.6 Councillors and administrators must properly examine and consider all the information provided to them relating to matters that they are dealing with to enable them to make a decision on the matter in accordance with council's charter.

Refusal of access to documents

- 7.7 Where the general manager and public officer determine to refuse access to a document sought by a councillor or administrator they must act reasonably. In reaching this decision they must take into account whether or not the document sought is required for the councillor or administrator to perform their civic duty (see clause 7.2). The general manager or public officer must state the reasons for the decision if access is refused.

Use of certain council information

- 7.8 In regard to information obtained in your capacity as a council official, you must:
 - a) only access council information needed for council business
 - b) not use that council information for private purposes
 - c) not seek or obtain, either directly or indirectly, any financial benefit or other improper advantage for yourself, or any other person or body, from any information to which you have by virtue of your office or position with council
 - d) only release council information in accordance with established council policies and procedures and in compliance with relevant legislation.

Use and security of confidential information

7.9 You must maintain the integrity and security of confidential documents or information in your possession, or for which you are responsible.

7.10 In addition to your general obligations relating to the use of council information, you must:

- a) protect confidential information
- b) only release confidential information if you have authority to do so
- c) only use confidential information for the purpose it is intended to be used
- d) not use confidential information gained through your official position for the purpose of securing a private benefit for yourself or for any other person
- e) not use confidential information with the intention to cause harm or detriment to your council or any other person or body
- f) not disclose any information discussed during a confidential session of a council meeting.

Personal information

7.11 When dealing with personal information you must comply with:

- a) *the Privacy and Personal Information Protection Act 1998*
- b) *the Health Records and Information Privacy Act 2002*
- c) the Information Protection Principles and Health Privacy Principles
- d) council's privacy management plan
- e) the Privacy Code of Practice for Local Government

Use of council resources

7.12 You must use council resources ethically, effectively, efficiently and carefully in the course of your official duties, and must not use them for private purposes (except when supplied as part of a contract of employment) unless this use is lawfully authorised and proper payment is made where appropriate.

7.13 Union delegates and consultative committee members may have reasonable access to council resources for the purposes of carrying out their industrial responsibilities, including but not limited to:

- a) the representation of members with respect to disciplinary matters
- b) the representation of employees with respect to grievances and disputes
- c) functions associated with the role of the local consultative committee.

7.14 You must be scrupulous in your use of council property, including intellectual property, official services and facilities, and must not permit their misuse by any other person or body.

7.15 You must avoid any action or situation that could create the appearance that council property, official services or public facilities are being improperly used for your benefit or the benefit of any other person or body.

- 7.16 You must not use council resources, property or facilities for the purpose of assisting your election campaign or the election campaign of others unless the resources, property or facilities are otherwise available for use or hire by the public and any publicly advertised fee is paid for use of the resources, property or facility.
- 7.17 You must not use council letterhead, council crests and other information that could give the appearance it is official council material for:
- a) the purpose of assisting your election campaign or the election campaign of others, or
 - b) for other non-official purposes.
- 7.18 You must not convert any property of the council to your own use unless properly authorised.
- 7.19 You must not use council's computer resources to search for, access, download or communicate any material of an offensive, obscene, pornographic, threatening, abusive or defamatory nature.

Councillor access to council buildings

- 7.20 Councillors and administrators are entitled to have access to the council chamber, committee room, mayor's office (subject to availability), councillors' rooms, and public areas of council's buildings during normal business hours and for meetings. Councillors and administrators needing access to these facilities at other times must obtain authority from the general manager.
- 7.21 Councillors and administrators must not enter staff-only areas of council buildings without the approval of the general manager (or delegate) or as provided in the procedures governing the interaction of councillors and council staff.
- 7.22 Councillors and administrators must ensure that when they are within a staff area they avoid giving rise to the appearance that they may improperly influence council staff decisions.

PART 8 MAINTAINING THE INTEGRITY OF THIS CODE

- 8.1 You must not conduct yourself in a manner that is likely to undermine confidence in the integrity of this code or its administration.

Complaints made for an improper purpose

- 8.2 You must not make a complaint or cause a complaint to be made under this code for an improper purpose.

- 8.3 For the purposes of clause 8.2, a complaint is made for an improper purpose where it is trivial, frivolous, vexatious or not made in good faith, or where it otherwise lacks merit and has been made substantially for one or more of the following purposes:

- a) to intimidate or harass another council official
- b) to damage another council official's reputation
- c) to obtain a political advantage
- d) to influence a council official in the exercise of their official functions or to prevent or disrupt the exercise of those functions
- e) to influence the council in the exercise of its functions or to prevent or disrupt the exercise of those functions
- f) to avoid disciplinary action under this code
- g) to take reprisal action against a person for making a complaint under this code except as may be otherwise specifically permitted under this code
- h) to take reprisal action against a person for exercising a function prescribed under the procedures for the administration of this code except as may be otherwise specifically permitted under this code
- i) to prevent or disrupt the effective administration of this code.

Detrimental action

- 8.4 You must not take detrimental action or cause detrimental action to be taken against a person substantially in reprisal for a complaint they have made under this code except as may be otherwise specifically permitted under this code.
- 8.5 You must not take detrimental action or cause detrimental action to be taken against a person substantially in reprisal for any function they have exercised under this code except as may be otherwise specifically permitted under this code.
- 8.6 For the purposes of clauses 8.4 and 8.5 detrimental action is an action causing, comprising or involving any of the following:
- a) injury, damage or loss
 - b) intimidation or harassment
 - c) discrimination, disadvantage or adverse treatment in relation to employment
 - d) dismissal from, or prejudice in, employment
 - e) disciplinary proceedings.

Compliance with requirements under this code

- 8.7 You must not engage in conduct that is calculated to impede or disrupt the consideration of a matter under this code.
- 8.8 You must comply with a reasonable and lawful request made by a person exercising a function under this code.
- 8.9 You must comply with a practice ruling made by the Division of Local Government.
- 8.10 Where you are a councillor or the general manager, you must comply with any council resolution requiring you to take action as a result of a breach of this code.

Disclosure of information about the consideration of a matter under this code

- 8.11 You must report breaches of this code in accordance with the reporting requirements under this code.
- 8.12 You must not make allegations of suspected breaches of this code at council meetings or in other public forums.
- 8.13 You must not disclose information about the consideration of a matter under this code except for the purposes of seeking legal advice unless the disclosure is otherwise permitted under this code.

Complaints alleging a breach of this part

- 8.14 Complaints alleging a breach of this Part (Part 8) by a councillor, the general manager or an administrator are to be made to the Division of Local Government.
- 8.15 Complaints alleging a breach of this Part by other council officials are to be made to the general manager.

PART 9 DEFINITIONS

In the Model Code of Conduct the following definitions apply:

the Act	the <i>Local Government Act 1993</i>
act of disorder	see the definition in clause 256 of the Local Government (General) Regulation 2005
administrator	an administrator of a council appointed under the Act other than an administrator appointed under section 66
Chief Executive	Chief Executive of the Division of Local Government, Department of Premier and Cabinet
committee	a council committee
conflict of interests	a conflict of interests exists where a reasonable and informed person would perceive that you could be influenced by a private interest when carrying out your public duty
council committee	a committee established by resolution of council
"council committee member"	a person other than a councillor or member of staff of a council who is a member of a council committee
council official	includes councillors, members of staff of council, administrators, council committee members, conduct reviewers and delegates of council
councillor	a person elected or appointed to civic office and includes a Mayor
delegate of council	a person (other than a councillor or member of staff of a council) or body, and the individual members of that body, to whom a function of the council is delegated
designated person	see the definition in section 441 of the Act
election campaign	includes council, State and Federal election campaigns
personal information	information or an opinion about a person whose identity is apparent, or can be ascertained from the information or opinion

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the Regulation the Local Government (General) Regulation 2005

The term “you” used in the Model Code of Conduct refers to council officials.

The phrase “this code” used in the Model Code of Conduct refers also to the procedures for the administration of the Model Code of Conduct prescribed under the Local Government (General) Regulation 2005.



Premier & Cabinet
Division of Local Government

Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW



March 2013

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PART 1 INTRODUCTION

These procedures ("the Model Code Procedures") are prescribed for the purposes of the administration of the Model Code of Conduct for Local Councils in NSW ("the Model Code"). The Model Code and Model Code Procedures are made under sections 440 and 440AA respectively of the *Local Government Act 1993* ("the Act") and the *Local Government (General) Regulation 2005* ("the Regulation").

Sections 440 and 440AA of the Act require every council to adopt a code of conduct and procedures for the administration of the code of conduct that incorporate the provisions of the Model Code and Model Code Procedures respectively.

In adopting procedures for the administration of their adopted codes of conduct, councils may supplement the Model Code Procedures. However provisions of a council's adopted procedures that are not consistent with those prescribed under the Model Code Procedures will have no effect.

PART 2 DEFINITIONS

For the purposes of the procedures, the following definitions apply:

"the Act"	the <i>Local Government Act 1993</i>
"administrator"	an administrator of a council appointed under the Act other than an administrator appointed under section 66
"code of conduct"	a code of conduct adopted under section 440 of the Act
"code of conduct complaint"	a complaint that alleges conduct on the part of a council official acting in their official capacity that on its face, if proven, would constitute a breach of the standards of conduct prescribed under the council's code of conduct
"complainant"	a person who makes a code of conduct complaint
"complainant councillor"	a councillor who makes a code of conduct complaint
"complaints coordinator"	a person appointed by the general manager under these procedures as a complaints coordinator

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“conduct reviewer”	a person appointed under these procedures to review allegations of breaches of the code of conduct by councillors or the general manager
“council committee”	a committee established by resolution of council
“council committee member”	a person other than a councillor or member of staff of a council who is a member of a council committee
“councillor”	a person elected or appointed to civic office and includes a Mayor
“council official”	includes councillors, members of staff of council, administrators, council committee members, conduct reviewers and delegates of council
“delegate of council”	a person (other than a councillor or member of staff of a council) or body and the individual members of that body to whom a function of the council is delegated
“the Division”	the Division of Local Government, Department of Premier and Cabinet
“investigator”	a conduct reviewer or conduct review committee
“the Regulation”	the <i>Local Government (General) Regulation 2005</i>
“subject person”	a person whose conduct is the subject of investigation by a conduct reviewer or conduct review committee under these procedures

PART 3 ADMINISTRATIVE FRAMEWORK

The establishment of a panel of conduct reviewers

- 3.1 The council must by resolution establish a panel of conduct reviewers.
- 3.2 The council may by resolution enter into an arrangement with one or more other councils to share a panel of conduct reviewers.

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- 3.3 The panel of conduct reviewers is to be established following a public expression of interest process.
- 3.4 An expression of interest for members of the council's panel of conduct reviewers must, at a minimum, be advertised locally and in the Sydney metropolitan area.
- 3.5 To be eligible to be a member of a panel of conduct reviewers, a person must, at a minimum, meet the following requirements:
- a) an understanding of local government, and
 - b) knowledge of investigative processes including but not limited to procedural fairness requirements and the requirements of the *Public Interest Disclosures Act 1994*, and
 - c) knowledge and experience of one or more of the following:
 - i) investigations, or
 - ii) law, or
 - iii) public administration, or
 - iv) public sector ethics, or
 - v) alternative dispute resolution, and
 - d) meet the eligibility requirements for membership of a panel of conduct reviewers under clause 3.6.
- 3.6 A person is not be eligible to be a member of the panel of conduct reviewers if they are
- a) a councillor, or
 - b) a nominee for election as a councillor, or
 - c) an administrator, or
 - d) an employee of a council, or
 - e) a member of the Commonwealth Parliament or any State Parliament or Territory Assembly, or
 - f) a nominee for election as a member of the Commonwealth Parliament or any State Parliament or Territory Assembly, or
 - g) a person who has a conviction for an indictable offence that is not an expired conviction.
- 3.7 A person is not precluded from being a member of the council's panel of conduct reviewers if they are a member of another council's panel of conduct reviewers.
- 3.8 A panel of conduct reviewers established under this Part is to have a term of up to four years.
- 3.9 The council may terminate the panel of conduct reviewers at any time by resolution.
- 3.10 When the term of the conduct reviewers concludes or is terminated, the council must establish a new panel of conduct reviewers in accordance with the requirements of this Part.

- 3.11 A person who was a member of a previous panel of conduct reviewers established by the council may be a member of subsequent panels of conduct reviewers established by the council.

The appointment of complaints coordinators

- 3.12 The general manager must appoint a member of staff of the council to act as a complaints coordinator. Where practicable, the complaints coordinator should be a senior and suitably qualified member of staff.
- 3.13 The general manager may appoint other members of staff to act as alternates to the complaints coordinator.
- 3.14 The general manager must not undertake the role of complaints coordinator.
- 3.15 The person appointed as complaints coordinator or alternate complaints coordinator must also be a nominated disclosures coordinator appointed for the purpose of receiving and managing reports of wrongdoing under the *Public Interest Disclosures Act 1994*.
- 3.16 The role of the complaints coordinator is to:
- a) coordinate the management of complaints made under the council's code of conduct,
 - b) liaise with and provide administrative support to a conduct reviewer or conduct review committee,
 - c) liaise with the Division of Local Government, and
 - d) arrange the annual reporting of code of conduct complaints statistics.

PART 4 HOW MAY CODE OF CONDUCT COMPLAINTS BE MADE?

What is a "code of conduct complaint"?

- 4.1 For the purpose of these procedures, a code of conduct complaint is a complaint that alleges conduct on the part of a council official acting in their official capacity that on its face, if proven, would constitute a breach of the standards of conduct prescribed under the council's code of conduct.
- 4.2 Only code of conduct complaints are to be dealt with under these procedures. Complaints that do not satisfy the definition of a "code of conduct complaint" are to be dealt with under council's routine complaints management processes.

When must a code of conduct complaint be made?

- 4.3 A code of conduct complaint must be made within three months of the alleged conduct occurring or within three months of the complainant becoming aware of the alleged conduct.
- 4.4 A complaint made after 3 months may only be accepted if the general manager, or, in the case of a complaint about the general manager, the Mayor, is satisfied that there are compelling grounds for the matter to be dealt with under the code of conduct.

How may a code of conduct complaint about a council official other than the general manager be made?

- 4.5 All code of conduct complaints other than those relating to the general manager are to be made to the general manager in writing.
- 4.6 Where a code of conduct complaint about a council official other than the general manager cannot be made in writing, the complaint must be confirmed with the complainant in writing as soon as possible after the receipt of the complaint.
- 4.7 In making a code of conduct complaint about a council official other than the general manager, the complainant may nominate whether they want the complaint to be resolved by mediation or by other alternative means.
- 4.8 The general manager or, where the complaint is referred to a conduct reviewer, the conduct reviewer, must consider the complainant's preferences in deciding how to deal with the complaint.
- 4.9 Notwithstanding clauses 4.5 and 4.6, where the general manager becomes aware of a possible breach of the council's code of conduct, he or she may initiate the process for the consideration of the matter under these procedures without a written complaint.

How may a code of conduct complaint about the general manager be made?

- 4.10 Code of conduct complaints about the general manager are to be made to the Mayor in writing.
- 4.11 Where a code of conduct complaint about the general manager cannot be made in writing, the complaint must be confirmed with the complainant in writing as soon as possible after the receipt of the complaint.
- 4.12 In making a code of conduct complaint about the general manager, the complainant may nominate whether they want the complaint to be resolved by mediation or by other alternative means.

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- 4.13 The Mayor or, where the complaint is referred to a conduct reviewer, the conduct reviewer, must consider the complainant's preferences in deciding how to deal with the complaint.
- 4.14 Notwithstanding clauses 4.10 and 4.11, where the Mayor becomes aware of a possible breach of the council's code of conduct by the general manager, he or she may initiate the process for the consideration of the matter under these procedures without a written complaint.

PART 5 HOW ARE CODE OF CONDUCT COMPLAINTS TO BE MANAGED?

How are code of conduct complaints about staff (other than the general manager) to be dealt with?

- 5.1 The general manager is responsible for making enquiries or causing enquiries to be made into code of conduct complaints about members of staff of council and for determining the outcome of such complaints.
- 5.2 Where the general manager decides not to make enquiries into a code of conduct complaint about a member of staff, the general manager must give the complainant reasons in writing for their decision.
- 5.3 Without limiting clause 5.2, the general manager may decide not to enquire into the matter on grounds that the complaint is trivial, frivolous, vexatious or not made in good faith.
- 5.4 Enquiries made into staff conduct that might give rise to disciplinary action must occur in accordance with the relevant industrial instrument or employment contract and make provision for procedural fairness including the right of an employee to be represented by their union.
- 5.5 Sanctions for staff depend on the severity, scale and importance of the breach and must be determined in accordance with any relevant industrial instruments or contracts.

How are code of conduct complaints about delegates of council and council committee members to be dealt with?

- 5.6 The general manager is responsible for making enquiries or causing enquiries to be made into code of conduct complaints about delegates of council and council committee members and for determining the outcome of such complaints.
- 5.7 Where the general manager decides not to make enquiries into a code of conduct complaint about a delegate of council or a council committee member, the general manager must give the complainant reasons in writing for their decision.

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- 5.8 Without limiting clause 5.7, the general manager may decide not to enquire into the matter on grounds that the complaint is trivial, frivolous, vexatious or not made in good faith.
- 5.9 Sanctions for delegates of council and/or members of council committees depend on the severity, scale and importance of the breach and may include one or more of the following:
- a) censure,
 - b) requiring the person to apologise to any person or organisation adversely affected by the breach,
 - c) prosecution for any breach of the law,
 - d) removing or restricting the person's delegation, or
 - e) removing the person from membership of the relevant council committee.
- 5.10 Prior to imposing a sanction against a delegate of council or a council committee member under clause 5.9, the general manager or any person making enquiries on behalf of the general manager must comply with the requirements of procedural fairness. In particular:
- a) the substance of the allegation (including the relevant provision/s of council's code of conduct that the alleged conduct is in breach of) must be put to the person the subject of the allegation, and
 - b) the person must be given an opportunity to respond to the allegation, and
 - c) the general manager must consider the person's response in deciding whether to impose a sanction under clause 5.9.

How are code of conduct complaints about conduct reviewers to be dealt with?

- 5.11 The general manager must refer all code of conduct complaints about conduct reviewers to the Division for its consideration.
- 5.12 The general manager must notify the complainant of the referral of their complaint in writing.
- 5.13 The general manager must implement any recommendation made by the Division as a result of its consideration of a code of conduct complaint about a conduct reviewer.

How are code of conduct complaints about administrators to be dealt with?

- 5.14 The general manager must refer all code of conduct complaints about administrators to the Division for its consideration.
- 5.15 The general manager must notify the complainant of the referral of their complaint in writing.

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How are code of conduct complaints about councillors to be dealt with?

5.16 The general manager must refer the following code of conduct complaints about councillors to the Division:

- a) complaints alleging a breach of the pecuniary interest provisions of the Act,
- b) complaints alleging a failure to comply with a requirement under the code of conduct to disclose and appropriately manage conflicts of interests arising from reportable political donations (see section 328B),
- c) complaints alleging a breach of Part 8 of the code of conduct relating to the maintenance of the integrity of the code, and
- d) complaints the subject of a special complaints management arrangement with the Division under clause 5.40.

5.17 Where the general manager refers a complaint to the Division under clause 5.16, the general manager must notify the complainant of the referral in writing.

5.18 Where the general manager considers it to be practicable and appropriate to do so, the general manager may seek to resolve code of conduct complaints about councillors, other than those requiring referral to the Division under clause 5.16, by alternative means such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation or apology instead of referring them to the complaints coordinator under clause 5.20.

5.19 Where the general manager resolves a code of conduct complaint under clause 5.18 to the general manager's satisfaction, the general manager must notify the complainant in writing of the steps taken to resolve the complaint and this shall finalise the consideration of the matter under these procedures.

5.20 The general manager must refer all code of conduct complaints about councillors other than those referred to the Division under clause 5.16 or resolved under clause 5.18 to the complaints coordinator.

How are code of conduct complaints about the general manager to be dealt with?

5.21 The Mayor must refer the following code of conduct complaints about the general manager to the Division:

- a) complaints alleging a breach of the pecuniary interest provisions of the Act,
- b) complaints alleging a breach of Part 8 of the code of conduct relating to the maintenance of the integrity of the code, and
- c) complaints the subject of a special complaints management arrangement with the Division under clause 5.40.

- 5.22 Where the Mayor refers a complaint to the Division under clause 5.21, the Mayor must notify the complainant of the referral in writing.
- 5.23 Where the Mayor considers it to be practicable and appropriate to do so, he or she may seek to resolve code of conduct complaints about the general manager, other than those requiring referral to the Division under clause 5.21, by alternative means such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation or apology instead of referring them to the complaints coordinator under clause 5.25.
- 5.24 Where the Mayor resolves a code of conduct complaint under clause 5.23 to the Mayor's satisfaction, the Mayor must notify the complainant in writing of the steps taken to resolve the complaint and this shall finalise the consideration of the matter under these procedures.
- 5.25 The Mayor must refer all code of conduct complaints about the general manager other than those referred to the Division under clause 5.21 or resolved under clause 5.23 to the complaints coordinator.

Referral of code of conduct complaints to external agencies

- 5.26 The general manager, Mayor or a conduct reviewer or conduct review committee may, at any time, refer a code of conduct complaint to an external agency or body such as, but not limited to, the Division, the Independent Commission Against Corruption, the NSW Ombudsman or the Police for its consideration, where they consider such a referral is warranted.
- 5.27 Where the general manager, Mayor, conduct reviewer or conduct review committee refers a complaint to an external agency or body under clause 5.26, they must notify the complainant of the referral in writing where it is appropriate for them to do so.
- 5.28 Referral of a matter to an external agency or body shall finalise consideration of the matter under the code of conduct unless the council is subsequently advised otherwise by the referral agency or body.

Disclosure of the identity of complainants

- 5.29 In dealing with matters under these procedures, information that identifies or tends to identify complainants is not to be disclosed unless:
- a) the complainant consents in writing to the disclosure, or
 - b) it is generally known that the complainant has made the complaint as a result of the complainant having voluntarily identified themselves as the person who made the complaint, or
 - c) it is essential, having regard to procedural fairness requirements, that the identifying information be disclosed, or

- d) a conduct reviewer or conduct review committee is of the opinion that disclosure of the information is necessary to investigate the matter effectively, or
- e) it is otherwise in the public interest to do so.

5.30 Clause 5.29 does not apply to code of conduct complaints made by councillors about other councillors or the general manager.

5.31 Where a councillor makes a code of conduct complaint about another councillor or the general manager and the complainant councillor considers that compelling grounds exist that would warrant information that identifies or tends to identify them as the complainant not to be disclosed, they may request in writing that such information not be disclosed.

5.32 A request made by a complainant councillor under clause 5.31 must be made at the time they make a code of conduct complaint and must state the grounds upon which the request is made.

5.33 The general manager or Mayor or, where the matter is referred, a conduct reviewer or conduct review committee must consider a request made under clause 5.31 before disclosing information that identifies or tends to identify the complainant councillor but are not obliged to comply with the request.

5.34 Where a complainant councillor makes a request under clause 5.31, the general manager or Mayor or, where the matter is referred, a conduct reviewer or conduct review committee shall notify the councillor in writing of their intention to disclose information that identifies or tends to identify them prior to disclosing the information.

Code of conduct complaints made as public interest disclosures

5.35 Code of conduct complaints that are made as public interest disclosures under the *Public Interest Disclosures Act 1994* are to be managed in accordance with the requirements of that Act, the council's internal reporting policy and any guidelines issued by the NSW Ombudsman that relate to the management of public interest disclosures.

5.36 For a code of conduct complaint to be dealt with as a public interest disclosure, the complainant must state at the outset and in writing at the time of making the complaint that it is made as a public interest disclosure.

5.37 Where a councillor makes a code of conduct complaint about another councillor or the general manager as a public interest disclosure, before the matter may be dealt with under these procedures, the complainant councillor must consent in writing to the disclosure of their identity as the complainant.

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- 5.38 Where a complainant councillor declines to consent to the disclosure of their identity as the complainant under clause 5.37, the general manager or the Mayor must refer the complaint to the Division for consideration. Such a referral must be made under section 26 of the Public Interest Disclosures Act 1994.

Special complaints management arrangements

- 5.39 The general manager may request in writing that the Division enter into a special complaints management arrangement with the council in relation to code of conduct complaints made by or about a person or persons.
- 5.40 Where the Division receives a request under clause 5.39, it may agree to enter into a special complaints management arrangement where it is satisfied that the number or nature of code of conduct complaints made by or about a person or persons has:
- a) imposed an undue and disproportionate cost burden on the council's administration of its code of conduct, or
 - b) impeded or disrupted the effective administration by the council of its code of conduct, or
 - c) impeded or disrupted the effective functioning of the council.
- 5.41 A special complaints management arrangement must be in writing and must specify the following:
- a) the code of conduct complaints the arrangement relates to, and
 - b) the period that the arrangement will be in force.
- 5.42 The Division may by notice in writing, amend or terminate a special complaints management arrangement at any time.
- 5.43 While a special complaints management arrangement is in force, an officer of the Division (the assessing Divisional officer) must undertake the preliminary assessment of the code of conduct complaints specified in the arrangement in accordance with the requirements of these procedures except as provided by clause 5.44 below.
- 5.44 Where, following a preliminary assessment, the assessing Divisional officer determines that a code of conduct complaint warrants investigation by a conduct reviewer or a conduct review committee, the assessing Divisional officer shall notify the complaints coordinator in writing of their determination and the reasons for their determination. The complaints coordinator must comply with the recommendation of the assessing Divisional officer.
- 5.45 Prior to the expiry of a special complaints management arrangement, the Division shall, in consultation with the general manager, review the arrangement to determine whether it should be renewed or amended.

- 5.46 A special complaints management arrangement shall expire on the date specified in the arrangement unless renewed under clause 5.45.

PART 6 PRELIMINARY ASSESSMENT

Referral of code of conduct complaints to conduct reviewers

- 6.1 The complaints coordinator must refer all code of conduct complaints about councillors or the general manager submitted to the complaints coordinator within 21 days of receipt of a complaint by the general manager or the Mayor.
- 6.2 For the purposes of clause 6.1, the complaints coordinator will refer a complaint to a conduct reviewer selected from:
- a) a panel of conduct reviewers established by the council, or
 - b) a panel of conduct reviewers established by an organisation approved by the Chief Executive of the Division.
- 6.3 In selecting a suitable conduct reviewer, the complaints coordinator may have regard to the qualifications and experience of members of the panel of conduct reviewers.
- 6.4 A conduct reviewer must not accept the referral of a code of conduct complaint where:
- a) they have a conflict of interests in relation to the matter referred to them, or
 - b) a reasonable apprehension of bias arises in relation to their consideration of the matter, or
 - c) they or their employer has entered into one or more contracts with the council in the 2 years preceding the referral and they or their employer have received or expect to receive payments under the contract or contracts of a cumulative value that exceeds \$100K, or
 - d) at the time of the referral, they or their employer are the council's legal service providers or are a member of a panel of legal service providers appointed by the council.
- 6.5 For the purposes of clause 6.4(a), a conduct reviewer will have a conflict of interests in a matter where a reasonable and informed person would perceive that they could be influenced by a private interest when carrying out their public duty (see clause 4.1 of the Model Code of Conduct).
- 6.6 For the purposes of clause 6.4(b), a reasonable apprehension of bias arises where a fair-minded observer might reasonably apprehend that the conduct reviewer might not bring an impartial and unprejudiced mind to the matter referred to the conduct reviewer.

- 6.7 Where the complaints coordinator refers a matter to a conduct reviewer, they will provide the conduct reviewer with a copy of the code of conduct complaint and any other information relevant to the matter held by the council.
- 6.8 The complaints coordinator must notify the complainant in writing that the matter has been referred to a conduct reviewer and advise which conduct reviewer the matter has been referred to.

Preliminary assessment by a conduct reviewer

- 6.9 The conduct reviewer is to undertake a preliminary assessment of a complaint referred to them by the complaints coordinator for the purposes of determining how the complaint is to be managed.
- 6.10 The conduct reviewer may determine to do one or more of the following in relation to a complaint referred to them by the complaints coordinator:
- a) to take no action, or
 - b) to resolve the complaint by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation or apology, or
 - c) to refer the matter back to the general manager or, in the case of a complaint about the general manager, the Mayor, for resolution by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, or apology, or
 - d) to refer the matter to another agency or body such as, but not limited to, the ICAC, the NSW Ombudsman, the Division or the Police, or
 - e) to investigate the matter, or
 - f) to recommend that the complaints coordinator convene a conduct review committee to investigate the matter.
- 6.11 In determining how to deal with a matter under clause 6.10, the conduct reviewer must have regard to the complaint assessment criteria prescribed under clause 6.27.
- 6.12 The conduct reviewer may make such enquiries the conduct reviewer considers to be reasonably necessary to determine what option to exercise under clause 6.10.
- 6.13 The conduct reviewer may request the complaints coordinator to provide such additional information the conduct reviewer considers to be reasonably necessary to determine what option to exercise in relation to the matter under clause 6.10. The complaints coordinator will, as far as is reasonably practicable, supply any information requested by the conduct reviewer.

- 6.14 The conduct reviewer must refer to the Division any complaints referred to him or her that should have been referred to the Division under clauses 5.16 and 5.21.
- 6.15 The conduct reviewer must determine to take no action on a complaint that is not a code of conduct complaint for the purposes of these procedures.
- 6.16 Where the conduct reviewer completes their preliminary assessment of a complaint by determining to exercise an option under clause 6.10, paragraphs (a), (b) or (c), they must provide the complainant with written notice of their determination and provide reasons for it and this will finalise consideration of the matter under these procedures.
- 6.17 Where the conduct reviewer refers a complaint to another agency or body, they must notify the complainant of the referral in writing where it is appropriate for them to do so.
- 6.18 The conduct reviewer may only determine to investigate a matter or to recommend that a conduct review committee be convened to investigate a matter where they are satisfied as to the following:
- a) that the complaint is a "code of conduct complaint" for the purposes of these procedures, and
 - b) that the alleged conduct, on its face, is sufficiently serious to warrant investigation, and
 - c) that the matter is one that could not or should not be resolved by alternative means.
- 6.19 The conduct reviewer may only determine to recommend that a conduct review committee be convened to investigate a matter after consulting with the complaints coordinator and where they are satisfied that it would not be practicable or appropriate for the matter to be investigated by a sole conduct reviewer.
- 6.20 The conduct reviewer must complete their preliminary assessment of the complaint within 28 days of referral of the matter to them by the complaints coordinator.
- 6.21 The conduct reviewer is not obliged to give prior notice to or to consult with any person before making a determination in relation to their preliminary assessment of a complaint except as may be specifically required under these procedures.

Referral back to the general manager or Mayor for resolution

- 6.22 Where the conduct reviewer determines to refer a matter back to the general manager or to the Mayor to be resolved by alternative and appropriate means, they must write to the general manager or, in the case of a complaint about the general manager, to the Mayor, recommending the means by which the complaint may be resolved.

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- 6.23 The conduct reviewer must consult with the general manager or Mayor prior to referring a matter back to them under clause 6.22.
- 6.24 The general manager or Mayor may decline to accept the conduct reviewer's recommendation. Where the general manager or Mayor declines to do so, the conduct reviewer may determine to deal with the complaint by other means under clause 6.10.
- 6.25 Where the conduct reviewer refers a matter back to the general manager or Mayor under clause 6.22, the general manager or, in the case of a complaint about the general manager, the Mayor, is responsible for implementing or overseeing the implementation of the conduct reviewer's recommendation.
- 6.26 Where the conduct reviewer refers a matter back to the general manager or Mayor under clause 6.22, the general manager, or, in the case of a complaint about the general manager, the Mayor, must advise the complainant in writing of the steps taken to implement the conduct reviewer's recommendation once these steps have been completed.

Complaints assessment criteria

- 6.27 In undertaking the preliminary assessment of a complaint, the conduct reviewer may have regard to the following considerations:
- a) whether the complaint is a "code of conduct complaint",
 - b) whether the complaint is trivial, frivolous, vexatious or not made in good faith,
 - c) whether the complaint discloses prima facie evidence of a breach of the code,
 - d) whether the complaint raises issues that would be more appropriately dealt with by another agency or body,
 - e) whether there is or was an alternative and satisfactory means of redress available to the complainant in relation to the conduct complained of,
 - f) whether the complaint is one that can be resolved by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, informal discussion, negotiation or apology,
 - g) whether the issue/s giving rise to the complaint have previously been addressed or resolved,
 - h) whether the conduct complained of forms part of a pattern of conduct,
 - i) whether there were mitigating circumstances giving rise to the conduct complained of,
 - j) the seriousness of the alleged conduct,
 - k) the significance of the conduct or the impact of the conduct for the council,
 - l) how much time has passed since the alleged conduct occurred, or

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- m) such other considerations that the conduct reviewer considers may be relevant to the assessment of the complaint.

PART 7 OPERATIONS OF CONDUCT REVIEW COMMITTEES

- 7.1 Where a conduct reviewer recommends that the complaints coordinator convene a conduct review committee to investigate a matter, the conduct reviewer must notify the complaints coordinator of their recommendation and the reasons for their recommendation in writing.
- 7.2 The complaints coordinator must convene a conduct review committee comprising three conduct reviewers selected from:
 - a) a panel of conduct reviewers established by the council, or
 - b) a panel of conduct reviewers established by an organisation approved by the Chief Executive of the Division.
- 7.3 In selecting suitable conduct reviewers for membership of a conduct review committee convened under clause 7.2, the complaints coordinator may have regard to the following:
 - a) the qualifications and experience of members of the panel of conduct reviewers, and
 - b) any recommendation made by the conduct reviewer about the membership of the committee.
- 7.4 The conduct reviewer who made the preliminary assessment of the complaint must not be a member of a conduct review committee convened under clause 7.2.
- 7.5 A member of a panel of conduct reviewers may not be appointed to a conduct review committee where they would otherwise be precluded from accepting a referral of the matter to be considered by the committee under clause 6.4.
- 7.6 Where the complaints coordinator convenes a conduct review committee, they will advise the complainant in writing that the committee has been convened and the membership of the committee.
- 7.7 Where, after a conduct review committee has been convened, a member of the committee becomes unavailable to participate in further consideration of the matter, the complaints coordinator may appoint another person from a panel of conduct reviewers to replace them.
- 7.8 Meetings of a conduct review committee may be conducted in person or by teleconference.
- 7.9 The members of the conduct review committee must elect a chairperson of the committee.

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- 7.10 A quorum for a meeting of the conduct review committee is two members.
- 7.11 Business is not to be conducted at any meeting of the conduct review committee unless a quorum is present.
- 7.12 If a quorum is not present at a meeting of the conduct review committee, it must be adjourned to a time and date that is specified.
- 7.13 Each member of the conduct review committee is entitled to one vote in relation to a matter. In the event of an equality of votes being cast, the chairperson will have a casting vote.
- 7.14 If the vote on a matter is not unanimous, then this should be noted in the report of the conduct review committee in which it makes its determination in relation to the matter.
- 7.15 The chairperson may make a ruling on questions of procedure and the chairperson's ruling is to be final.
- 7.16 The conduct review committee may only conduct business in the absence of the public.
- 7.17 The conduct review committee must maintain proper records of its proceedings.
- 7.18 The complaints coordinator shall undertake the following functions in support of a conduct review committee:
- a) provide procedural advice where required,
 - b) ensure adequate resources are provided including secretarial support,
 - c) attend meetings of the conduct review committee in an advisory capacity, and
 - d) provide advice about council's processes where requested.
- 7.19 The complaints coordinator must not be present at, or in sight of a meeting of, the conduct review committee where it makes its final determination in relation to the matter.
- 7.20 The conduct review committee may adopt procedures governing the conduct of its meetings that supplement these procedures. However any procedures adopted by the committee must not be inconsistent with these procedures.

PART 8 INVESTIGATIONS

What matters may a conduct reviewer or conduct review committee investigate?

- 8.1 A conduct reviewer or conduct review committee (hereafter referred to as an "investigator") may investigate a code of conduct complaint that has been referred to them by the complaints coordinator and any matters related to or arising from that complaint.
- 8.2 Where an investigator identifies further separate possible breaches of the code of conduct that are not related to or arise from the code of conduct complaint that has been referred to them, they are to report the matters separately in writing to the general manager, or, in the case of alleged conduct on the part of the general manager, to the Mayor.
- 8.3 The general manager or the Mayor is to deal with a matter reported to them by an investigator under clause 8.2 as if it were a new code of conduct complaint in accordance with these procedures.

How are investigations to be commenced?

- 8.4 The investigator must at the outset of their investigation provide a written notice of investigation to the subject person. The notice of investigation must:
 - a) disclose the substance of the allegations against the subject person, and
 - b) advise of the relevant provisions of the code of conduct that apply to the alleged conduct, and
 - c) advise of the process to be followed in investigating the matter, and
 - d) invite the subject person to make a written submission in relation to the matter within 28 days or such other reasonable period specified by the investigator in the notice, and
 - e) provide the subject person the opportunity to address the investigator on the matter within such reasonable time specified in the notice.
- 8.5 The subject person may within 14 days of receipt of the notice of investigation, request in writing that the investigator provide them with such further information they consider necessary to assist them to identify the substance of the allegation against them. An investigator will only be obliged to provide such information that the investigator considers reasonably necessary for the subject person to identify the substance of the allegation against them.
- 8.6 An investigator may at any time prior to issuing a draft report, issue an amended notice of investigation to the subject person in relation to the matter referred to them.

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- 8.7 Where an investigator issues an amended notice of investigation, they will provide the subject person with a further opportunity to make a written submission in response to the amended notice of investigation within 28 days or such other reasonable period specified by the investigator in the amended notice.
- 8.8 The investigator must also, at the outset of their investigation, provide written notice of the investigation to the complainant, the complaints coordinator and the general manager, or in the case of a complaint about the general manager, to the Mayor. The notice must:
- a) advise them of the matter the investigator is investigating, and
 - b) in the case of the notice to the complainant, invite them to make a written submission in relation to the matter within 28 days or such other reasonable period specified by the investigator in the notice.

Written and oral submissions

- 8.9 Where the subject person or the complainant fails to make a written submission in relation to the matter within the period specified by the investigator in their notice of investigation or amended notice of investigation, the investigator may proceed to prepare their draft report without receiving such submissions.
- 8.10 The investigator may accept written submissions received outside the period specified in the notice of investigation or amended notice of investigation.
- 8.11 Prior to preparing a draft report, the investigator must give the subject person an opportunity to address the investigator on the matter being investigated. The subject person may do so in person or by telephone.
- 8.12 Where the subject person fails to accept the opportunity to address the investigator within the period specified by the investigator in the notice of investigation, the investigator may proceed to prepare a draft report without hearing from the subject person.
- 8.13 Where the subject person accepts the opportunity to address the investigator in person, they may have a support person or legal advisor in attendance. The support person or legal advisor will act in an advisory or support role to the subject person only. They must not speak on behalf of the subject person or otherwise interfere with or disrupt proceedings.
- 8.14 The investigator must consider all written and oral submissions made to them in relation to the matter.

How are investigations to be conducted?

- 8.15 Investigations are to be undertaken without undue delay.
- 8.16 Investigations are to be undertaken in the absence of the public and in confidence.
- 8.17 Investigators must make any such enquiries that may be reasonably necessary to establish the facts of the matter.
- 8.18 Investigators may seek such advice or expert guidance that may be reasonably necessary to assist them with their investigation or the conduct of their investigation.
- 8.19 An investigator may request that the complaints coordinator provide such further information that the investigator considers may be reasonably necessary for them to establish the facts of the matter. The complaints coordinator will, as far as is reasonably practicable, provide the information requested by the investigator.

Referral or resolution of a matter after the commencement of an investigation

- 8.20 At any time after an investigator has issued a notice of investigation and before they have issued a draft report, an investigator may determine to:
 - a) resolve the matter by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation or apology, or
 - b) refer the matter to the general manager, or, in the case of a complaint about the general manager, to the Mayor, for resolution by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation or apology, or
 - c) refer the matter to another agency or body such as, but not limited to, the ICAC, the NSW Ombudsman, the Division or the Police.
- 8.21 Where an investigator determines to exercise any of the options under clause 8.20 after the commencement of an investigation, they must do so in accordance with the requirements of Part 6 of these procedures relating to the exercise of these options at the preliminary assessment stage.
- 8.22 Where an investigator determines to exercise any of the options under clause 8.20 after the commencement of an investigation, they may by written notice to the subject person, the complainant, the complaints coordinator and the general manager, or in the case of a complaint about the general manager, the Mayor, discontinue their investigation of the matter.

- 8.23 Where the investigator discontinues their investigation of a matter under clause 8.22, this shall finalise the consideration of the matter under these procedures.
- 8.24 An investigator is not obliged to give prior notice to or to consult with any person before making a determination to exercise any of the options under clause 8.20 or to discontinue their investigation except as may be specifically required under these procedures.

Draft investigation reports

- 8.25 When an investigator has completed their enquiries and considered any written or oral submissions made to them in relation to a matter, they must prepare a draft of their proposed report.
- 8.26 The investigator must provide their draft report to the subject person and invite them to make a written submission in relation to it within 28 days or such other reasonable period specified by the investigator.
- 8.27 Where the investigator proposes to make adverse comment about any other person (an affected person) in their report, they must also provide the affected person with relevant extracts of their draft report containing such comment and invite the affected person to make a written submission in relation to it within 28 days or such other reasonable period specified by the investigator.
- 8.28 The investigator must consider written submissions received in relation to the draft report prior to finalising their report in relation to the matter.
- 8.29 The investigator may, after consideration of all written submissions received in relation to their draft report, make further enquiries into the matter. Where as a result of making further enquiries, the investigator makes any material change to their proposed report that makes new adverse comment about the subject person or an affected person, they must provide the subject person or affected person as the case may be with a further opportunity to make a written submission in relation to the new adverse comment.
- 8.30 Where the subject person or an affected person fails to make a written submission in relation to the draft report within the period specified by the investigator, the investigator may proceed to prepare and issue their final report without receiving such submissions.
- 8.31 The investigator may accept written submissions in relation to the draft report received outside the period specified by the investigator at any time prior to issuing their final report.

Final investigation reports

- 8.32 Where an investigator issues a notice of investigation they must prepare a final report in relation to the matter unless the investigation is discontinued under clause 8.22.
- 8.33 An investigator must not prepare a final report in relation to the matter at any time before they have finalised their consideration of the matter in accordance with the requirements of these procedures.
- 8.34 The investigator's final report must:
- a) make findings of fact in relation to the matter investigated, and,
 - b) make a determination that the conduct investigated either,
 - i. constitutes a breach of the code of conduct, or
 - ii. does not constitute a breach of the code of conduct, and
 - c) provide reasons for the determination.
- 8.35 Where the investigator determines that the conduct investigated constitutes a breach of the code of conduct, the investigator may make one or more of the following recommendations:
- a) that the council revise any of its policies or procedures,
 - b) that the subject person undertake any training or other education relevant to the conduct giving rise to the breach,
 - c) that the subject person be counselled for their conduct,
 - d) that the subject person apologise to any person or organisation affected by the breach in such a time and form specified by the recommendation,
 - e) that findings of inappropriate conduct be made public,
 - f) in the case of a breach by the general manager, that action be taken under the general manager's contract for the breach,
 - g) in the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Act,
 - h) in the case of a breach by a councillor, that the council resolves as follows:
 - i. that the councillor be formally censured for the breach under section 440G of the Act, and
 - ii. that the matter be referred to the Division for further action under the misconduct provisions of the Act.
- 8.36 Where the investigator determines that the conduct investigated does not constitute a breach of the code of conduct, the investigator may make one or more of the following recommendations:
- a) that the council revise any of its policies or procedures,
 - b) that a person or persons undertake any training or other education.
- 8.37 In making a recommendation under clause 8.35, the investigator may have regard to the following:
- a) the seriousness of the breach,
 - b) whether the breach can be easily remedied or rectified,

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- c) whether the subject person has remedied or rectified their conduct,
- d) whether the subject person has expressed contrition,
- e) whether there were any mitigating circumstances,
- f) the age, physical or mental health or special infirmity of the subject person,
- g) whether the breach is technical or trivial only,
- h) any previous breaches,
- i) whether the breach forms part of a pattern of conduct,
- j) the degree of reckless intention or negligence of the subject person,
- k) the extent to which the breach has affected other parties or the council as a whole,
- l) the harm or potential harm to the reputation of the council or local government arising from the conduct,
- m) whether the findings and recommendations can be justified in terms of the public interest and would withstand public scrutiny,
- n) whether an educative approach would be more appropriate than a punitive one,
- o) the relative costs and benefits of taking formal enforcement action as opposed to taking no action or taking informal action,
- p) what action or remedy would be in the public interest.

8.38 At a minimum, the investigator's final report must contain the following information:

- a) a description of the allegations against the subject person,
- b) the relevant provisions of the code of conduct that apply to the alleged conduct investigated,
- c) a statement of reasons as to why the conduct reviewer considered that the matter warranted investigation,
- d) a statement of reasons as to why the conduct reviewer considered that the matter was one that could not or should not be resolved by alternative means,
- e) where the matter is investigated by a conduct review committee, a statement as to why the matter was one that warranted investigation by a conduct review committee instead of a sole conduct reviewer,
- f) a description of any attempts made to resolve the matter by use of alternative means,
- g) the steps taken to investigate the matter,
- h) the facts of the matter,
- i) the investigator's findings in relation to the facts of the matter and the reasons for those findings,
- j) the investigator's determination and the reasons for that determination,
- k) any recommendations.

8.39 The investigator must provide a copy of their report to the complaints coordinator, the subject person and the complainant.

- 8.40 Where the investigator has determined that there has not been a breach of the code of conduct, the complaints coordinator must provide a copy of the investigator's report to the general manager or, where the report relates to the general manager's conduct, to the Mayor and this will finalise consideration of the matter under these procedures.
- 8.41 Where the investigator has determined that there has been a breach of the code of conduct and makes a recommendation or recommendations under clause 8.35, paragraph (a), the complaints coordinator must provide a copy of the investigator's report to the general manager. Where the general manager agrees with the recommendation/s, the general manager is responsible for implementing the recommendation/s.
- 8.42 Where the investigator has determined that there has been a breach of the code of conduct and makes a recommendation or recommendations under clause 8.35, paragraphs (b) or (c), the complaints coordinator must provide a copy of the investigator's report to the general manager or, where the report relates to the general manager's conduct, to the Mayor. The general manager is responsible for arranging the implementation of the recommendation/s where the report relates to a councillor's conduct. The Mayor is responsible for arranging the implementation of the recommendation/s where the report relates to the general manager's conduct.
- 8.43 Where the investigator has determined that there has been a breach of the code of conduct and makes a recommendation or recommendations under clause 8.35, paragraphs (d) to (h), the complaints coordinator must, where practicable, arrange for the investigator's report to be reported to the next ordinary council meeting for the council's consideration unless the meeting is to be held within the 4 weeks prior to an ordinary local government election, in which case the report must be reported to the first ordinary council meeting following the election.

Consideration of the final investigation report by council

- 8.44 The role of the council in relation to a final investigation report is to impose a sanction where an investigator determines that there has been a breach of the code of conduct and makes a recommendation in their final report under clause 8.35, paragraphs (d) to (h).
- 8.45 The council is to close its meeting to the public to consider the final investigation report where it is permitted to do so under section 10A of the Act.
- 8.46 Where the complainant is a councillor, they must absent themselves from the meeting and take no part in any discussion or voting on the matter. The complainant councillor may absent themselves without making any disclosure of interests in relation to the matter unless otherwise required to do so under the Act or the Model Code.

- 8.47 Prior to imposing a sanction, the council must provide the subject person with an opportunity to make an oral submission to the council. The subject person is to confine their submission to addressing the investigator's recommendation/s.
- 8.48 Once the subject person has completed their oral submission they must absent themselves from the meeting and, where they are a councillor, take no part in any discussion or voting on the matter.
- 8.49 The council must not invite oral submissions from other persons for the purpose of seeking to rehear evidence previously considered by the investigator.
- 8.50 Prior to imposing a sanction, the council may by resolution:
- a) request that the investigator make additional enquiries and/or provide additional information to it in a supplementary report, or
 - b) seek an opinion by the Division in relation to the report.
- 8.51 The council may, by resolution, defer further consideration of the matter pending the receipt of a supplementary report from the investigator or an opinion from the Division.
- 8.52 The investigator may make additional enquiries for the purpose of preparing a supplementary report.
- 8.53 Where the investigator prepares a supplementary report, they must provide copies to the complaints coordinator who shall provide a copy each to the council, the subject person and the complainant.
- 8.54 The investigator is not obliged to notify or consult with any person prior to submitting the supplementary report to the complaints coordinator.
- 8.55 The council is only required to provide the subject person a further opportunity to address it on a supplementary report where the supplementary report contains new information that is adverse to them.
- 8.56 A council may by resolution impose one or more of the following sanctions on a subject person:
- a) that the subject person apologise to any person or organisation affected by the breach in such a time and form specified by the resolution,
 - b) that findings of inappropriate conduct be made public,
 - c) in the case of a breach by the general manager, that action be taken under the general manager's contract for the breach,
 - d) in the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Act,
 - e) in the case of a breach by a councillor:
 - i. that the councillor be formally censured for the breach under section 440G of the Act, and

- ii. that the matter be referred to the Division for further action under the misconduct provisions of the Act.

- 8.57 The council is not obliged to adopt the investigator's recommendation/s. Where the council does not adopt the investigator's recommendation/s, the council must resolve not to adopt the recommendation and state in its resolution the reasons for its decision.
- 8.58 The council may, by resolution, impose a sanction on the subject person under clause 8.56 different to the sanction recommended by the investigator in their final report.
- 8.59 Where the council resolves not to adopt the investigator's recommendation/s, the complaints coordinator must notify the Division of the council's decision and the reasons for it.

PART 9 RIGHTS OF REVIEW

Failure to comply with a requirement under these procedures

- 9.1 Where any person believes that a person has failed to comply with a requirement prescribed under these procedures, they may, at any time prior to the council's consideration of an investigator's final report, raise their concerns in writing with the Division.

Practice rulings

- 9.2 Where a subject person and an investigator are in dispute over a requirement under these procedures, either person may make a request in writing to the Division to make a ruling on a question of procedure (a practice ruling).
- 9.3 Where the Division receives a request in writing for a practice ruling, the Division may provide notice in writing of its ruling and the reasons for it to the person who requested it and to the investigator, where that person is different.
- 9.4 Where the Division makes a practice ruling, all parties are to comply with it.
- 9.5 The Division may decline to make a practice ruling. Where the Division declines to make a practice ruling, it will provide notice in writing of its decision and the reasons for it to the person who requested it and to the investigator, where that person is different.

Requests for review

- 9.6 A person the subject of a sanction imposed under Part 8 of these procedures other than one imposed under clause 8.56, paragraph (e),

Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW – March 2013

may, within 28 days of the sanction being imposed, seek a review of the investigator's determination and recommendation by the Division.

- 9.7 A review under clause 9.6 may be sought on the following grounds:
 - a) that the investigator has failed to comply with a requirement under these procedures, or
 - b) that the investigator has misinterpreted or misapplied the standards of conduct prescribed under the code of conduct, or
 - c) that the council has failed to comply with a requirement under these procedures in imposing a sanction.
- 9.8 A request for a review made under clause 9.6 must be made in writing and must specify the grounds upon which the person believes the investigator or the council has erred.
- 9.9 The Division may decline to conduct a review, where the grounds upon which the review is sought are not sufficiently specified.
- 9.10 The Division may undertake a review of a matter without receiving a request under clause 9.6.
- 9.11 The Division will undertake a review of the matter on the papers. However, the Division may request that the complaints coordinator provide such further information that the Division considers reasonably necessary for it to review the matter. The complaints coordinator must, as far as is reasonably practicable, provide the information requested by the Division.
- 9.12 Where a person requests a review under clause 9.6, the Division may direct the council to defer any action to implement a sanction. The council must comply with a direction to defer action by the Division.
- 9.13 The Division must notify the person who requested the review and the complaints coordinator of the outcome of the Division's review in writing and the reasons for its decision. In doing so, the Division may comment on any other matters the Division considers to be relevant.
- 9.14 Where the Division considers that the investigator or the council has erred, the Division may recommend that a decision to impose a sanction under these procedures be reviewed.
- 9.15 In the case of a sanction implemented by the general manager or Mayor under clause 8.42, where the Division recommends that the decision to impose a sanction be reviewed:
 - a) the complaints coordinator must provide a copy of the Division's determination in relation to the matter to the general manager or the Mayor, and
 - b) the general manager or Mayor must review any action taken by them to implement the sanction, and

- c) the general manager or Mayor must consider the Division's recommendation in doing so.

9.16 In the case of a sanction imposed by the council by resolution under clause 8.56, where the Division recommends that the decision to impose a sanction be reviewed:

- a) the complaints coordinator must, where practicable, arrange for the Division's determination to be tabled at the next ordinary council meeting unless the meeting is to be held within the 4 weeks prior to an ordinary local government election, in which case it must be tabled at the first ordinary council meeting following the election, and
- b) the council must:
 - i. review its decision to impose the sanction, and
 - ii. consider the Division's recommendation in doing so, and
 - iii. resolve to either rescind or reaffirm its previous resolution in relation to the matter.

9.17 Where having reviewed its previous decision in relation to a matter under clause 9.16 the council resolves to reaffirm its previous decision, the council must state in its resolution its reasons for doing so.

PART 10 PROCEDURAL IRREGULARITIES

10.1 A failure to comply with these procedures does not, on its own, constitute a breach of the code of conduct except as may be otherwise specifically provided under the code of conduct.

10.2 A failure to comply with these procedures will not render a decision made in relation to a matter invalid where:

- a) the non-compliance is isolated and/or minor in nature, or
- b) reasonable steps are taken to correct the non-compliance, or
- c) reasonable steps are taken to address the consequences of the non-compliance.

PART 11 PRACTICE DIRECTIONS

11.1 The Division may at any time issue a practice direction in relation to the application of these procedures.

11.2 The Division will issue practice directions in writing, by circular to all councils.

11.3 All persons performing a function prescribed under these procedures must consider the Division's practice directions when performing the function.

PART 12 REPORTING ON COMPLAINTS STATISTICS

12.1 The complaints coordinator must arrange for the following statistics to be reported to the council within 3 months of the end of September of each year:

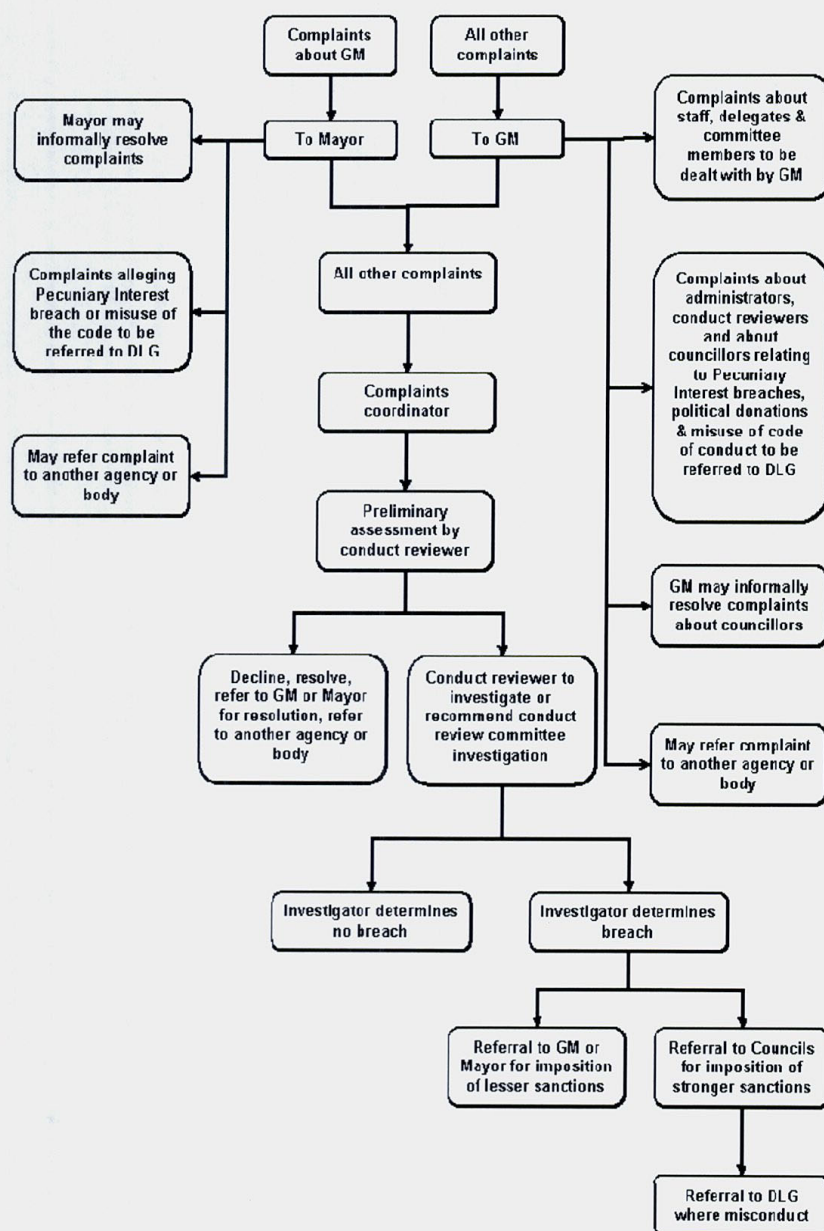
- a) the total number of code of conduct complaints made about councillors and the general manager under the code of conduct in the year to September,
- b) the number of code of conduct complaints referred to a conduct reviewer,
- c) the number of code of conduct complaints finalised by a conduct reviewer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

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

PART 13 CONFIDENTIALITY

13.1 Information about code of conduct complaints and the management and investigation of code of conduct complaints is to be treated as confidential and is not to be publicly disclosed except as may be otherwise specifically required or permitted under these procedures.

Model Code Procedure Flowchart



Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW –
March 2013

THE MODEL CODE OF CONDUCT FOR LOCAL COUNCILS IN NSW – MARCH 2013

Standards of conduct for council officials - Summary

Council officials* play a vital role in serving local communities.

To do this effectively you will want to uphold the highest standards of behaviour to ensure the public has trust and confidence in local government.

What are the expected standards of behaviour?

The following standards of behaviour are expected of council officials. You must:

- not conduct yourself in a manner that is likely to bring the council into disrepute
- act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out your functions
- treat others with respect at all times
- consider issues consistently, promptly and fairly
- not harass, discriminate against, or support others who do so
- ensure that development decisions are properly made and that parties involved in the development process are dealt with fairly
- not participate in *binding* caucus votes except for nominations
- disclose and appropriately manage any conflict of interests, including from reportable political donations
- not accept money or gifts of value and avoid situations that give rise to the appearance of securing favourable treatment
- in the case of councillors, not direct council staff or influence staff in the exercise of their role
- in the case of staff, ensure efficient and effective operation of the council's organisation and implementation of the decisions of the council without delay
- use and secure information appropriately and do not disclose confidential information
- use council resources ethically, effectively, efficiently and carefully in the course of official duties
- not make complaints improperly, take detrimental action in response to complaints about standards of behaviour or disclose information about code of conduct matters.

These standards are described in detail in the Model Code of Conduct for Local Councils in NSW. The Code is a legal document that all officials are obliged to understand and follow. The Model Code forms the basis of each council's own code of conduct.

What happens if the standards are not met?

In the very small number of cases where council officials fail to follow this Code, this will be dealt with in accordance with the procedure for administration of the Model Code.

Complaints about a breach of these standards by anyone other than the general manager are to be made at first instance to the general manager. Complaints about the general manager are to be made to the Mayor. Where the complaint is serious and cannot be resolved informally, a complaint may be formally investigated by an independent conduct reviewer.

Breaches of these standards by delegates or council committee members may result in the following action:

- censure
- requirement of apology
- prosecution
- removal or restriction of delegation.

Breaches by council staff may result in disciplinary action, termination or, in the case of non-senior staff, such other penalty permitted under the relevant industrial award.

Breaches by the general manager may result in the following action:

- requirement for training
- counselling
- requirement for apology
- findings of inappropriate conduct made public
- action under the general manager's contract.

Breaches by councillors may result in the following action:

- requirement for training
- counselling
- requirement for apology
- findings of inappropriate conduct made public
- censure
- referral to the Division of Local Government for disciplinary action including but not limited to suspension for up to 3 months
- referral by the Division to the Pecuniary Interest and Disciplinary Tribunal for suspension of up to 6 months or disqualification from holding civic office.

* Council officials include councillors, members of staff of council, administrators, members of council committees, conduct reviewers and delegates of council.

Planning an Integrated Built Environment Committee

12.0 Planning an Integrated Built Environment Committee Business

C12.1 Update on Investigation of Ingleside Release Area

Meeting: Planning for Integrated Built Environment

Date: 18 February 2013

STRATEGY: Land Use and Development

ACTION: Review position and respond to State Government Infrastructure & Planning Committee on sustainable land use in Ingleside

PURPOSE OF REPORT

This report informs Council of the approach being developed in collaboration with the NSW Government based on a series of discussions to re-invigorate the investigation of the Ingleside release area.

It also seeks Council's approval to the approach enabling commencement of the precinct planning process with the Department of Planning & Infrastructure and UrbanGrowth NSW.

It should be noted that this report discusses, inter-alia, current Planning legislation provisions and may need review depending on the new Act and associated planning tools.

1.0 BACKGROUND

Ingleside lies to the west of the Warriewood Valley Land Release with Ingleside Park/Warriewood Escarpment acting as a buffer between Warriewood Valley and Ingleside land release areas.

The Escarpment is predominately bushland and significant areas of bushland in natural or near to natural state are scattered throughout Ingleside, intermingled with land, which has been partially cleared and developed for rural and associated pursuits.

Much of Ingleside was originally commercially viable horticultural land. This is no longer the case, and on properties where construction of dwellings is permissible, there has been a "defacto" change of land use towards a rural residential style of development. This is occurring without provision of adequate infrastructure or appropriate long term planning and is threatening the long term ecological and environmental values of the area. Pittwater Council in the 1990s recognised the plight of private land holders in the "blue hatched area" who were unable to build on their properties when it resolved to provide restricted building capability for those lots which had previously been embargoed from development by the State Government. Ingleside also includes a significant number of land parcels owned by Public Authorities.

The area includes bushland areas which are environmentally integrated through creekline corridors and ridgeline vegetation links. These links have the potential to ultimately provide a system of corridor links which extend from Narrabeen Lagoon and the Warriewood Wetlands through the creekline corridors in Warriewood Valley, throughout the Warriewood Escarpment and across the Ingleside Plateau to the Garigal and Ku-ring-gai Chase National Parks to the southwest and northwest.

The area contains three reasonable discreet area for service provision, traffic management, environmental management and fire safety planning. These areas are referred to as South Ingleside, North Ingleside and Wirreanda Valley.

Planning controls relating to Ingleside are principally its zoning as Non-Urban 1(a) (which has a wide range of permissible uses reflecting its original agricultural and horticultural uses) and the current subdivision pattern that reflects a range of land holdings. These controls do not recognise urban environmental and physical characteristics and promote land uses more suited to an area of broad acre arable farm land.

The area is subject to Pittwater 21 Development Control Plan which because it has to cater for the principal zoning controls contained in the Local Environmental Plan struggles to relate to the area in terms of appropriate controls.

Planning controls relating to those properties in the Blue Hatched area are a best attempt at facilitating urban expectations in a rural area.

In short the area is characterised as a rural zone over layered by an historical subdivision pattern covered by conflicting planning controls through, various State Environmental Planning Policies, and Councils Local Environmental Plan and Development Control Plans all of which fail to provide a coordinated prescription for land use reflecting its environmental character.

Virtually all the land in the area remains unsewered with some informal mains water supply available, mains electricity is available to individual properties and a basic road infrastructure exists although many of the roads are of a rural nature and some remain little more than bush tracks.

In developing precinct planning for the area it will be necessary to investigate infrastructure constraints and develop appropriate methods of provision for any development which might occur lessening the reliance on developer contributions by direct provision etc

The lack of reticulated water and sewerage systems in the area provides a major challenge to provide for an effective and environmentally sustainable treatment of wastewater.

Traffic and transport issues are also a major challenge in terms of Mona Vale Road and Powderworks Road.

2.0 CHRONOLOGY OF PLANNING INVESTIGATIONS

2.1 Since 1991, Ingleside has been in the NSW Government's Urban Development Program earmarked for future land release. In the early 1990's Council undertook a comprehensive suite of environmental and demographic studies:-

- Vegetation
- Fauna
- Land Capability
- Visual Impact
- Heritage
- Water Cycle Management
- Land Contamination
- Bushfire Risk & Protection
- Demographic Needs

These studies led to the preparation and exhibition of the draft Planning Strategy for the Ingleside/Warriewood Land Release. In May 1995, the draft Strategy was referred to the State Government.

2.2 In 1995 the then Minister for Planning suspended the Ingleside/Warriewood Land Release Project.

- 2.3 In May 1997 the then Minister for Urban Affairs and Planning announced that urban development would proceed only in Warriewood Valley.

In recognition of environmental and servicing constraints associated with any form of urban land release in the Ingleside area, the Minister deferred any further consideration of land release in the area to the west of the Escarpment including the South Ingleside area.

This embargo on progressing planning for the area has remained in place since the announcement by the Minister in 1997 however, Ingleside continues to be listed in the Urban Development Program (now called the Metropolitan Development Program).

- 2.4 In November 2006, preliminary investigations for Ingleside was recommenced following a request from the then Minister for Planning. The Ingleside Investigation Area is shown on **Attachment 1**.

The Preliminary Scoping Report for Ingleside was presented to Council's meeting of 19 October 2009. Based on proposed land uses and estimated dwelling yield, the report raised concern about the future viability of Ingleside as a land release project and recommended a detailed economic and risk assessment be undertaken for Ingleside that examines the extent of development risk, based on a range of development options for Ingleside.

- 2.5 Since Council's resolution of 19 October 2009 (a copy is in **Attachment 2**), a number of Council decisions has prompted discussion with the Director-General of Planning and Department staff on developing sustainable land-use options.

3.0 CURRENT POSITION

- 3.1 On 16 May 2011 Council sought dialogue with the newly formed NSW Government (see **Attachment 3**).

At its meeting of 15 August 2011 Council, in considering the Pittwater Local Planning Strategy, resolved inter-alia:-

"4. That following the meeting held between high level technical staff from Council and the Department of Planning and Infrastructure,...[the Department]... a report be prepared for Council on the progression of a "whole of government approach" to the preparation of a planning solution for Ingleside."

- 3.2 Since Council's resolution of 16 May 2011, Council officers have attended a series of meeting between Council and Strategies & Land Release section of the Department of Planning & Infrastructure (being the relevant Division in the Department that oversees delivery of land release projects in NSW), servicing agencies and state authorities including UrbanGrowth NSW (formerly Landcom).

The discussions were a precursor to reaching agreement on the best way to approach the planning investigation of Ingleside, given the various studies that have been prepared over time, the range of issues still to be addressed and timeframe.

- 3.3 On 22 November 2012, the Mayor, General Manager and Director of Planning and Community met with the Minister for Planning and Infrastructure and senior staff from the Department and Growth NSW.

It was agreed that the Department would outline in a letter to Council the Government's approach to a land release in Ingleside for Council's consideration and that a further meeting would be held to discuss the proposal between staff. It was agreed that Council would consider the matter in February 2013 following which another meeting would be had with the Minister.

- 3.4 On 13 December 2012, the Director General wrote to Council outlining the “Precinct Planning” process that could be undertaken for Ingleside (see **Attachment 4**).

A meeting has since been held with Council, the Department and UrbanGrowth NSW to gain better understanding of the precinct planning process, and identify protocols and delivery structure to be established.

4.0 PRECINCT PLANNING PROCESS

- 4.1 The letter dated 13 December 2013 from the Director General suggests that an appropriate mechanism to progress the land Release is via State Environmental Planning Policy (Sydney Region Growth Centres) .Under this Policy the Government commits to funding studies, coordinating infrastructure and will offer to fund Council resources.

The SEPP (Sydney Region Growth Centres) utilizes a “Precinct Planning” approach.

- 4.2 Precinct planning is a well established model associated with the investigating the development potential in the North West and South West Growth Centres, integrating infrastructure planning and delivery; and inputs from state agencies, the community, landowners and other stakeholders through the establishment of a Community Stakeholder Engagement Plan. An outline of the precinct planning process is in **Attachment 5**.

Rezoning land in Sydney’s Growth Centres is through the SEPP (Sydney Region Growth Centres). The SEPP aims:-

- “(a) to co-ordinate the release of land for residential, employment and other urban development in the North West and South West growth centres of the Sydney Region,*
- (b) to enable the Minister from time to time to designate land in those growth centres as ready for release for development,*
- (c) to provide for comprehensive planning for those growth centres,*
- (d) to enable the establishment of vibrant, sustainable and liveable neighbourhoods that provide for community well-being and high quality local amenity,*
- (e) to provide controls for the sustainability of land in those growth centres that has conservation value,*
- (f) to provide for the orderly and economic provision of infrastructure in and to those growth centres,*
- (g) to provide development controls in order to protect the health of the waterways in those growth centres,*
- (h) to protect and enhance land with natural and cultural heritage value,*
- (i) to provide land use and development controls that will contribute to the conservation of biodiversity.”*

A development control plan and Developer Contributions Plan would be prepared in parallel with the rezoning process.

This process streamlines the rezoning of land to two years.

4.3 Department of Planning and Infrastructure and UrbanGrowth NSW

- 4.3.1 The Land Release (Planning & Delivery) section of the Department oversees the delivery of land release projects in NSW and has been responsible for delivery of precincts identified in the North West and South West Growth Centre.

4.3.2 UrbanGrowth NSW is a new entity integrating Landcom and the former Sydney Metropolitan Development Authority. The primary focus of UrbanGrowth NSW is on expediting and increasing development outcomes and increasing housing supply generally in the Sydney Metropolitan Region (in both green field and urban renewal locations).

It aims to assist in unlocking 'private sector investment by coordinating and delivering lead-in infrastructure and services in development areas, and by planning and fast tracking urban renewal projects'. Critical to this role is:-

- identifying barriers to development specifically addressing land fragmentation
- better utilising surplus government land as a catalyst to development
- assisting development by better coordinating the delivery of enabling infrastructure.

Part of UrbanGrowth NSW is the UrbanGrowth Development Corporation (formerly Sydney Metropolitan Development Authority) however, will not be involved in the precinct planning process or in discussions regarding Ingleside. It is confirmed that 'all dealings will only occur with that part of UrbanGrowth NSW that was formerly Landcom.'

More information on UrbanGrowth NSW is in **Attachment 6**.

4.4 *Delivery Structure*

Should Council determine to participate in the "precinct planning" process for Ingleside, a Project Control Group (PCG) and Working Group will be established, with each group having differing responsibilities and authorities. A Probity Adviser will be engaged to oversee the overall precinct planning process and follow a Probity Plan. A diagram of the delivery structure is in **Attachment 7**.

Underpinning the delivery structure will be a Project Plan, Probity Plan and Community / Stakeholder Engagement Plan.

The structure is similar to that established for the Warriewood Valley Strategic Review but unlike the Warriewood process, there will be greater opportunity for community stakeholder input at various milestones during the Precinct Planning process e.g. presentation of consultant studies and recommendations before the design options for indicative layout plans are developed.

4.5 *Resourcing and Timeframe*

The Department has confirmed that the NSW Government will fund the 'rezoning process' (including consultant studies and Council resourcing of the precinct planning process).

The Precinct Planning process is anticipated to take two years, resulting in the rezoning of the land, commitment to State Infrastructure and finalisation of the corresponding Development Control Plan and Developer Contributions Plan.

Council's resourcing commitment to this project will be critical to ensure Council is an active participant in the planning process requiring a multi-disciplinary team to be on call from relevant disciplines in the Council. The make-up of this team would address financial issues, risk management, water management and flooding, traffic and transport, open space, environmental, community and social issues; and delivery of infrastructure and services under developer contributions. The timeliness and appropriateness of the technical inputs must be a priority for members of this multi-disciplinary team who will be called upon at specific phases of the planning process.

4.6 Community Engagement and Governance

A Community/Stakeholder Engagement Plan will be prepared with the Project Plan and Probity Plan for Council's endorsement. Although details of the Community Stakeholder Engagement Plan are not yet developed, the following elements are critical for the success of engaging the community and stakeholder during the precinct planning process:-

- consistency with Council's adopted Community Engagement Procedures;
- clear separation of Council's landowner interests and establish administrative procedures accordingly;
- identify opportunities to actively and regularly inform landowners, the community, stakeholders in forums to disseminate information (not commercial-in-confidence information);
- identify milestones at which public exhibition will be held;
- involvement of Councillors at regular stakeholder/community meetings;
- Web based information and social media if appropriate.

5.0 RECENT COUNCIL DECISIONS REGARDING INGLESIDE

5.1 At its meeting of 21 May 2012, Council was informed of State Government decisions regarding certain land in Ingleside (known as the Wilga-Wilson area and shown on map in **Attachment 8**) as well as informing Council of ongoing discussions with the State Government. At the time, Council was advised of the commencement of two studies:-

- Preliminary investigations to upgrade Mona Vale Road between McCarrs Creek Road, Terry Hills and Mona Vale Town Centre by the Roads and Maritime Services (RMS).
- Assessment of the Powderworks Road corridor to ascertain its capacity constraints to inform the future capacity of Powderworks Road and its implications on development opportunities in Ingleside.

At that meeting, Council resolved inter-alia:

"2. That Council staff prepare a report for council involving an update of the matters previously raised in the report to the Planning and Environment Committee meeting of 18 September 2000 (entitled Warriewood Escarpment and South Ingleside land management Strategy) with a particular reference to determination of a forward path for a rural residential development of the area known as Wilga Wilson.

3 That the findings of the Urban Development Capacity Restraints Report on Powderworks Road be brought to Council upon completion."

5.2 In relation to point (2) of Council's decision of 21 May 2012, the Site Compatibility Certificate has been issued for Wilga Wilson for an urban form of development and it is extremely unlikely that the owners would approve of a rural residential form of development. Discussions with proponents have indicated that it is likely that a staged application will be proceeded with but that the owners are keen to understand and potentially participate in any urban land release in Ingleside contingent on a timely process proceeding for the release.

Council's decision in 2000 did not proceed as the Government declined to take Ingleside off the Metropolitan Development Program for urban purposes and would not entertain a rural residential form of development over all of Ingleside.

There remains an opportunity for a diversity of housing types in Ingleside via the Precinct Planning process. Certain areas with more constraints may provide opportunity for a lesser form of intensification of development and achieve a rural residential capacity. Council's decision on 19 October 2009 in considering the then Preliminary Scoping Report (developed with the Department of Planning) recognised environmental, physical and financial constraints that may limit some areas of Ingleside to either status quo or a rural residential release.

Recent discussions with the Department have not dismissed opportunities for a diversity of dwelling/lot sizes should the precinct planning process proceed.

- 5.3 Council commissioned a study of the Powderworks Road Corridor by assessing the likely transport implications on and potential management options for surrounding roads as a result of traffic generated by development opportunities in Ingleside.

The Study assumed the development of Warriewood Valley Release Area as per the exhibited Draft Warriewood Valley Strategic Review Report (but did not include the development of the Southern Buffer area) and the Elanora Heights Village Centre based on the adopted masterplan. The Study assumed:-

- Scenario A as having a seniors living development at Wilga-Wilson area comprising 721 dwellings and 153 bed nursing home.
- Scenario B is the development of South Ingleside (plus Scenario A) being a total of 2382 dwellings and 153 bed nursing home.

A copy of AECOM's report has been tabled separately.

The Study concluded that Scenario A can be accommodated within certain traffic management devices at the development. Scenario B can be accommodated (on the basis of the dwellings suggested) only by closing Powderworks Road to through traffic or by upgrading Powderworks Road to 2 lanes each direction (to the full length of Powderworks Road).

5.4 *Matters from Council decision to the Notice of Motion of 15 October 2012*

On 15 October 2012, Council considered a Notice of Motion submitted by Councillor McTaggart (see **Attachment 9**). Council resolved as follows:

"That the motion be deferred and a report be brought to Council on the proposed Notice of Motion."

Section 3.0 of this report outlines the Precinct Planning process to be established for Ingleside and identified the establishment of a structure to deliver the rezoning of Ingleside (the "project").

The principal issue raised in the Notice of motion as it relates to Ingleside was the "creation and funding of a Warriewood Valley/Ingleside Land Use Committee comprising Councillors, Council staff, land owners or their representatives; members of the community/community groups and Government agencies."

The creation of a consultation/information dissemination committee with Ingleside representatives is laudable and appropriate. Whilst there are some common interrelationships between Warriewood Valley and Ingleside (eg Powderworks Road, water management etc.), given the State Government's decision to separate the two areas, the considerable difference in progress of planning for and development of Warriewood and the localised issues it is not appropriate nor is it anticipated that the precinct planning process could accommodate other development areas being considered in the Ingleside community engagement process.

The ongoing engagement of the Warriewood Valley community can be considered in finalising the future of the Valley's development scenarios when the Strategic Review is considered by Council.

The Project Plan, Probity Plan and Community Stakeholder Engagement Plan are still to be prepared. These three documents are still to be drafted and agreed to between the project partners, in particular those elements identified in Section 4.6 as being critical to the Community/Stakeholder Engagement Plan.

A future report to Council will detail the delivery structure and the three documents in terms of its aims and intended outcomes.

6.0 FORWARD PATH

- 6.1 The Precinct Planning process provides the best opportunity to complete the planning investigation for Ingleside and achieve a 'whole of government approach' that would rezone land in Ingleside.

The Precinct Planning approach has already occurred in the North West and South West Growth Centres through the SEPP (Sydney Region Growth Centres). Generally, the aims of the SEPP can be applied to Ingleside namely:-

- “(a) to co-ordinate the release of land for residential, employment and other urban development in ... the Sydney Region,*
- (b) to enable the Minister from time to time to designate land in those growth centres as ready for release for development,*
- (c) to provide for comprehensive planning for those growth centres,*
- (d) to enable the establishment of vibrant, sustainable and liveable neighbourhoods that provide for community well-being and high quality local amenity,*
- (e) to provide controls for the sustainability of land in those growth centres that has conservation value,*
- (f) to provide for the orderly and economic provision of infrastructure in and to those growth centres,*
- (g) to provide development controls in order to protect the health of the waterways in those growth centres,*
- (h) to protect and enhance land with natural and cultural heritage value,*
- (i) to provide land use and development controls that will contribute to the conservation of biodiversity.”*

- 6.2 If Council agrees to the Precinct Planning approach, the Department will seek to obtain the Minister's approval to designate Ingleside into through the SEPP (Sydney Region Growth Centres).

- 6.3 Administrative matters regarding the establishment of a Project Control Group and Working Group, engagement of a Probity Adviser, and the Project Plan, Probity Plan and Community Stakeholder Engagement Plan are to be prepared.

Details of the delivery structure and governance regarding the above documents will be presented to Council. This future report to Council will identify the timing of future reports and thresholds for informing Council and Community on the progress of the project.

6.4 Financial Implications

There is no current budgetary provision for development of a Precinct Planning process or Land Management Strategy for Ingleside. The Government will commit to funding of studies and (subject to final details) has committed to assisting in Council's resourcing of the project (probably one person equivalent).

While some staff resources within Council can be utilised within current budget towards this programme, participation in this project will only be accommodated by effecting other projects and programs.

Therefore it is appropriate that Council agree to accept the Governments offer to assist in resourcing the project however it must be acknowledged that the project must be prioritised within the upcoming Delivery programs. It is anticipated that participation in the project will cost Council approximately \$100,000 - \$150,000 excluding staff time.

Given the history of the State Government s approach to developer contributions which has substantially impacted on Section 94 planning for the Warriewood Valley ,it is imperative that should Council be involved in any future developer contribution planning that the State government guarantee that the plan once adopted must not be changed to place Council in financial jeopardy. In this regard the land release must focus on direct provision by developers to minimise the need for a developer contribution plan.

7.0 SUSTAINABILITY ASSESSMENT

7.1 Supporting & Connecting our Community (Social)

Key to examining the Ingleside Investigation Area is how any new community is integrated into the wider Pittwater community. The Ingleside area will contribute to Council's Housing for future generations .Opportunities for affordable housing must be investigated along with other social infrastructure.

7.2 Valuing & Caring for our Natural Environment (Environmental)

Integral to the planning investigation will be evaluating likely impacts of a land release development for Ingleside, including environmental impacts on the natural environment, creek systems including receiving water. Best practice must be employed to lessen ecological footprint and protect biodiversity

7.3 Enhancing our Working & Learning (Economic)

The planning investigation must evaluate likely impacts of a land release on employment containment initiatives and the attraction of employment opportunities. The introduction of further rate potential to Council and ongoing maintenance of the local infrastructure are financial considerations. Exposure to financial risk associated with the funding of infrastructure must be minimised by ,inter alia ,direct provision of infrastructure .Should any of the land release contain rural residential development provision of upgraded roads must be carefully managed over time to meet expectations of the residents.

Council's concerns raised in its decision 19 October 2009 regarding economic viability must be addressed.

7.4 Leading an Effective & Collaborative Council (Governance)

A community engagement strategy will be prepared for implementation throughout the planning investigation process ensuring all stakeholders and community participation in the investigation will continue to be carried out to ensure that decision-making is ethical, accountable and transparent. Consideration should be to a community committee that meets on a regular basis responding to designated thresholds in the progress of investigations.

7.5 Integrating our Built Environment (Infrastructure)

A primary objective in proceeding with a planning solution towards a land release will be to enhance the liveability and amenity of any new community in Ingleside by locating an appropriate mix of land use and development in a well connected and effective transport route.

In particular the traffic and transport issues relating to Powderworks Road and Mona Vale Road and intersections are critical components in any decision of future land uses.

8.0 EXECUTIVE SUMMARY

- 8.1 On 13 December 2012, the Director General wrote to Council inviting Council to participate with the Department and undertake a precinct planning process for Ingleside.

An initial meeting with the Department and Urban Growth NSW provided Council officers an opportunity to understand the precinct planning process and identify the protocols and delivery structure to be established.

The Precinct Planning process and delivery structure are detailed in Section 4 of this report. Given the participation of the NSW Government to this process and the likely timeframe for completion is 2 years, the Precinct Planning process is the best opportunity to undertake the necessary planning investigations and deliver sustainable land use outcomes that would eventuate in the rezoning of land in Ingleside.

Ingleside area is currently on the State Government's Metropolitan Development Program., which infers an urban density. Whilst the 1994 studies into the Warriewood /Ingleside Land Release presented a draft scenario of future urban development across Ingleside, these documents were never adopted by Council nor endorsed by the State Government. Since those reports were released, many issues have arisen that may effect the development potential of Ingleside at an urban density. All contemporary environmental, social, economic and governance issues must be analysed to formulate the future of Ingleside.

RECOMMENDATION

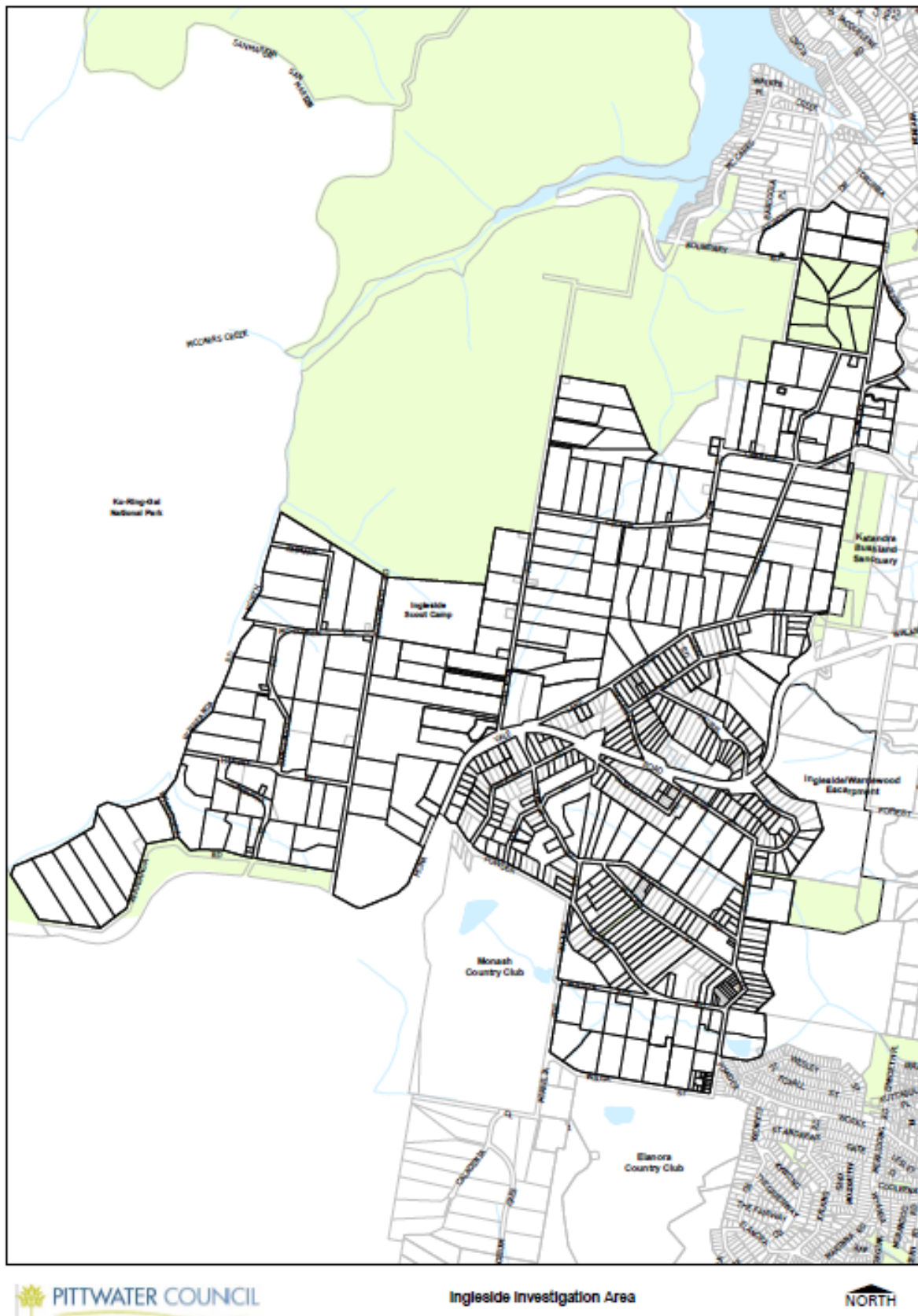
- 1 That Council agree to participate with the Department of Planning & Infrastructure and UrbanGrowth NSW in the Precinct Planning process for the Ingleside Release Area, noting that the State Government will fund the process and necessary studies. And provide a resource to Council for the duration of the Planning process.
- 2 That Council advise the State Government that the following issues are paramount in the progress of the land release in Ingleside:-
 - the future protection and management of environmentally sensitive land, including environmental, biodiversity and creekline corridors.
 - a sustainable and ecologically sensitive development form based on the highest standards.
 - the threat from bushfire and provision of emergency access/egress eg bushfire.
 - the economic viability of the land release particularly associated with the findings of the report to Council 19 October 2009.
 - the extent of capitalisation evident in private landholdings in Ingleside.

- the need to upgrade Mona Vale Road and relevant intersections which would be exacerbated by any intensification of development in Ingleside.
 - provision of a comprehensive waste water management proposal.
 - comprehensive consideration of Powderworks Road and the amenity and safety of its users and adjoining residents.
 - delivery of infrastructure in a timely manner over the life of the development process.
 - financial risk to Council and the State Government if the development potential is not achieved or is delayed.
 - uncertainty with the developer funding mechanisms.
 - uncertainty with the implications of the programmed new Planning Act.
 - maintaining ridge lines as areas of well designed landscaped areas dominated by trees rather than buildings.
 - opportunities for provision of affordable housing.
 - Comprehensive Community engagement process including the establishment of a Community based committee that will be regularly updated on issues, studies and progress of the Precinct Planning process.
- 3 That a progress report be brought back to Council following completion of administrative matters regarding the delivery structure and governance. This future report is to include timing of future reports informing the progress of the project.
- 4 That Council write to those landowners whose property is in the Ingleside Release Area and relevant stakeholders advising of Council decision.

Report prepared by
Liza Cordoba, Principal Officer Land Release

Andrew Pigott
ACTING MANAGER, PLANNING & ASSESSMENT

MAP – INVESTIGATION AREA FOR INGLESIDE



[Agenda Report](#)

PITTWATER COUNCIL

*Action Item***C11.8: Update on Ingleside Investigation Area****COMMITTEE RECOMMENDATION**

- 1 That Council note the Preliminary Scoping Report for Ingleside developed in conjunction with the Department of Planning.
- 2 That Council continue to support a process that will identify appropriate development and land use scenarios for Ingleside however identifies the following risks to an orderly progress of the release:
 - (a) the future protection and management of the environmentally sensitive land, including environmental and biodiversity corridors and creekline corridors;
 - (b) concerns raised by the Department of Environment and Climate Change requiring further resolution,
 - (c) the threat from bushfire,
 - (d) the extent of capitalisation evident in private landholdings in Ingleside,
 - (e) the capacity of Mona Vale Road to accommodate for future development in Ingleside and provide emergency access/egress eg bushfire,
 - (f) future use of Powderworks Road as a direct north-south route,
 - (g) delivery of infrastructure in a timely manner over the life of the development process,
 - (h) financial risk to Council and the State Government if the development potential is not achieved or is delayed,
 - (i) uncertainty with the Section 94 funding mechanisms.
- 3 That Council write to the Minister for Planning advising of the outcomes of its Preliminary Scoping Report identifying the opportunities and risks associated with developing Ingleside for all stakeholders including Council, State Government Authorities, servicing agencies and landowners.
- 4 That Council request that the Minister direct the Planning Reform Funding originally granted to Pittwater Council, towards commission a detailed economic study and risk evaluation to determine a viable and sustainable development.
- 5 That all landowners in Ingleside be advised of the outcomes of this report and Council's resolution.

(Cr White / Cr Giles)

Note:**Division**

Report to Planning and Integrated Built Environment Committee for Meeting to be held on 19 October 2009

Page 1



[Agenda Report](#)

Action Item

C11.3 Status of Ingleside Investigation Area

Meeting: Planning an Integrated Built Environment **Date:** 16 May 2011
 Committee

COMMITTEE RECOMMENDATION

That the General Manager seek to have an urgent high level meeting with the Director General of the Department of Planning & Infrastructure and appropriate staff to urgently determine a forward path in developing a planning solution for South Ingleside, North Ingleside and Wirreanda Valley component of the original Ingleside -Warriewood land release.

(Cr James / Cr Rose)



**Planning &
Infrastructure**

Office of the Director General



Mr Mark Ferguson
General Manager
Pittwater Council
PO Box 882
Mona Vale NSW 1660

12/17736

Attention: Steve Evans

Dear Mr Ferguson

INGLESIDE RELEASE AREA – PROCESS FOR REZONING

I refer to recent meetings between senior officers from the Department of Planning & Infrastructure (Department), UrbanGrowth NSW (Landcom) and Pittwater Council and the subsequent meeting on 22 November 2012 with the Minister for Planning and Infrastructure, in relation to agreeing to a process for the rezoning of the Ingleside Release Area.

As agreed, I am writing to outline the preferred process and to seek Council's confirmation to this process. Following approval, I will seek Ministerial endorsement to commence the rezoning based on the agreed process.

It is acknowledged that the rezoning process must be focused, well managed, and integrated with infrastructure planning and delivery to ensure a feasible outcome. The Department has a well established methodology for release area planning, and the appropriate resources to manage the rezoning process in partnership with Council.

The Precinct Planning process, which applies to the rezoning of land in the Sydney Growth Centres is an appropriate model for the rezoning of the Ingleside Release Area. Precinct Planning is undertaken by the Department in partnership with the relevant Council. I have enclosed some general information about the Precinct Planning process which may be of use to Council.

Input from state agencies, the community, landowners and other stakeholders is also critical and a Community Stakeholder Engagement Plan would be prepared to identify the stakeholder groups and establish the proposed consultation and engagement methods.

Bridge St Office 23-33 Bridge St Sydney NSW 2000 GPO Box 39 Sydney NSW 2001 DX 22 Sydney
Telephone: (02) 9228 6111 Facsimile: (02) 9228 6191 Website planning.nsw.gov.au

Precinct Planning involves investigations into land use options, physical constraints and infrastructure requirements. The appropriate location of centres, housing mix and key transport routes are all resolved. Relevant Council policies and best practice guidelines instruct this work to ensure that the outcomes delivered are leading practice and appropriate to the local area.

In relation to the Ingleside Release Area, the ultimate dwelling yield will be affected by physical constraints (particularly vegetation and bush fire), servicing costs and the existing level of capital investment, especially in relation to the land north of Mona Vale Road. The Precinct Planning process integrates infrastructure and land use planning, and includes detailed calculations of dwelling yield, and a development staging plan. This approach is well suited to Ingleside, given the importance of these issues.

The Department would manage the rezoning in partnership with Council. I also anticipate significant involvement from UrbanGrowth NSW (Landcom). A Project Control Group and a Project Working Group would be the main coordination forums for these three parties. A Project Plan and Probity Plan would also be prepared. This is critical to ensure that the roles of the Department, Council and UrbanGrowth NSW (Landcom) are clearly defined.

In the Sydney Growth Centres, the *State Environmental Planning Policy (Sydney Region Growth Centres)* is the statutory mechanism to deliver the rezoning. For the Ingleside Release Area, a SEPP or planning proposal are the two statutory mechanisms available to deliver the rezoning. A Development Control Plan and Section 94 Local Contributions Plan (or equivalent under a new planning system) would also be prepared in parallel with the rezoning.

The rezoning process would be funded by the NSW Government. The Department is also able to assist with Council resourcing of the planning process if necessary.

I would appreciate if you could provide your Council's views in relation to:

- The suitability of the Precinct Planning approach for the Ingleside Release Area; and
- The preferred mechanism to deliver the rezoning (SEPP or planning proposal).

Council's advice will inform my recommendation to the Minister for Planning and Infrastructure to commence the rezoning process for the Ingleside Release Area.

The Department will contact you shortly to arrange a meeting to further discuss the process and commence the preparation of the governance arrangements and supporting documents as outlined above.

In the meantime, should you have any further enquiries about this matter, I have arranged for Mr Robert Black, Executive Director, Land Release (Planning & Delivery) of the Department of Planning and Infrastructure to assist you. Robert can be contacted on telephone number 02 9860 1505.

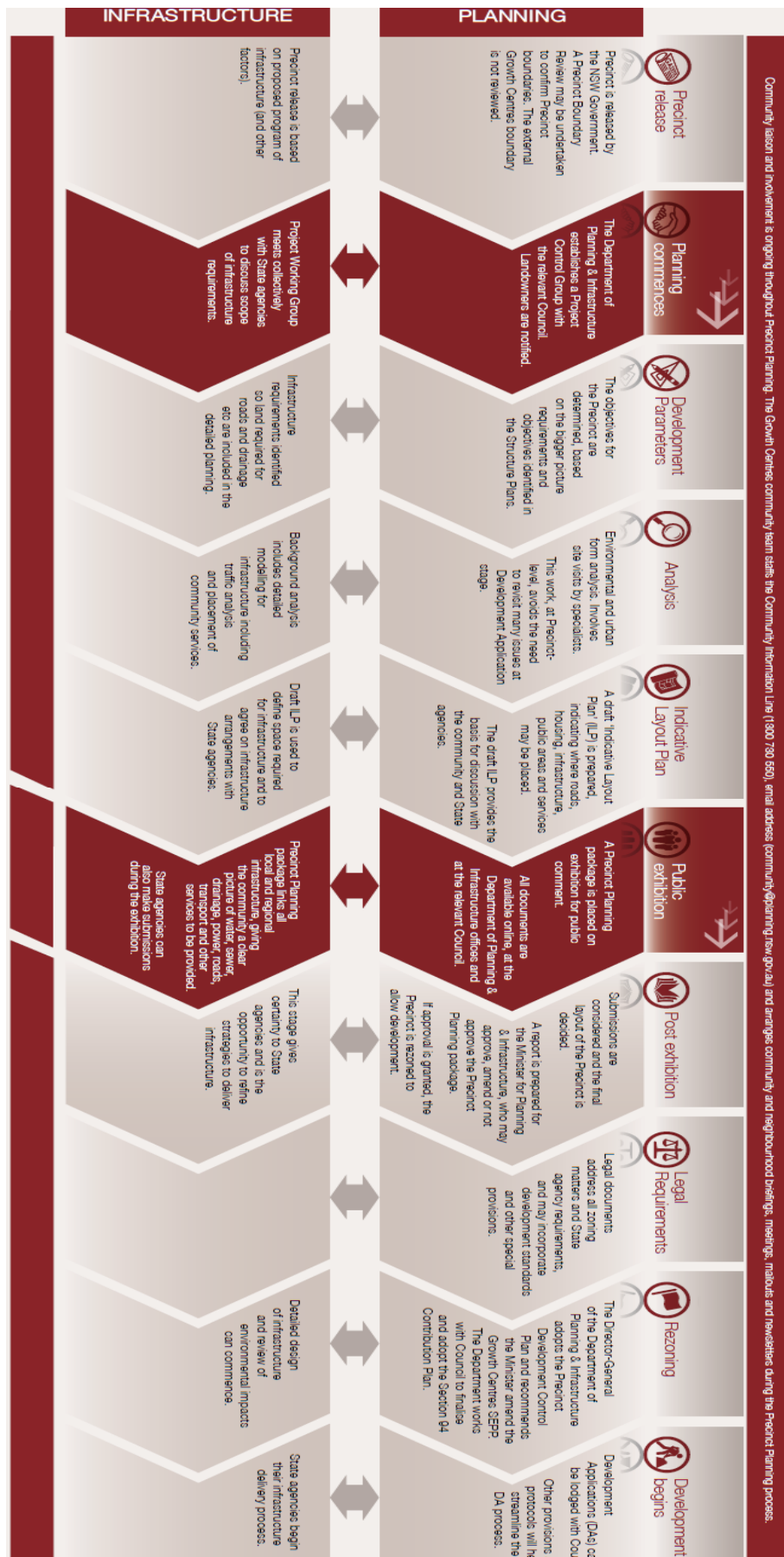
Yours sincerely


Sam Haddad
Director General

13/12/2012

CC: Sean O'Toole
Managing Director, Landcom

DIAGRAM OF PRECINCT PLANNING PROCESS





Premier
& Cabinet

M2013-01 UrbanGrowth NSW

Status: current

UrbanGrowth NSW is the Government's new urban development delivery vehicle. It has been formed through the integration of Landcom and the former Sydney Metropolitan Development Authority. Its primary objective is to enable a thriving private sector development industry to deliver homes, workplaces, facilities and places needed for NSW citizens to enjoy a high quality of life.

UrbanGrowth NSW will focus on expediting and increasing development outcomes and increasing housing supply, primarily in the Sydney Metropolitan Region. It will operate in both green field and urban renewal locations and will increasingly concentrate on areas where market and/or regulatory barriers are preventing otherwise desirable private sector investment.

UrbanGrowth NSW will either carry out, manage or co-ordinate the urban renewal and development on strategic and complex sites where there is demonstrated market and/or regulatory failure. The organisation will work closely with the private sector, development industry, local government, state agencies and local communities to facilitate development.

UrbanGrowth NSW will carry out the following functions:

1. Advise the Government on urban development issues generally and in particular to help identify:
 - market failures or regulatory barriers to otherwise viable development;
 - potential urban activation precincts as part of the Government's Urban Activation Precinct Policy;
2. Address market or regulatory barriers by acquiring, amalgamating and subdividing land, providing enabling infrastructure, carrying out works, to create development-ready sites and as a catalyst to development;
3. Work closely with local government and communities, particularly in the early stages of planning and development, to achieve sound development and urban renewal outcomes;
4. Facilitate the supply of land for development for housing;
5. Assist the Government to deliver its housing affordability objectives;
6. Encourage practical approaches to excellence in design and adoption of sustainability principles;
7. Partner with the private sector to deliver development;
8. Provide facilities or services that are ancillary or incidental to its principal functions; and
9. Conduct any business or provide any service (whether or not related to its principal functions) that it considers will further its objectives.

Working with NSW Government agencies and other public sector bodies

NSW Government agencies and bodies are required to consult and work cooperatively with UrbanGrowth NSW when developing or implementing policies and projects relevant to the property market, development and urban renewal.

UrbanGrowth NSW has authority to co-ordinate government agencies in certain circumstances to:

- Provide or obtain advice;
- Co-ordinate the provision of infrastructure;
- Obtain rezoning and development approvals;
- Implement approved plans; and
- Leverage development opportunities from surplus government land.

There are two ways that UrbanGrowth NSW's ability to co-ordinate agencies can be authorised:

1. After consultation with Cabinet or a Cabinet Sub Committee, the Minister for Planning and Infrastructure may authorise UrbanGrowth NSW to work with one or more agencies to resolve a specific issue or the Minister may appoint UrbanGrowth NSW to lead an inter-agency departmental taskforce to address the issue;
2. Inside Urban Activation Precincts: When Cabinet or a Cabinet Sub Committee makes a decision to declare an Urban Activation Precinct, it can also approve the scope of UrbanGrowth NSW's powers to lead and co-ordinate agencies within a precinct.

Interaction with the Department of Planning and Infrastructure (DP&I): UrbanGrowth NSW will work closely with DP&I on relevant research, policy development and policy implementation issues, with an emphasis on the economic feasibility of proposals and providing a development industry perspective.

UrbanGrowth NSW will work with the Department of Planning and Infrastructure in identifying potential urban activation precincts for consideration by the Precinct Nomination Committee. It has a permanent role on both precinct selection committees and precinct working groups.

Interaction with Government Property NSW: Government Property NSW is another new organisation that has been established to succeed the State Property Authority. Its objective is to improve the utilisation of government owned property to better support service delivery. It will collaborate with UrbanGrowth NSW as needed in areas of strategic priority to maximise the value of assets identified for potential disposal and to integrate any government requirements for space in renewal areas or other UrbanGrowth NSW projects. UrbanGrowth NSW's role may be the complete development of an asset, the provision of all or part of the development work as a development facilitator in preparation for the involvement of the private sector or merely advisory.

Organisational structure

UrbanGrowth NSW consists of Landcom (continuing as a State Owned Corporation established by the *Landcom Corporation Act 2001*, but operating under a new trading name) and the Sydney Metropolitan Development Authority (SMDA), which has been re-named UrbanGrowth NSW Development Corporation. While each organisation has its own legislative, governance and reporting requirements, they will be run by the same Chief Executive Officer and will work closely together to achieve the Government's urban development objectives.

Landcom will continue to use its statutory name, Landcom, in its retail land sale business which will wind down over time as it completes the delivery of the Government's 10,000 home site programme.

The development corporation, UrbanGrowth NSW Development Corporation, is established under the *Growth Centres (Development Corporations) Act 1974* as a chief executive governed development corporation. The development corporation's activities are conducted in designated growth centres which the Government may declare on an as-needed basis. In the Sydney Metropolitan Region, declared growth centres exist in Redfern Waterloo and Granville. Other areas may be declared over time.

Barry O'Farrell MP
Premier

Issued: Department of Premier and Cabinet

Contact: Amy Persson, Director, Service Delivery Reform Branch, Department of Premier and Cabinet

Email: amy.persson@dpc.nsw.gov.au

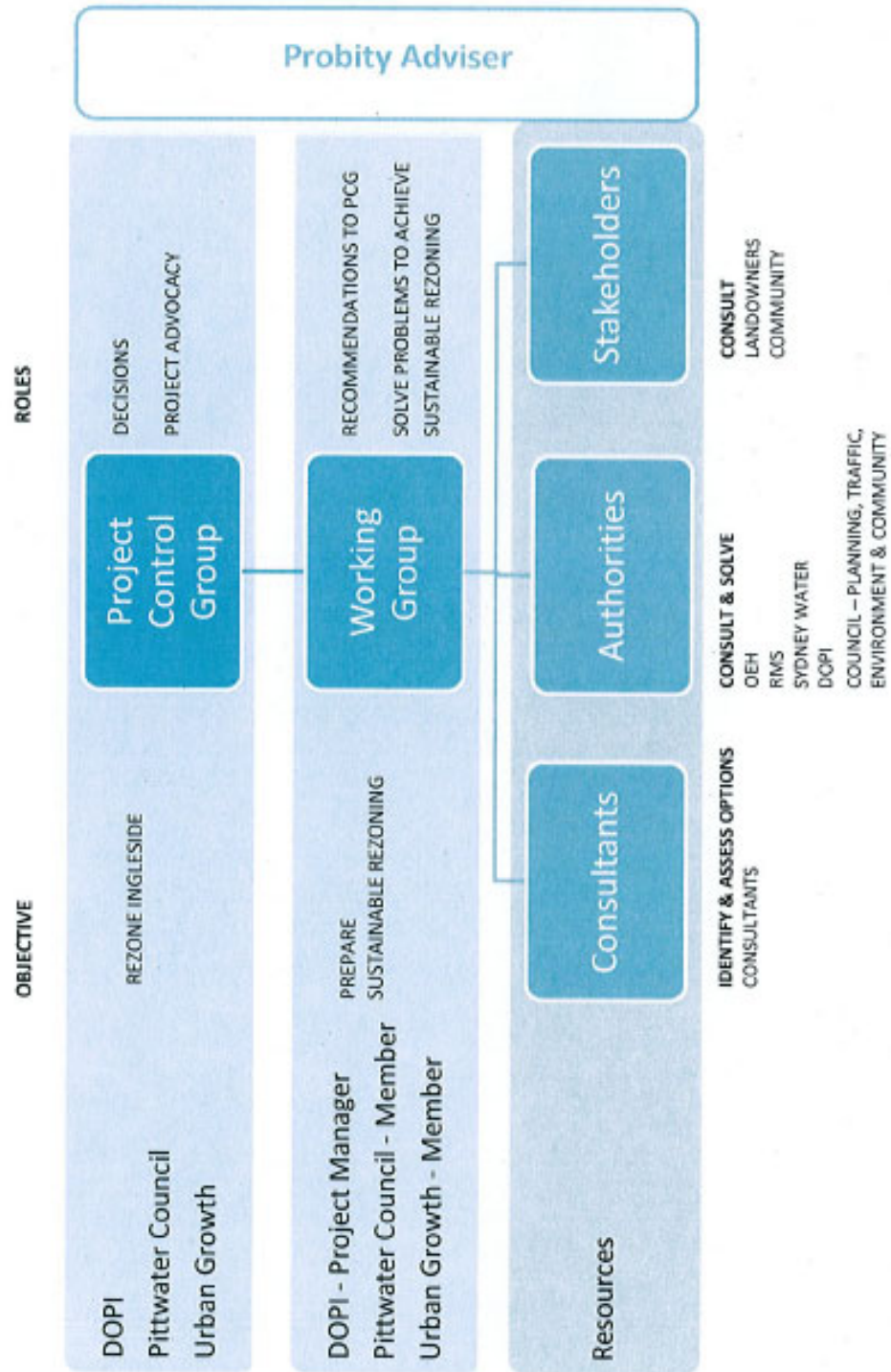
Telephone: (02) 9228 5002

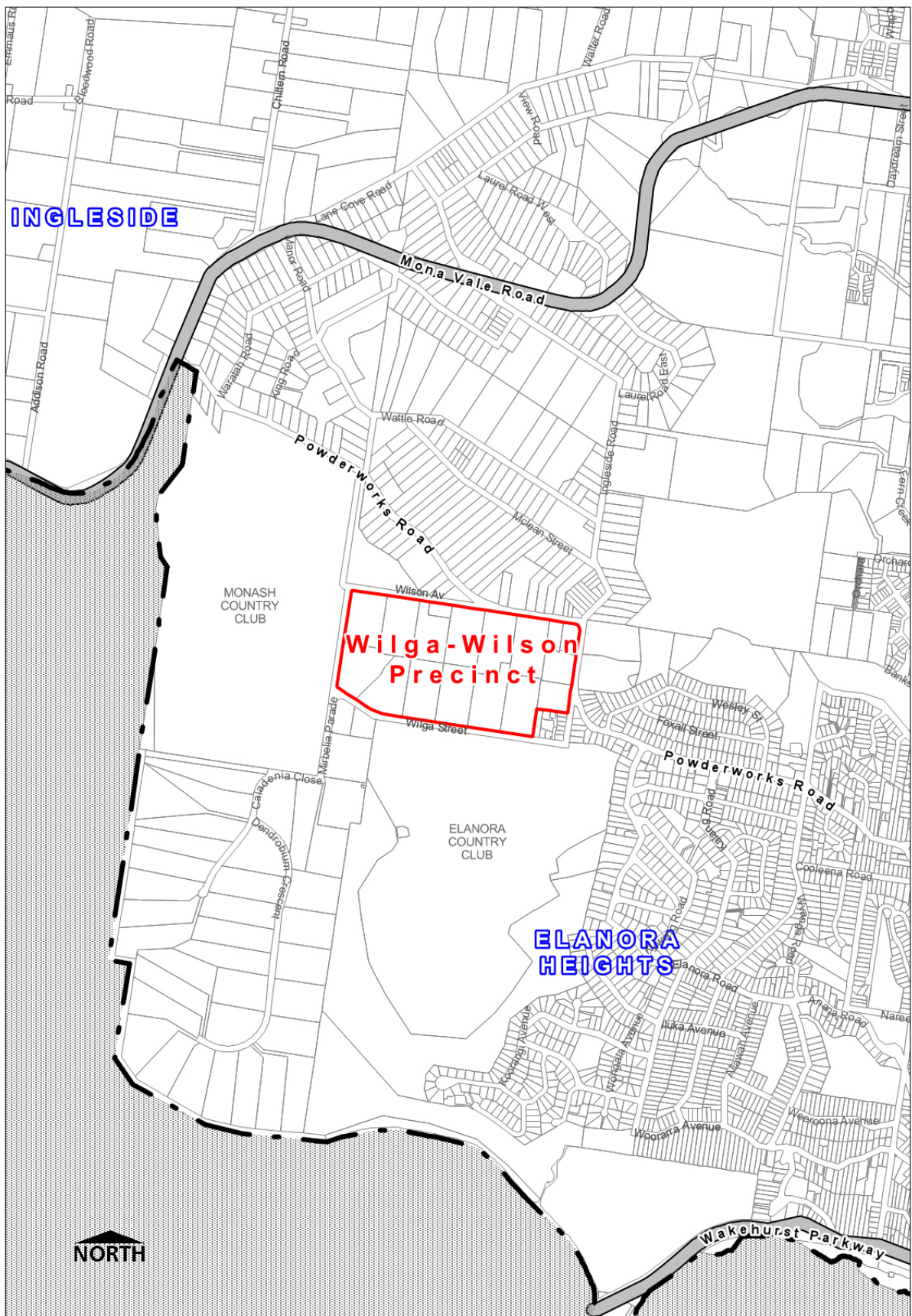
Date: 30 January 2013

This Memorandum does not supersede any other Memoranda.

INGLESIDE REZONING DELIVERY STRUCTURE

-URBAN GROWTH JAN 2013-





[Agenda Report](#)**Action Item**

SUBJECT: NOTICE OF MOTION - Warriewood Valley Ingleside Land Use Committee - (Motion submitted by Cr Alex McTaggart)

Meeting: Council

Date: 15 October 2012

COUNCIL DECISION

That the motion be deferred and a report be brought to Council on the proposed Notice of Motion.

(Cr Townsend / Cr Grace)

Note:

The following motion was withdrawn by Cr McTaggart:

- ~1. *That Council create and adequately staff and resource a Warriewood Valley/Ingleside Land Use Committee comprising Councillors; Council staff; land owners or their representatives; members of the community/community groups and Government agencies.*

The Broad Objectives:

- *Validate the current Warriewood Valley Strategic Review*
 - *Review the 4 preliminary stages of the proposed Ingleside land release including the Wilga Wilga proposal*
 - *Provide to Council an overview of the inter-reaction between the two land release areas in regard to traffic; water management; infrastructure; social capital and Section 94 contributions*
 - *Provide to Council an overview of the effect of the proposed Ingleside land release on existing south ward infrastructure including Elanora Village, Garden Street Industrial Area and Powderworks and Anana Roads*
 - *Develop a Section 94 contribution scheme to cover the Ingleside land release*
2. *That Council hold a Councillor briefing session to further discuss this motion with a view to:*
- *Amending the objectives to reflect Councillors and communities needs*
 - *Identify the physical boundaries of the Committee's area of responsibility*
 - *Identify the membership of the Committee*
 - *Set out a time line life expectancy of the Committee*
 - *Set out a voting regime and reporting process*
 - *Addressing the issue of Probity as Council is a land owner in the valley*
 - *Receive advice from staff as to how such a Committee fits into the current Council structure "*

C12.2 Avalon Beach Draft Plan of Management

Meeting: Planning an Integrated Built
 Environment Committee

Date: 18 February 2013

STRATEGY: Recreational Management
 Valuing and Caring for our Natural Environment

ACTION: To manage and maintain recreational facilities to best practice standards in a
 cost effective and sustainable manner.
 To maintain abundance and diversity of Pittwater's native plant and animal
 species.

PURPOSE OF REPORT

For Council to consider adopting the Avalon Beach Plan of Management, as tabled at the meeting.

1.0 BACKGROUND

- 1.1 The Avalon Beach Plan of Management updates the previously adopted plan of management dated 2007. Both documents focus on the reconstruction of the building occupied by the Avalon Beach Surf Life Saving Club and a range of improvements and management strategies relating to the Reserve.
- 1.2 In relation to the Avalon Beach Surf Club building, the 2007 proposal included a café which has Development Consent approval.

A restaurant has been included in the current proposal. Lease payments for the restaurant will assist with the funding to reconstruct the building and maintain the building and adjoining beach and reserve over the long term. The inclusion of the restaurant requires modifying the PoM and the existing Development Consent.

The reconstruction of the building will require deep pile foundations. A Coastal Protection Works Management Plan for the building has been obtained and publically exhibited. The Plan provides guidelines on beach access, beach amenity, public liability and maintenance issues.

The PoM proposes improvements and ongoing management strategies throughout the Reserve. Stage 1 of the access road and parking has recently been completed. Additional works proposed in the PoM include landscaping, new playground equipment and a barbecue and picnic area. Improvements to the northern end of the beach and Des Creagh Reserve include upgrading the access road and carpark and stabilising the dunes. A small viewing deck and playground are also proposed.

The dunes will continue to be managed collaboratively by Council, contractors and volunteers, particularly the Avalon Beach Dunecare Group.

Further details on the project are available in three reports as presented at the Council meeting of 3 December 2012.

2.0 ISSUES

2.1 Exhibition and Community Consultation

Exhibition Material

The project was placed on public exhibition for eight weeks from 5 December 2012 until 31 January 2013. This provided an extended time to allow for the holiday season. Documentation was available from Council's web site, libraries and customer service centres as follows:

- Avalon Beach Draft Plan of Management
- Avalon SLSC Coastal Protection Works Management Plan (from 8 January - all stakeholders were notified on 8 January).
- Minutes of Meeting held on 18 November 2012 (www only)
- Council Report – meeting 3 December, 2012 (www only)

Meetings

- Avalon Dunes Dunecare group – 7 November
- Avalon Chamber of Commerce - 11 November
- Avalon Historical Society – 14 November
- Community meeting - 18 November (46 residents attended)
- North Avalon Surfriders Association (N.A.S.A.) – 17 December
- N.A.S.A. and north Avalon residents – 19 January

Advertisements

- Manly Daily 3, 10 and 17 November 2012 and 19 January 2013
- Three large (A1) size) posters installed at the Reserve

Submissions

- Community meeting of 18 November - 29 people sent an Apology and emailed submissions in support of the proposal.
- Public Exhibition period – 125 people responded. Issues raised are outlined below.

2.2 Key Issues raised during the Exhibition Period

Note: A summary of all submissions is available in **Attachment 1**.

North Avalon

Issues in relation to north Avalon beach, dune and carpark area were raised at both the stakeholder meeting and through submissions. Local surfers and NASA representatives sought to maintain views over the beach from the carpark and suggested the construction of a possible small timber viewing deck.

The investigation of the viewing deck was included in the masterplan of the draft PoM, as publically exhibited. Following representations from North Avalon Surfriders Association (N.A.S.A.) and local surfers, it was proposed to construct a viewing deck in front of the parking area at north Avalon.

Council staff have liaised with internal Coastal Management Officers and the Office of Environment and Heritage in relation to the design of the dune. A works plan for the dune has been developed and will form part of a grant funding application to the Office of Environment and Heritage under the Coastal and Estuary Grants Program.

The development of the dune and carpark edge is a balance between recreational management and natural dune management. As part of the works the access path onto the beach will be re-orientated to reduce any further blow-outs of the dune.

Redevelopment of the Avalon Surf Life Saving Club Building

Approvals to Date

Development Consent DA N0693/10 - approved on 21 June 2011 (as outlined in Item 1.2). (This is a publicly available document).

Funding was approved on 3 December following presentation of the Avalon Surf Lifesaving Club Construction report to Council. The Actions states:

“That this report on the construction methods and budget for the Avalon Surf Life Saving Club building reconstruction be endorsed and Council authorise the expenditure of funds for the construction of this project, subject to the confirmation of the grant funding being confirmed.”

(Cr Townsend / Cr White)

The Development Consent is already in place for the proposed building (minus the restaurant) and the funding approved for the building including the restaurant, subject to the applications for grant funding being successful (The S & R grant of \$320,000 has been confirmed as being successful.) Of the 125 submissions received in total 112 focus on the restaurant with 92 in favour and 20 objecting.

Support for the restaurant

Ninety-two (92) submissions support the restaurant and believe it will have a positive affect on immediate precinct including Avalon village for the benefit of the local community and visitors. ABSLSC have been working towards a new clubhouse for the past five years with the support of members who are committed to its ongoing success.

Opposition to the restaurant

Twenty (20) submissions oppose the restaurant, generally objecting to the commercialisation of a public asset. Submissions propose that rate-payers should fund the building in full thereby no loan – no leased restaurant.

In response, surf clubs along with other Council buildings are primarily public facilities under the care, control and management of Council. Council encourages all local clubs to assist in the ongoing development, maintenance and management of such facilities. Without the involvement of clubs Council would be left solely with the cost of developing, managing and maintaining facilities.

Most of the clubhouses; particularly on sportsgrounds, have been paid for in full or partially by club members who have also applied for Government grants and provided voluntary labour. Pittwater is fortunate that highly skilled residents volunteer their time and expertise for the benefit of the community. This is something that the community can be proud of. Council's role is to assist community groups, particularly clubs who have worked hard to achieve their goals.

Mona Vale Surf Club has recently installed a café at the north end of the clubhouse building. This facility not only provides a further amenity to the area but also assists with maintenance costs for the building.

Avalon Surf Lifesaving Club has been instrumental in the planning of the building. Club members have contributed in various ways, including the detailed architectural design and documentation services. The Club has raised funds, applied for grants and negotiated with suppliers for an estimated \$400,000 in savings on building materials. The total budget to date is comprises:

\$ 400,000 estimated savings in material donations

\$1,300,000 through the Special Rate Variation

\$ 400,000 direct Club funding (the Club has confirmed \$360,000 has already been raised)

\$ 320,000 approved Sport and Recreation Grant

\$ 50,000 Community Building Fund (as yet unconfirmed)

\$ 400,000 internal Council loan (to be repaid with interest from proceeds from the restaurant).

\$2,870,000 TOTAL BUDGET

Risk assessment

The following risks were highlighted during this project

Financial Package

- The financial package does provide a risk to the project not going ahead even though the majority of the money required is secured. The tender process will provide a very clear indication as to the final cost of the surf club re-development. As stated before if all monies secured cannot meet the final tendered price, council and the surf club will need to pair back the design and scope of the project as a whole.

Planning Process

- That with the addition of the restaurant Council will have to lodge a formal development application to change the use of the pre-authorised community room on the top floor.
- This planning process would take into account all relevant development conditions associated with a restaurant.

Tender Process

- A probity audit has conducted just prior to the tender being developed. The recommendations of the audit were then used to reduce the risk of the overall project.
- The \$400k of projected savings from suppliers was built into the tender process as an option for tenderers to take advantage of or not.
- The tender process was conducted with the clearly stated position that Council would not proceed with the project if all funding was not in place.

Expression of Interest for the Restaurant

- Will ensure that the operator will have the financial backing to support the proposed leases arrangements as well as have extensive operational experience running restaurants.
- Further to this process Council will enter into a lease arrangement whereby all operational intricacies with running a restaurant will be addressed and dealt with. Council will develop a new lease for the surf club that will also include lease arrangements pertaining to the restaurant and café.

Replacement of community room with the restaurant

The community rooms provide well-designed purpose-built spaces of a similar standard to the Recreation Centres at Newport and Avalon. The proposed community room is 2.5 times larger than the community room in the existing building. The club lounge area is twice the size of the existing and will also be available for hire at the discretion of the ABSLSC.

The building has been designed for equitable use of space for the benefit of the broader community. The arrangement of the rooms is very flexible – they can be used singularly or concurrently.

The proposed change of a meeting room to a restaurant is unlikely to have a significant impact on the ability of groups to undertake a variety of community activities. The Avalon Recreation Centre and the newly refurbished former Scout Hall and local churches and schools provide a range of spaces for community activities. In addition there are other facilities outside the immediate Avalon Beach area that provide opportunities and sometimes different types of spaces to accommodate range of community activities.

SLSC building infrastructure

Issues were raised in relation to the function of the restaurant and its ancillary facilities including toilets / change rooms, garbage, cooking smells, parking and access.

In response, the PoM seeks approval in principle for the restaurant and ancillary facilities. The plans for the restaurant are conceptual and subject to refinements up until construction commences.

The layout of the change rooms and toilets were intensely debated in 2007 when preparing the previous PoM. The current design is based on strong pressure from members of the local community at the time to retain direct sunlight into the change rooms. Now, six years later requests have been received to swap the toilets and change rooms around. Submissions also raised concerns that the location of the public amenities on the ground floor is too distanced from the restaurant, particularly for people with special needs. In response, the new lease with the surf club will ensure restaurant patrons can access the Club's amenities on level one of the building.

The existing D.A. for the building, including the café provides a comprehensive list of conditions for waste management under the Conditions of Approval. A screened garbage bin area is located under the pine tree canopy at the front of the building. See 'garbage enclosure' on the plan. The exact size and design of the enclosure will be refined.

All commercial kitchens must be provided with a kitchen exhaust hood. Due to the efficiency of today's exhaust systems, no odour nuisance, to the public or any adjoining premises, will be created by the operation of any plant or equipment or any procedures carried out at the premises.

Access and Parking

Parking in the Avalon Beach precinct has been greatly improved by upgrading the lower parking level. This has formalised a relatively ad-hoc unscaled access road. The associated parking – 90 degrees and parallel, has further defined the area with clear parking spaces. The total number of sealed parking spaces is now 67.

The carpark area is subject to waves of extreme use relative to events. Nippers and SLSC events generate periods of high use. Events generally dissipate fairly quickly at the finalisation. Similarly, good weather periods in peak summer create a strong demand for parking. To address this, opportunities for overflow parking exist north of the existing skate park. Although currently unformed the carpark area would be able to accommodate up to 32 cars in peak periods.

The café as approved in the original Development Application relied on the existing carpark in the Reserve as it was believed the facility would generally service people already at the beach.

The proposed restaurant will also predominantly rely on the existing parking at the south Avalon precinct. Peak operating hours for the restaurant would generally be during low beach usage times. This will provide a greater use of off-peak periods across the various facilities. The use of the restaurant at night would also provide further security for the surrounding Reserve which is currently frequented at night by large groups of youth.

Under Council's DCP Control B6.6 (Restaurants / Parking), one carspace is required for every 30m² of gross lettable floor area. The proposed restaurant floorspace covers 166 square metres (excluding circulation area of 16 square metres). As such five, (5) extra carparking spaces are required. As part of the recent upgrade of south Avalon Beach, Council widened the lower carparking achieving extra spaces and clearer parking conditions. Council also has the ability to utilise the secondary carpark area north of the skatepark. Both the café and restaurant will rely on the quantum of parking in the south Avalon Beach precinct.

Impact of Restaurant on Avalon Village

Council staff met with representatives of the Chamber of Commerce during the preparation of the draft PoM. The Chamber supported the project in principle. Council does not believe the proposed café or restaurant will have significant detrimental impact on business in Avalon village.

If anything, it is likely to have a positive impact on Avalon village. The proposed café and restaurant will add to the critical mass of these facilities in the area further enhancing the attraction of the centre as a whole. The restaurant at the ABSLSC building will provide a recreational opportunity for people wishing to experience the beachside character but not wanting to swim. Avalon Chamber of Commerce was notified and the chamber was supportive.

South Avalon Reserve Area

The landscape as proposed for south Avalon Beach has been developed to solve long term problems with the erosion of the hill-slope and to create a better recreational setting for the area. The subject compacted hill slope has been heavily disturbed over the years through ongoing Waterboard works, drainage and pedestrian access.

The proposal seeks to retain the area and create seating and recreational opportunities that complement the south Avalon Beach precinct as a whole. Predominant materials used will be sandstone blocks that mimic the character of the surrounding headlands. In response to submissions, the top of the seating will be turf not sandstone to achieve a more natural aesthetic. As part of the works an upgrade of the children's playground will further add both aesthetic and recreational appeal.

The landform is steep in this area and not usable for other activities. The seating will address erosion problems; provide northerly views over Avalon Beach and allowing supervision of the playground.

Avalon Dunes

Avalon Dunes Dunecare Group was responsible for the initial rehabilitation of the dunes, however weeds have re-established following the groups withdrawal from the project several years ago. The PoM identifies that the success of weed eradication is dependent upon good communication and a well coordinated approach between Council, the contractors and the Dunecare Group.

The Group's submission requests more-secure fencing, clearing of youth camps, monitoring of youth camps, remediation of the dune at the northern end of the beach and access track, impact of new turning circle on a section of the dune, opposition to the proposed viewing deck at North Avalon and concerns that the new turning circle has pinched into the dune.

In response, Council's Reserves and Recreation Unit has prepared a detailed works plan for north Avalon Beach dune including dune remodelling, wind fencing and re-orientation of the access track onto the beach. The plan also includes details of re-vegetation and treatment of the carpark edge to best accommodate the range of requirements held by various groups within the Avalon community. A stakeholder meeting was held with local surfers, residents and Dunecare representatives in relation to these works. Council is currently applying to the Coastal Grant Funding Program for additional funding. Dune fencing and works at North Avalon will be the priorities.

The management of Council's dune systems is generally made up of maintenance contracts in regards to dune fencing, weed eradication, and ongoing maintenance of pathways. Council's current programs will need to be tailored to issues raised by the Dunecare group and extra funding for works.

Removal of youth camps and litter is part of an ongoing program across all beaches with selected youth camps targeted yearly for removal on all beaches. Council's cleansing staff have removed 'camps' from the Avalon Dune Area three (3) times over the past 12 months.

2.3 Amendments to the Plan of Management

The proposed amendments to the Avalon Beach Draft Plan of Management are as follows:

- Prepare a detailed works plan for the dune system and surrounds (p. 21).
- Solar panels and water tanks to be installed on the building during the construction stage (p. 30).
- Revision of project cost estimates (pp. 38 to 39).

Amendments to the Masterplan

- Install turf (not stone) on the top of the sandstone seating above the playground at south Avalon (p.20).
- Install a timber viewing deck at north Avalon (p. 20 and 26).

3.0 SUSTAINABILITY ASSESSMENT

3.1 Supporting & Connecting our Community (Social)

3.1.1 The Draft PoM improves recreational and scenic values at the Reserve as well as responding to a range of issues raised by park and beach users.

3.2 Valuing & Caring for our Natural Environment (Environmental)

3.2.1 The Draft PoM aims to balance recreational requirements with the natural environment, particularly strategies to improve the management of Avalon dunes.

3.3 Enhancing our Working & Learning (Economic)

3.3.1 The proposed lease for the restaurant and café are intended to provide funds to offset part of the development costs and help fund ongoing maintenance to the building and the reserve in the longer term.

3.4 Leading an Effective & Collaborative Council (Governance)

3.4.1 Extensive consultation with the community has been undertaken during the preparation of the Draft PoM.

3.5 Integrating our Built Environment (Infrastructure)

3.5.1 The Draft PoM provides an effective use of community assets. It improves conditions for rescue service providers and amenity for the broader community.

4.0 EXECUTIVE SUMMARY

4.1 The main issues raised in submissions and Council's responses include:

- The restaurant - is widely supported (92 support / 20 oppose). The restaurant will provide a broader range of facilities and enjoyment of the Avalon Beach precinct. The restaurant will also provide funding for ongoing maintenance of the entire Reserve including the surf club building.
- Landscaping at south Avalon - is consistent with the conceptual drawings contained in the 2007 PoM. The proposal will provide a solution to the ongoing erosion of the slope and provide broader recreational opportunities for residents and tourists.
- At North Avalon - the dunes will be stabilised and rehabilitated including the access path to the beach. A timber viewing deck will be installed below the parking area. The POM seeks to provide a balance between recreational and environmental values.

RECOMMENDATION

That the plan of management for Avalon Beach, as tabled at the meeting, be adopted including the following amendments: preparation of a works program for the dune system and surrounds, revision of project cost estimates, solar panels and water tanks to be installed on the building during the construction stage, the installation of turf (not stone) on the top of the sandstone seating at south Avalon, and install a timber viewing deck at north Avalon.

Report prepared by
Jenny Cronan, Landscape Architect

Les Munn
MANAGER, RESERVES, RECREATION & BUILDING SERVICES

SUBMISSIONS RECEIVED DURING THE EXHIBITION PERIOD

NORTH AVALON BEACH PRECINCT			
	Name	Comment	Council Response
1	North Avalon Surfriders Association NASA - submission 1.	Previous DA included a room above the female toilets for designated use by NASA. This area has been changed into a restaurant without consultation with us. Why was NASA left out of the new consultation process?	Noted: NASA and other community groups will continue to have access to the community room in the proposed SLSC through the booking system. The surf club instigated the project and have been working towards their goal for the past five years. Meetings have been held with all other community groups as part of the PoM process including two separate meetings with NASA. Various issues raised by NASA have been accommodated into the PoM and will be dealt with on a day to day basis.
2		Not enough consultation with NASA. Where does this leave us to run contests at South Avalon. NASA has 140 plus members who surf at local contests and many more social members. We run organised surf competitions and work with youth in skill building.	Noted. As above.
3		<p>South Avalon: Assurance that NASA can conduct competitions at South Avalon in the area south of the SLSC building. Equitable access to facilities, parking, use of loud speaker during competitions (in accordance with current noise legislation). Canopy lift Norfolk Island pines to improve views of the beach.</p> <p>North Avalon - improved views over the beach from north Avalon car park area (lower fence rail), landscaping area between carpark and fence. Request for storage area. Consideration of free form decking, additional parking, improved access (dune blow out path). Also, see minutes Meeting 19 January.</p>	<p>Noted. Council will maintain existing uses at Avalon Beach. NASA to retain access and use of South Avalon Beach, including the use of PA for surfing competitions, provided compliance with noise legislation.</p> <p>In the past NASA have not always informed Council when their events are on which has resulted in double bookings. Council cannot provide a storage shed for NASA, otherwise Pittwater could have a string of storage sheds along the coast. Canopy lifting the Norfolk Island pines and lowering the fence will be carried out as general maintenance. During the exhibition period a stakeholder meeting was held at North Avalon with local residents, NASA representatives, local surfers and Dunecare representatives in which a deck was proposed. In consideration of submissions received a plan for a low-key deck in keeping with the natural dune character has been prepared. This will be discussed with stakeholders and form part of a grant application to the State Government Coastal and Estuary Grant Program.</p>

	Name	Comment	Council Response
4	Resident	Dune fencing priority. North Avalon: Lower fence from carpark for views of beach. Add electric BBQ picnic setting, monitor campers. Don't overdevelop north Avalon. Careful that overhead lighting does not disturb wildlife - prefer no lighting. Support for dunes - only natural dunes on the Northern Beaches – unlike Cronulla!	Noted. See Item 3.
5	Resident	Opposed to new facilities that will bring noise and rubbish / smashed glass. Prefer natural look. Object to viewing decks at north Avalon - young people will hang out there. Council is not adequately maintaining existing facilities. Noise of surf competitions and Nippers in the mornings now bringing people to the area at night. Police do not respond to issues or too long to arrive. Youth activities should be contained in skate park area away from homes. Spend money on dune care.	Noted. See Item 3.
6	Resident	Resident of Marine Parade - comments relate to North Avalon. Prefer natural aesthetic - only environmental preservation and protection works needed. South Avalon is favoured by visitors and could benefit from upgrading. Issues: Noise from youth using Yellow Brick Road in Des Creagh Reserve and congregating at North Avalon Beach and carpark at night. Concern decking will draw youth to congregate leading to anti-social behaviour. Suggestion - create more youth facilities within the skate park precinct away from houses - engage police to find solution due to youths affected by drugs and alcohol. Support cosmetic changes at South Avalon, but North Avalon should be untouched.	Noted. See Item 3.
7	Resident	The POM focuses on south Avalon Beach - needs to address deteriorating situation at North Avalon Beach carpark and vandalism.	Noted. See p. 20 in the POM
8	Resident	Reinforce Avalon Beach's status as an iconic landmark and of significance to Australian coastal culture. Avalon Beach is the first place in Australia where modern Malibu surfboard riding was displayed in November 1956. It eventuated from the American and Hawaiian lifesavers who visited Avalon to compete in local carnivals to demonstrate the sport for the Olympics. The lifesaving movement in England established itself and the surfboard industry was established due to the lifesavers from Avalon Club going to England for lifeguard positions. The rubber ducky could also be a result of the carnival at Avalon. A commemoration of this event was conducted 50 years later. The history helps to cement the relationship between the various groups using the beach.	Amendment: Information placed into PoM Appendix and distributed to Council's heritage officer for archives and consideration on how to promote our heritage in a creative and relevant way.

ISSUES IN RELATION TO THE SLSC BUILDING			
	Name	Comment	Council Response
9	Resident.	Restaurant infrastructure - ambiance of beach will be compromised by lack of access (rear laneway) for restaurant deliveries, no storage of refuse, nowhere to vent cooking smells.	Noted. There is ample room within the carpark for large pantec vehicles to service the surf club, café and restaurant. Access entry, exit and internal roads are 6 metres wide - equivalent to residential roads. A loading zone can be established next to the disabled parking space for deliveries. A screened bin area is located under the pine tree canopy at the front of the building - see 'garbage enclosure' on the plan - the exact size and design of the enclosure will be refined as part of the process. Exhaust systems will be provided for the restaurant and cafe kitchens. New filter systems for extractor fans are efficient at controlling the level of exhaust fumes and smells.
10		Public toilets and change rooms appear too small, even though an open roof has been proposed, not much sun will reach it. Access to the toilets involves walking through the change rooms. Difficult for visitors if viewing naked women. Bench to place towels etc is too small. Suggest swapping toilets and change rooms and reducing toilets and making wider 1130mm wide and deeper as at North Avalon. One hand basin will do. The showers have been reduced to two instead of current three. Can we have two open showers next to the cubical. We need good pressure to remove sunscreen and sand. If pushbutton taps, suggest same as at Bilgola Beach which has reasonable pressure and time.	<p>Noted. The public amenities have been specifically designed to provide a transparent roof over the change rooms in reaction to strong pressure from local community who wish to retain the sunlight in this area accordance with the existing amenities.</p> <p>The reduction in the size of the rooms allows for the café on the SE corner of the building - as approved in the previous PoM.</p>
11		The collection of \$400,000 seems a small amount in the larger scale of the LGA.	Noted. Council's financial position is always extremely stretched through strategic and community requirements and \$400,000 is a large amount in relation to the capital works program.
12		Alternative use of restaurant area as a gym. The gym would complement the sporting aspect and classes currently run in the community room yoga / exercise classes. The showers and toilets, cafe and parking could be used by the patrons. The garbage and smell will not be an issue either. Extend gym hours. The yellow brick road could include exercise stations. This eliminates the conflict with cafe and restaurant in the village.	Noted. Avalon is well provided with gyms. The proposed SLSC building contains a gym in the north-western corner. A gym is located in Avalon Village. The area in question within the SLSC building is a premium ocean front location better suited to a restaurant.

	Name	Comment	Council Response
		Support for submission by fellow resident - Reference number 16.	Noted. See Items 16 to 23.
13		Walkway south of clubhouse - replace gravel with narrow paved path (gravel hurts bare feet)	Noted. Decomposed granite was used to retain the natural qualities of the area.
14	Resident	Public toilets. Request public toilets and change rooms are separated more for hygiene and odour reasons. The roof needs to be left open for circulation of fresh air and for maximum sun in winter. (Note how horrible the Newport SLSC roofed public change rooms are now they are roofed).	Noted. See Item 10 above.
15		Support the landscaping and parking.	Noted.
16	Resident	Reject restaurant. The SLSC members are under the impression that the restaurant is crucial to the refurbishment and the Club's ongoing viability. The Club have instructed members to write submissions in support of the restaurant over the community room. This is of grave concern. Council has told the Club that the restaurant is the only way they can have the overdue and thoroughly deserved rebuilding of Council owned premises.	<p>Noted. The restaurant is critical to fund the project. In response, surf clubs along with other Council buildings are primarily public facilities under the care, control and management of Council. Council encourages all local clubs to assist in the ongoing development, maintenance and management of such facilities. Without the involvement of clubs Council would be left solely with the cost of developing, managing and maintaining facilities.</p> <p>Most of the clubhouses; particularly on sportsgrounds, have been paid for in full or partially by club members who have also applied for Government grants and provided voluntary labour. Pittwater is fortunate that highly skilled residents volunteer their time and expertise for the benefit of the community. This is something that the community can be proud of. Council's role is to assist community groups, particularly clubs who have worked hard to achieve their goals. Submissions are part of a democratic process and Council respects the opinions of all individuals.</p>
17		Is there a business case and risk assessment?	Noted. Council's finance property sections have reviewed the proposal and are confident with the proposal.
		The primary users of Avalon Beach are the surfers, swimmers, board riders and walkers.	Noted. People go to the beach for various reasons not necessarily to swim, surf, walk, sunbake etc. The restaurant will provide equitable access to the beach for everyone. Dining and advent of cafes in surf clubs has become part of Sydney's beach culture - not only on the Peninsula but Australia wide.

	Name	Comment	Council Response
18		The restaurant replaces a much needed community room e.g. Avalon Computer Pals use Newport Community Centre.	Noted. The community rooms provide well-designed purpose-built spaces of a similar standard to the Recreation Centres at Newport and Avalon. The proposed community room is 2.5 times larger than the community room in the existing building. The club lounge area is twice the size of the existing. It will also be available for hire at the Club's discretion. The arrangement is very flexible - rooms can be used singularly, concurrently or combined for a large function. If the restaurant was included as part of the community rooms area – i.e. almost the entire first floor, the space would be enormous. The building has been designed for equitable use of space for the benefit of the broader community.
19		Lack of disabled access.	Noted. The lease will ensure restaurant patrons will be able to access Club's amenity rooms on the first floor.
20		It is unclear where waste bins are located for Club, cafe (60seats) and restaurant (90 seats). What plans are there for the necessary exhaust systems?	Noted. See Item 9.
21		Restaurant shares public toilets so people will walk through the change rooms to access the toilets.	Noted. See Item 10.
22		Parking is already full in peak periods, inadequate access and exit.	Noted. Parking can be extended north of the skate park. The restaurant will also operate out of peak demand times when demand on parking is low.
23		The Avalon CBD contains empty shops, Golf Club and RSL outdoor areas are not financially viable. Currently when people visit Avalon Beach they usually also walk over into Avalon Village - the restaurant and café will surely limit the numbers of people interested in walking over to the village. Local people would prefer protection of the amenity of our beach.	Noted. Staff met with representatives of the Chamber of Commerce during the preparation of the draft PoM. The Chamber supports the project in principle. Council does not believe the proposed café or restaurant will have significant detrimental impact on business in Avalon Village. If anything, they will add to the critical mass of these facilities further enhancing the precinct as a whole.
24	Resident	Objection to restaurant. Community space should be a priority over another restaurant. Increased population, current overbookings of community facilities in Avalon - people have to go to Newport. Vandalism. Community space is for everyone, restaurant is for those who can afford it. Economic and environmental viability of another restaurant in Avalon. Avalon already has restaurants and cafes and in winter the place is very quiet. Parking is not adequate. Upgrades to playground and picnic area will increase parking. Consider other means to obtain funding e.g. hire versus restaurant income, public donations. This sets an unwelcome precedent to advance the idea that every public building has to pay for its maintenance.	Noted. See Items 16 to 23.

	Name	Comment	Council Response
25	Resident	Objection to restaurant. 1. If the restaurant is necessary to redevelop the building, a business case and risk assessment should be done. 2. The SLSC is a tenant in community building - Council (rate payers) should fund development. 2. Object to replacement of community room with restaurant. Limited rooms to book in Avalon. Issues with waste bin locations, exhaust systems, impact on the amenity of our beach. Restaurant will use public toilets and people will walk through change rooms to reach toilets. Lack of access for disabled people. Limited parking capacity - on weekends and holidays parking is already full. Avalon CBD is suffering (golf club and RSL experiencing difficulties). Investigate financial viability of restaurant.	Noted. See Items 16 to 23.
26	Resident	Objection to restaurant. Congestion from parking, suppliers trucks, garbage removal. The beach should be for beach goers, the pool and surrounds are enjoyed because of their cleanliness the restaurant will change this. Many businesses are struggling and failing. Avalon cafe's and restaurants do not need more competition	Noted. See Items 16 to 23.
27	Resident	Objection to restaurant. Oppose removal of community room with restaurant. Village cafes will loose patrons. Surf club and surrounding area will loose its ambience. Lack of parking, noise, smells, inadequate bathroom facilities.	Noted. See Items 16 to 23.
28	Resident	Objection to restaurant. Having leased the tearooms at Vaucluse House, I have some insight into the volume of deliveries to support a 90 seat restaurant and the large number of parking spaces needed for regular daily customers, amount of garbage to store and remove by large garbage trucks. Agree that the current building needs renovation. The surf club as a tenant in a community building must renovate responsibly and not use the excuse that the restaurant takes the place of a much needed community rooms.	Noted See Items 16 - 23 above.
29		This amendment changes the buildings intended use - as a place for the community to gather, as well as the surf club, swimmers, surfers, etc.	Noted. The bulk of the building remains committed to community and club uses.

	Name	Comment	Council Response
30	Resident	Objection to restaurant and cafe. Avalon already has cafes. Avalon could truly be unique in being the only beach in the area to NOT have a cafe. The Pittwater Life January 2013 issue page 10, stated " <i>The Council held a community meeting to assess support for the proposal with a majority in support</i> ". I attended that meeting - no vote was taken and people objected to proposal. Objection to the proposal to extend the bitumen road and parking along the yellow brick road - prefer informal bush track and parking. Avalon businesses are already struggling with many shops closing down. At present many beachgoers get their coffee and food at the Avalon shops and take it to the beach. Local businesses will lose a lot of this trade if there is a cafe and restaurant at the beach.	Noted. See Items 16 - 23 above. (Council is not responsible for Pittwater Life's recount of the meeting). See Items 16-23 above.
30	Resident	Objection to restaurant and cafe. Avalon already has cafes. Avalon could truly be unique in being the only beach in the area to NOT have a cafe. The Pittwater Life January 2013 issue page 10, stated " <i>The Council held a community meeting to assess support for the proposal with a majority in support</i> ". I attended that meeting - no vote was taken and people objected to proposal. Objection to the proposal to extend the bitumen road and parking along the yellow brick road - prefer informal bush track and parking. Avalon businesses are already struggling with many shops closing down. At present many beachgoers get their coffee and food at the Avalon shops and take it to the beach. Local businesses will lose a lot of this trade if there is a cafe and restaurant at the beach.	Noted. See Items 16 - 23 above. (Council is not responsible for Pittwater Life's recount of the meeting). See Items 16-23 above.
31		The club building is expensive, yet no tender process to consider alternative designs or demolish the current building. Suggest return the site to the dunes and build an innovative new building on the southern slope looking north along the beach.	Noted. The building has been approved through a DA process. Prior to this the concept plans for the building were exhibited publically as part of the previous PoM process of 2007. All residents had the opportunity to raise issues with the building then.
32		The proposed landscaping at the beach is unnecessary - prefer informal and no concrete.	Amendment. The top of the terraces will be turf instead of sandstone to provide a more natural aesthetic.
33		What happened to the proposed space to accommodate NASA? There is nothing mentioned in the current proposal.	Noted. The community space previously proposed in the current plan is to be used as a restaurant NASA can hire floor space within the proposed SLSC for its activities.

	Name	Comment	Council Response
34	Resident	Objection to restaurant replacing community room. The restaurant detracts from the amenity of the area. Lack of community rooms in the area e.g. Avalon Computer Pals book a room at Newport Community centre. Also, no waste bin area on concept plan, object to people walking through change rooms to get to the toilets. Parking already at full capacity. Surf club restaurants do not make money. Avalon CBD is suffering - people visiting the beach now walk to the village which benefits the shops. If the restaurant fails, it is rate-payer's money. The restaurant is not necessary for the redevelopment of the building to go ahead. Has a business case and risk assessment been done?. The club members think the refurbishment is contingent on the restaurant. This is of grave concern. The surf club is a tenant in a community building, therefore Council (rate payers) must fund the refurbishment.	Noted. See Items 16 to 23.
35		Due to sea level rise the beach will have eroded and flooded into the surf building by 2099. Ref: 2012 report of International Panel on Climate Change re Sea Level Rise.	Noted. The design of the new SLSC has taken into account any issues associated with Climate change through piercing the building so the Club retains its functionality and position on the frontal dune.
36		The proposal is not in keeping with AJ Small's vision for Avalon - retain iconic clubhouse. If this goes ahead I will ask for rate rebate.	Noted. AJ Small built the original building, the current building dates from the 1960s and is not iconic. The proposed building retains the footprint of the 1960s building.
37	Resident	Oppose unnecessary upgrade to clubhouse - toilets showers, change rooms.	Noted. See Items 16 to 23.
38		Oppose size of building, restaurant and café. Avalon Village has enough restaurants and cafés. The project would take away from business at the village.	Noted. See Item
39		Opposed to landscaping, strip seating on the grassy slope - please retain natural slope to sit and enjoy the view. No more ugly black bitumen carpark. Avalon beach will look the same as other Sydney suburban beaches.	Noted. See Item 32.
40	Resident	Objection to restaurant. Object to SLSC placing pressure on members - unfair lobbying over individuals. Planning should focus on protecting the natural environment and its amenity, not exploiting the site for funding potential. Concern community space for yoga etc. will remain affordable Object that beach environment will become another venue for the consumption of food and alcohol. Diners already catered for at Avalon Village - object to cooking smells, smokers leaving butts on the ground. Impact of development imposing and intrusive - bins, noise, inadequate parking, dangerous exit and entry, impact on beach amenity. The charm of Avalon Beach is much loved by local community -relaxing unspoilt quality. Avalon beach does not have the space for this - it is overdevelopment.	Noted. See Items 16 to 23.

	Name	Comment	Council Response
41		Who will be responsible for incidences - Council or operator.	Noted. SLSC and operators of café and restaurant will be required to hold public liability insurance.
42	Resident	Objection to restaurant. We need at least two shower cubicles each of the men and women. The change rooms and shower facilities must not be in an enclosed area as at Bilgola Beach. It is too dark and moist. It must be "in the open " so we can see the sky and the sun can dry the tiles on the floor which obviously get wet . I agree with replacing the existing shower cubicles at Avalon ' Women's change rooms are grotty and need to be redone.	Noted. See Items 16 to 23.
43		Objection to landscaping - seating area with sandstone or concrete set into landscape	Noted. See Item 32.
44		The whole letter from Bob Liddlelow in today's Manly Daily is spot on. I agree with everything he wrote. I really think the Council does not know what to do with our money yet, in my street - Palmgrove Road, there is no footpath. We have to walk on the road which is terribly dangerous . Too much money from our rates goes into paying for "staff" who work to change things but we do not want these changes.	Noted. See Items 16 to 23 and 32.
45	Resident	Support building upgrade but oppose restaurant. Impact on dunes due to more parking, sewerage and waste water disposal, increasing pollution from smokers outside restaurant. Disturb the ambience of the beach - due to commercialisation like Bondi. Oppose the privatisation of public assets. Club facilities are currently affordable for families. The restaurant and cafe will have a negative impact on Avalon businesses due to their superior location, resulting in more empty shops and therefore reduce local employment in the village.	Noted. See Items 16-23.
46		Risk - there is no guarantee that the operator will sustain a successful business when the golf club and RSL are struggling.	Noted. There are many instances of successful cafes along the beach such as Dunes and Bilgola Café.
47		OH&S - what responsibility will be taken for inebriated patrons leaving the restaurant at night.	Noted. Any operator will need to adhere to the Responsible Service of Alcohol laws as legislated.
48		Funding options: create trust fund to enable individual donations. Direct funds from ocean swims, run a lottery - first prize refurbishment named after the winner, create an honour wall acknowledging donors.	Noted. The SLSC have bas raised funds through various programs similar to these and the Club will continue to do this.

	Name	Comment	Council Response
49	Resident	2.4.3 Strategic Action in the NSW Coastal Policy 1970 refers to detailed design and location principles of which the most relevant is "only developments which do not compromise the natural and cultural values of the area will be permitted on beaches and frontal dunes". 2.4.4 OEH considers that where possible and practical, those activities not directly related to life saving services should be located away from areas associated with immediate threat from coastal hazards, particularly foredunes. I inspected the existing building with Les Munn and John Berry and believe 1.3m will be ample funding to renovate the existing building.	Noted. See Item 35.
50		This resident interviewed five cafe owners at Avalon who opposed the restaurant.	Noted. See Item 23.
51		This resident also communicated with the Avalon Chamber of Commerce, who approved the restaurant in principle - to grow the pie. My concern is more focused on priority - would the funding more effectively channelled towards enhancing Avalon precinct rather than just one community asset albeit an important one.	Noted. Council has a number of programs to review the Avalon commercial precinct and the beach precinct.
52	Resident	Object to the commercialisation of Avalon Beach, treasured for its natural beauty. Parking inadequate if the restaurant opens at lunchtime. If the restaurant fails - e.g. golf club ratepayers will have to fund the shortfall. Funds should come from somewhere else. Toilet facilities are inadequate for patrons and staff. There is a need for a cafe but the restaurant is on overkill.	Noted. See Items 16 to 23.
53	Resident	Objection to restaurant. It will change the character of the beach. Licensing of public facility should be fully aired and debated by the local community - each Councillor should raise the issue with their Ward for consensus - not just pushed on to us by economic rationalist type Council staff and members of surf club committees. This will set precedence for similar development. I don't think the local community can support another restaurant for 90 people. Avalon golf club has closed. They need accommodations such as Jonahs and Barrenjoey House. Who has done figures on this one. Avalon village is busy cafe orientated community - put a gourmet coffee shop upstairs with the view and a community room next to it and keep the kiosk below. Not confident of outcome given need to keep cost down, what about quality, transparency rising costs.	Noted. Items 16 to 23 and Item 47.

SOUTH AVALON BEACH PRECINCT - LANDSCAPING

	Name	Comment	Council Response
54	Resident	Oppose formalised landscaping and footpaths at the Reserve - retain casual and informal atmosphere. Children practise soccer skills, families' picnic on the grass and many enjoy their daily walk throughout the open space. Council has a poor record of maintaining the improvements they make. The trees planted along the canal are growing well. Let's leave it at that.	Noted. See Item 32.
55	Resident	A second submission was received from one resident (reference no. 16) on behalf of an (unnamed) elderly resident living in Avalon Parade East overlooking reserve. This elderly resident objects to the proposed landscaping of the grassy hill due to lack of access. The elaborate and expensive plans for this area are unnecessary and at odds with the casual atmosphere of Avalon Beach. Prefer more shade trees.	Noted. See Item 32
56	Resident	Ensure beachfront south of the SLSC building is natural, not artificial landscape appearance. Objection of new fences such as those that replaced the charming informal fence at Clareville Beach.	Noted. See Item 32

SUPPORT FOR THE POM AND RESTAURANT

	Name	Comment	Council Response
	Resident	Support plan due to improvements for the benefit of all. The new club house will become closely integrated with the Avalon retail precinct to benefit for all. The proposed clubhouse, in such a commanding position begs to be better used and the café and restaurant will provide comfortable place. Congratulations to the surf club for their voluntary commitment - a grand plan for the future.	Noted.
	Resident	General support for POM, but, beach access track at the western end of the carpark has a kink - presumably to reduce the wind driven sand. Prefer eliminate the western track altogether and rely solely on the eastern track which does not have the wind driven sand problem. This is not a high pedestrian traffic area so one track eastern and widened would be sufficient.	Noted. This probably refers to north Avalon, where the dune and access tracks will be remediated.
	Resident	Local resident and owner of two businesses in Avalon. Support the restaurant and building. Long overdue for renewal. The Avalon commercial precinct has suffered due to the economic downturn of retail and hospitality and is slowly making a comeback. I and many other local business owners believe a restaurant in high quality setting will increase public awareness and interest in the area and assist in the eventual return of local business confidence.	Noted.
	51 Residents	Active member ABSLSC. Support restaurant - to enhance the area and provide destination, support village and community.	Noted.
	Resident	Support for building upgrade. Café and restaurant will make our beach preferred destination and address some of the vandalism issues.	Noted.
	Resident	Active member of ABSLSC. Support restaurant clubhouse and public toilet. Destination for visitors and support village and community. Most SLSC have retail outlet café now - reasonable for Avalon Beach to have also.	Noted.
	Resident	Support restaurant and planned renovation to the club building. Enhance the area and provide destination for visitors and support village and community.	Noted
	Resident	Active member of the Club - support for building renovation and restaurant and café. Destination for visitors and support village and community.	Noted.

	Name	Comment	Council Response
	Resident	Active member ABSLSC. Support the PoM - including restaurant and cafe. But the PoM needs a vision / overarching set of objectives and a table indicating how the POM complies with the LG Act. Other issues - Safety in Design measures, sustainability, signage, restaurant interiors.	Noted. The Avalon Beach PoM forms a chapter in the Pittwater Ocean Beaches POM. This generic document provides the legislative requirements. Safety measures include retaining sight-lines, new lighting and the restaurant will enliven the precinct in the evenings, signage for the restaurant will be approved under the lease, the restaurant décor will be the responsibility of the operator.
	Resident	Oppose formalised landscaping and footpaths at the Reserve - retain casual and informal atmosphere. Children practise soccer skills, families' picnic on the grass and many enjoy their daily walk throughout the open space. Council has a poor record of maintaining the improvements they make. The trees planted along the canal are growing well. Let's leave it at that.	Noted. Refer to Item 32.
	Resident	Oppose restaurant - parking will be a problem, particularly weekends. If the restaurant does not succeed the ratepayers will be left with a large bill. Avalon does not need another restaurant when others are struggling - e.g. golf club, bowling club and RSL restaurants. Too much risk to be viable.	Noted.
	Resident	Active member of SLSC. Support restaurant and renovations. Provide choices without hurting other businesses ,benefit to the village and tie the building in with the community.	Noted
	Resident	Support SLSC remodel, restaurant, enhance area providing a meeting place, support visitors, bring support for village and community.	Noted.
	Resident	Active member ABSLSC. As above.	Noted.
	Resident	Active member ABSLSC. Support restaurant, additional use, security due to more activity and income to assist with costs. Encourage additional parking. Stage 1 of the parking area has reduced spaces due to tidying, yet restaurant will require more spaces. Rates should be spent on high use areas where they provide the most value.	Noted
	Resident	As above (and without financial support, we would not be able to go ahead with the project)	Noted.
	Resident	Patrol member and parent of two junior members of club. Surf club meeting place for friends - community. As above. Plus - evening use lighting will bring more people into dark area of Avalon using it to its full potential and making area safer.	Noted.

	Name	Comment	Council Response
	Resident	Member Club 25 years over this time seen deterioration of clubhouse and associated amenities. During this time the clubhouse is used by more non club members for community purposes. Junior activities have increased. Support restaurant.	Noted
	Resident	Member of ABSLSC. Support POM and restaurant. This type of facility is used in Qld and other places for mutual benefit of community and tourist and locals. Enhance the area - new focal point additional support for village and community. Extended presence mitigates vandalism.	Noted.
	Resident	Support new building. Wonderful location, fabulous restaurant to serve the community and visitors. I'd like to see the new building within keeping of beach and its environs.	Noted.
	Resident	Support for SLSCB and restaurant. Opposed to landscaping - detrimental to causal feel of the area. Initial expense and ongoing maintenance costs.	Noted
	Resident	Member of ASLSC. Support proposal. New design and restaurant is something my community and I will really enjoy and the village richer for it.	Noted.
	Resident	Life member ABSLSC - support restaurant. I was on the Committee when existing building was erected. We regret not including a café or restaurant then, because over the past 50 years, visitors and others have commented on the ideal site for a relaxed meal without returning to the village. The additional parking will assist locals and visitors. With the proposed amenities, it will benefit the village and community and public.	Noted.
	President ABSLSC	Support for Avalon Beach Precinct - landscaped area - seating, shelter entry statement welcoming travellers to Avalon, continuation of the carpark, sand dune maintenance, commercialising of southern end of the club building for restaurant. Support proposal to raise loan to provide funding through lease of restaurant. Restaurant and cafe will enhance the area providing a destination for people visiting Avalon and bring support to the village and community.	Noted
	Resident	Member ASLSC. Support development and restaurant. Wonderful asset both commercially and socially.	Noted.
	Resident	My sister and I are active members of ABSLSC . Support the proposal and restaurant. This will provide a place t meet and enjoy ourselves with other young adults. Plus additional support for the Avalon village and community.	Noted.

	Name	Comment	Council Response
	Resident	Active member ABSLSC. Support restaurant and renovated facility. Restaurant will provide first class dining venue overlooking the beach - rare in Sydney and Northern Beaches. Activate and enliven the club and precinct at night this will increase safety through surveillance of land and water. Currently dark and neglected at night. Improved access, Provide catering for events and functions into the area. Enhanced recruitment for surf club. Drawcard for visitors to Avalon by supporting village and community. Support lease to fund the proposal and ongoing funds.	Noted
	Resident	Support for new clubhouse. Congratulations to all involved - club and architects. Successful models are Bathers Pavilion at Balmoral, Dunes and the Boathouse at Palm Beach - why not Avalon too. We would love to see sandstone cladding to match the Avalon Beach and sand colour. Hopefully the design has taken into consideration high tides, storms etc. Avalonians want our long-awaited new surf club building to take its rightful place and the proud, beautiful centrepiece of our village and beach for generations to come.	Noted.
	Resident	As above. (Also, the proposed restaurant should compliment the existing mix of restaurants available).	Noted
	Resident	As above. (Also, without this proposal we will be left with poor facilities and a reduced capacity to provide adequate rescue services. The whole community will benefit).	Noted
	Resident	As above. As above (Also, we would like somewhere to sit and order food and coffee while overlooking our beautiful beach - this will benefit visitors and benefit the Avalon community).	Noted.
	Resident	As above (also, ASLSC is central to our sense of belonging and contributing to the community).	Noted.
	Resident	As above. (Also, the whole public space in that area feels unfinished. Support for landscaping, based on works done to date sealing carpark).	Noted.
	Resident	As above. (Also, we desperately need enhancements to the beach, parkland and surf club).	Noted.
LATE SUBMISSIONS			
	Name	Comment	Council Response

	Resident	Support the restaurant and renovated club facility. This is an excellent idea to support the village to bring more visitors to the area.	Noted.
	Resident	As above	Noted.
	Architect - Tony Edge & Associates	Support the project - model of sustainability and demonstrate best practice in sustainable design. Prefer all initiatives are built into the project from the beginning, rather than being added late - Photovoltaic panels on the roof to provide 100% renewable electricity; solar hot water system, hydraulic (water based) space heating system to run off Solar Hot Water System, Non-toxic paints and finishes to be used throughout the building, 100% water storage capacity in underground tanks, bicycle storage facilities, grey water recycling through reeds for re-use on gardens and turfed areas, minimised waste policy with receptacles compliant with recycling management policy. These elements will save money and resources over the life of the building.	Amendment – The solar panels and water tank will be installed during construction stage, not at a later date.
	Resident	Support the PoM. Would rather see the space for the restaurant used as a community room. But can accept this is the best way to fund the project. Request 1. Restaurant is affordable for local families, 2. Funds from the lease remain segregated from Council's consolidated revenue. 3. Once the loan is paid out, the funds are used to maintain south Avalon Beach precinct. Request the landscaping is kept to a minimum - not large scale, but natural.	Noted.
	Resident	Support the café, but oppose the restaurant due to parking congestion. If parking is increased in the direction of the Yellow Brick Road, it will become a haven for skateboard use. Already skateboarding happens in the northern half of the current parking area. Object to decrease in the public change rooms / toilet areas.	Noted.
	Resident	Support PoM	Noted.
	Resident	Support PoM	Noted.
	Name	Comment	Council Response

	Avalon Beach Dunecare Group	Request Bush Regeneration Works Program be prepared and implemented for the dune and adjoining reserves (not addressed in the draft POM).	Noted. A works program will be developed.
		Request for more secure fencing of dunes (rather than the single strands of wire at wide spacing). Sign-posting of pathways through the dunes prior to action being taken.	Noted. Fencing will be reviewed and renewed as appropriate.
		Camp sites and clearings - to be addressed and revegetated immediately and the activities controlled through education, regulation and enforcement.	Noted. This is ongoing.
		The area monitored during Council's kerbside cleanups.	Noted. Council will review as required.
		Northern end of the beach - return wind blown sand to the active beach zone and stabilise the blow-out sites / arrest further erosion before re-fencing.	Noted. Reserves and Recreation Unit is currently making applications to the Coastal Grant Funding Program for dune management and specifically dune fencing and will target fencing as a priority of work in the Avalon beach precinct.
		Object to the restaurant as a commercial venture within a community facility. No business plan has been developed to enable the community to determine the cost/benefit of the proposal and its ability to repay the loan.	Noted. See Items 16 – 23.
		Landscaping south Avalon - is not in keeping with the natural landscaping of the area. Remove weeds from this area - potential to infest the dunes. Oppose low dune near the SLSC building.	Amendment. The top of the sandstone seating will be turf not hard material. Note. Landscaping is required to control erosion of the bank.
		Southern carpark and access road - objections to recent works - differs and less sensitively designed to original concept sketch. Turning circle conflict with skate bowl and too small - vehicles need to make three-point turn. Excavation near dune, vehicles parking off the end of the circle blocking turning traffic.	Noted. Encroachment into the dunes will primarily be managed through management practices and erection of fencing - see comment above.
		Object to proposed viewing deck. Avalon beach and environs have been neglected, poorly planned and lack an integrated maintenance - the POM has completely overlooked these issues.	Noted. The viewing deck will be timber and small sized in response to submissions. Council only has the ability to monitor the dunes on a periodic basis and remove rubbish as reported.

	Name	Comment	Council Response
		Request the wind blown sand be returned to the active beach some and stabilised in the blow-out site before re-fencing and treated with a view to arresting further erosion as a matter of urgency.	Noted. Reserves and Recreation Unit has prepared a detailed works plan for north Avalon beach dune indicating remediation of the dune fencing of the remodelled dune, installation of wind fences and reorientation of the access track onto the beach. The plan also includes details of revegetation and treatment of carpark edge to accommodate local surfers. The plan will form a submission to the state Government coastal grant program for joint funding on the project. A stakeholder meeting was held with local surfers, residents and Dunecare representatives in relation to these works.
		Object to the restaurant as a commercial venture within a community facility. No business plan has been developed to enable the community to determine the cost/benefit of the proposal and its ability to repay the loan.	Noted. Refer to Items 16 to 23.
		Landscaping south Avalon - is not in keeping with the low key landscaping of the area. Remove weeds from this area - potential to infest the dunes. Oppose low dune near the SLSC building.	Noted. See Item 32. Weeds are managed as part of Council's ongoing maintenance program.
		Southern carpark and access road - objections to recent works - differs and less sensitively designed to original concept sketch. Turning circle conflict with skate bowl and too small - vehicles need to make three-point turn. Excavation near dune, vehicles parking off the end of the circle blocking turning traffic.	Noted. The carpark was generally built in accordance with the concept plan. Minor changes to the layout have been required to accommodate both the allocated budget and specific on-ground works.
		Object to proposed viewing deck. Avalon beach and environs have been neglected, poorly planned and lack an integrated maintenance - the POM has completely overlooked these issues.	Noted. The north Avalon beach carpark is a major access point and gathering point for local residents, surfers and NASA representatives. Council will need to consider the requirements of all parties without compromising the dune itself.
	Northern Beaches Branch, Surfrider Foundation of Australia	Object to restaurant. Our SLSC are not like Qld restaurant and bar developments is not a mistake but respect for the lifesaving clubs. Clubs hold a privileged position in our community. Object to the use of concrete on a beachfront. Concerned about the precedent this will set. Beaches are sacrosanct places free from commercial clutter.	Noted. See Items 16 to 23.
	Resident	I live in North Avalon and have difficulty walking, almost every day I drive to the carpark at North Avalon to look at the beach from my car. This gives me enormous pleasure - please ensure planting is low to not obstruct views from the carpark and provide allow fence to retain views over the beach. Object to viewing platform due to overdevelopment.	Noted.
		Support for the restaurant.	

	Name	Comment	Council Response
	Resident	Object to new building - overdevelopment. Object to commercialisation of private space. Prefer smaller scale development that blends into the scale of Avalon - cheaper and eliminate the need to fund restaurant.	Noted. Refer to Items 16 to 23.
	Resident	Congratulations on a great concept for Avalon Beach. It will be a great improvement for everyone who uses the area.	Noted.
		Please extend the shared path on the eastern side of Barrenjoey Road around the corner and into Surfside Crescent, to merge safely with options into the road and the park - cyclists and pedestrians can then easily access the existing path from the top southern end of Surfside Cres to Barrenjoey Road. (Albeit steep better than on being on main road heading south from Surfside Cres toward The Serpentine esp. around the left hand bend with no shoulder and no path.	Noted. Council will review at detailed design stage.
	Resident	Support rebuild of ASLC building but question funding options:	Noted. See Item 31.
		Toilets and change rooms - insufficient amenities on level 1 of building - suggest unisex toilet and disabled toilet within the restaurant area by increasing the footprint of the restaurant. No air lock / privacy or weather shield for disabled toilet, issue with toilets and change rooms being combined.	Noted. The lease to the restaurant will ensure patrons have access to Club amenities on the first floor.
		The risk management plan ignores the commercial availability of the project and its impact on Avalon Village. Concern further pressure on local businesses, no commercial market or surveyed evidence to support benefits. Request for a Strategic Commercial Development Plan specifying how to grow the total market pie - mix of businesses to ensure sustainable growth for Avalon Village. This needs to be addressed in the immediate future.	Noted. Council held discussions with representatives with the Chamber. Council does not believe the proposed café or rest will have significant detrimental impact on business in Avalon village. If anything it is likely to have a positive impact on Avalon village.
		Financial structure for funding the development - provide a publicly available business plan with risk analysis covering the above income sources, those that are guaranteed, the types of risks attached to each source of funds, and Council's/ SLSC proposed actions to redeem the risks. That Council obtain proof of funding before any award of the Council run tender. This should be published in the POM under its Risk Management Plan. POM to include risk analysis to identify the degree of Council's exposure and to explore possible alternative funding models.	<p>Noted. Information on the funding was provided in a separate report to Council on 3 December 2012.</p> <p>A POM is not an appropriate document for this level of information. A separate process has been undertaken by Council. The POM will authorise the restaurant in principle, but subject to other processes including tenders and DA. All concerns will be addressed through the DA Process. The s. 96 will be an internal procedure based on the POM.</p>

C12.3 Feral Rabbits in the Pittwater LGA

Meeting: Planning an Integrated Built Environment Committee

Date: 18 February 2013

STRATEGY: Biodiversity
Recreational Management

ACTION: To maintain abundance and diversity of Pittwater's native plant and animal species.

To manage and maintain recreational facilities to best practice standards in a cost effective and sustainable manner.

PURPOSE OF REPORT

This report details the current issues associated with the management of feral rabbit populations in the Pittwater LGA. It highlights the complexity of feral animal management, legislative issues and summarises a forum of relevant stakeholders held by Pittwater Council on 29 February 2012.

1.0 BACKGROUND

1.1 Introduction

The European rabbit (*Oryctolagus cuniculus*) was deliberately released on the Australian mainland in the mid to late 1800s, and is now widely distributed over a large part of Australia. Eradication of rabbits on the mainland is thought to be unachievable with 'long-term suppression' the stated goal by relevant Government Agencies.

Rabbits, along with foxes and cats, are considered to be Australia's most serious vertebrate pests. Rabbits are the country's most abundant small mammal (with the possible exception of the introduced house mouse) and affect native flora and fauna, landscaping, geomorphic processes and primary industries.

Rabbits prefer sandy soils for digging their warrens and generally avoid clay soils that are subject to bogging. This means coastal areas are ideal for rabbits including floodplains, beaches, parks, sporting grounds and residential gardens. The use of irrigation on fields and well kept residential lawns, supplies them with year round feed, allowing numbers to be maintained and readily increase.

1.2 Rabbit induced problems

Pittwater Council receives constant complaints regarding rabbits and the impacts they are having on residents. Issues frequently raised by residents include:

- damage to gardens and foundations of buildings through soil erosion.
- public safety issues relating to members of the public falling through warrens and burrows e.g. in school grounds and sporting fields.
- damage caused by rabbits to native vegetation and negative effects on wildlife.
- concerns from owners and breeders of pet rabbits about the release of rabbit *Calicivirus*. This occurs despite concerted efforts to widely publicise the need for vaccination of pet rabbits.

Competition and land degradation by feral rabbits is listed as a Key Threatening Process under the *Environment Protection Biodiversity & Conservation Act 1999* and the *NSW Threatened Species Act 1995*. These threats include:

- reducing the regeneration of native plants, by grazing and ringbarking of saplings.
- competing with native animals for food and shelter.
- soil erosion caused by overgrazing, damaging historic and cultural sites.
- providing food for other pest animals, such as wild dogs, foxes and feral cats.

There are significant costs to Council from rabbits in both the control of wild rabbit density and impacts on landscaping and bush restoration works. These costs include:

- integrated rabbit control on larger Council reserves is budgeted at \$40,000 this year;
- provision of traps to residents costs approximately \$5,000 annum;
- the provision of plant protection and replacement plantings or the relaying of grass in areas heavily grazed by rabbits in landscaping or restoration works can add up to 20% to these project costs;
- many landscaping areas, particularly sports fields, and some building have issues associated with soil erosion from overgrazing or warren construction. These costs have not been estimated to date.

1.3 Current Control Program

Council has commenced an integrated pest management strategy where a number of control methods are being used. Control methods include:

- baiting with Pindone poison - Council employs contractors to undertake two rabbit baiting programs per year. In the last eight (8) years the number of sites included in the control program has increased at least five fold
- release of Rabbit *Calicivirus* virus - this has occurred several times over the last few years, but is subject to resistance in the wild rabbit population
- destruction/fumigation of warrens where found on public land, and
- shooting with 10 locations being targeted in the current financial year.

Pittwater Council works with other agencies and landholders (e.g. Crown Lands) to encourage control on their lands in conjunction with Council's program. Council is also a member of the Urban Feral Animal Action Group (UFAAG). This group is made up of 12 Sydney Councils, the National Parks & Wildlife Service and the Cumberland Livestock Health and Pest Authority and meets several times per year. This group provides Council with accurate and up-to-date reports on rabbit control and other pest management information and programs.

Pittwater Council also provides assistance to residents through:

- education and advice on possible methods
- council provides traps to residents to capture rabbits on private properties which are then humanely euthanased by vets through an agreement with Council
- coordination with landholders on larger properties to implement coordinated control programs.

However, there are significant concerns from residents regarding Councils control program. Most of these concerns centre around the following:

- concerns over animal welfare issues for abandoned pet rabbits
- fear of accidental poisoning of children, domestic pets during Council baiting events
- concerns regarding animal cruelty by the use of Pindone poison and Rabbit *Calicivirus*
- concerns regarding losses to native wildlife and domestic animals from poisoning through baiting programs.

Council is currently working with the Cumberland Livestock Health and Pest Authority with an aim to releasing the *Calicivirus* in late March 2013 subject to appropriate weather. This entails an education campaign to allow time for owners of rabbits to inoculate their pet rabbits prior to the release. Whilst past releases of *Calicivirus* have had variable success, recent monitoring has shown that the Northern Beaches rabbit population currently has a low resilience and that reintroduction of the virus may have an immediate impact. A community education program is being undertaken to notify owners of pet rabbits that they need to vaccinated against the *Calicivirus*, this is obviously much more difficult due to there being no record of rabbit ownership.

2.0 ISSUES

Myxomatosis and Rabbit *Calicivirus* are two biological control agents that have spread through many parts of Australia, dramatically reducing (European) wild rabbit populations for many years. However, the wild rabbit has developed resistance to strains of both these diseases dramatically reducing their impact and leading to a significant increase in rabbit numbers. Whilst *Calicivirus* is being reintroduced, the long-term success is currently unknown.

Resistance to biological control has significantly increased numbers in Pittwater over the last decade and reduced the ability to control rabbit numbers particularly in urban areas with a mix of public and private land. Whilst Pittwater Council control programs may be effective in the short-term in a particular location, in the long-term recruitment of wild rabbits occurs from areas with no control, particularly private property, and/or pet rabbits are released or escape in to treated reserves.

2.1 Legislative Issues

In NSW a “wild” rabbit is defined in the *Rural Lands Protection Act 1998* as one that is of the species European Rabbit (*Oryctolagus cuniculus*) that is wild or has become wild. Alternatively, it is a rabbit that is of an appearance which is consistent with the appearance of the wild European type of rabbit.

Competition and grazing by the feral European rabbit is listed as a Key Threatening Process under the *NSW Threatened Species Act 1995* in NSW and Commonwealth *Environmental Protection and Biodiversity Conservation Act 1998*. A Threat Abatement Plan has also been prepared (2008).

The keeping and sale of wild rabbits is prohibited in NSW and some other states. In NSW, the sale and keeping of domestic rabbit breeds is not encompassed by legislation, they are not included in either the *Companion Animals Act 1998*, or the *Rural Lands Protection Act 1998*.

Feral rabbit control on private lands in NSW is the responsibility of the land owner whilst the managing public authority has responsibility for control on public lands (*Rural Lands Protection Act 1998*, NSW). Under the Act wild rabbits must be continually eradicated and suppressed. However, in the vast majority of cases private land owners are either unaware of the issue or reluctant to take action.

2.2 Sale and Keeping of Domestic Rabbits

In NSW domestic rabbits of various breeds may be procured from three sources: pet shops, breeding farms and animal shelters. Domestic rabbits find their way into the surrounding environment by means of escape, being dumped or by mating with wild rabbits that are able to access them. Currently there is no way of knowing where released rabbits are from and no penalty for releasing pet rabbits.

While the introduction of controls on the sale of domestic rabbits may not have a significant impact on the overall population of rabbits in Australia, it would be of benefit in reducing the impact of rabbits at a local scale, particularly in urban settings where effective control has been achieved.

There is currently no restriction on the number of rabbits that may be kept per domestic household. The keeping of more than two domestic-type rabbits was made legal in New South Wales in October 1995 which opened the way for commercial rabbit farming in NSW.

As of September 2001, a licence is no longer required to keep domestic rabbits in NSW. Rabbits may be sold in pet shops as soon as independent. This is normally around 6 weeks of age, rabbits reach sexual maturity between 4 and 6 months of age and it is during this timeframe that de-sexing is recommended. However, de-sexing costs approximately \$150 per animal, is not required by law when purchasing a rabbit, and is unlikely to be undertaken by owners.

Rabbits that are not de-sexed are sold cheaply at animal shelters, one such animal shelter in Pittwater provides information to the purchaser regarding de-sexing and insists purchasers sign a form promising to de-sex the rabbit. De-sexing discount vouchers of up to \$100 are only offered to customers purchasing both a male and female rabbit. Animal shelters typically operate on donations and do not have the funds to undertake de-sexing and vaccinations.

Over the years regulations have relaxed in relation to the keeping of domestic rabbits, in part due to pressure to allow commercialisation of rabbits for meat and pelts. Early scientific studies suggested that domestic rabbits are unlikely to establish colonies due to risk of predation (Stoddart & Myles 1964 cited in S.A Government 2005 Policy on rabbits in Australia) and proponents have argued that the keeping of domestic rabbits is unlikely to impact on the feral rabbit populations and their control. However, Council and pest control operators would assert that some domestic breeds are quite capable of joining feral rabbit populations.

2.3 Managing Urban Feral Rabbits

Many NSW coastal urban centres have relatively high rainfall with much pasture, open space and sandy soils likely to support year round rabbit populations. Rabbits are able to breed throughout the year in such areas, with the gestation period lasting just 31 days. Small numbers rapidly increase due to favourable conditions.

Some urban areas are difficult to treat by poisoning or shooting due to safety concerns for wildlife, domestic pets and humans. Road verges, bushland and public reserves may be inappropriate to treat by poisoning, shooting or trapping due to high visitation by people and domestic animals.

In populated areas it is difficult to coordinate control of rabbits due to the large numbers of private landholders. Domestic rabbits are being released, abandoned or have escaped into the wild in urban areas. Domestic rabbits are clearly surviving to interbreed with feral populations as evidenced by the variety of coloured wild rabbits seen during every control program from white or piebald to pure black. Some breeds have, however, been found dead following escape from residences.

Specific examples have been reported to Council of residents that have bought rabbits from pet shops with the sole intent of releasing them into the wild because they felt sorry for them (Avalon, May 2012). In February 2012, a warren was found leading from a public reserve to private property where domestic rabbit breeding is taking place. Residents have also been known to deliberately allow their domestic rabbits to range and graze in public lands (e.g. Bangalley Head).

As it is not possible to eradicate rabbits, it is recommended that control actions be prioritised according to:

- 1) degree of threat - such as injuries related to damaged sports fields, damage to built structures and impacts direct or indirect on threatened and locally significant flora and fauna.
- 2) feasibility of control & its likely effectiveness.
- 3) cost effectiveness and availability of funds.

Council baiting programs in the past two years have also been subject to sabotage by parties that do not agree with the use of pindone poison or the killing of rabbits. Warning signs have been vandalised and/or removed and poison furrows have been interfered with. The Environmental Protection Agency (EPA) has been contacted on more than one occasion and Council accused of not following legal guidelines during baiting programs. On all occasions EPA investigations, have found Council staff and contractors compliant in following all legislative requirements and taking specific actions that exceed required legal guidelines.

2.4 Urban Feral Animal Action Group - Sydney North Region

Pittwater Council is currently a participant in the Urban Feral Animal Action Group - Sydney North Region (UFAAG). The UFAAG aims to share information and raise awareness about management of urban feral animals. A Rabbit Management Plan is currently being prepared for implementation by 13 councils across Sydney's Northern Region and several State Government Land Managers. Whilst any control will be difficult this at least commits these organisations to manage rabbits to their best ability on a regional level.

2.5 Rabbit Forum hosted by Pittwater Council

In February 2012 Pittwater Council instigated and hosted a forum looking at the issues surrounding feral and domestic rabbits and some potential options that may assist in reducing numbers over time. The minutes of this meeting are provided at **Attachment 1**.

This forum was attended by the:

- Division of Local Government (DLG)
- Royal Society Prevention of Cruelty to Animals (RSPCA)
- Australian Veterinary Association (AVA)
- National Parks & Wildlife Service (NPWS)
- Dept. Primary Industries – Invasive Species Unit (DPI)
- Cumberland Livestock Health and Pest Authority (LH&PA)
- Pittwater Natural Heritage Association (PNHA), and
- Pittwater Council Staff.

The available options to effectively manage and control feral rabbits were extensively discussed; these options are shown in Table 1.

Table 1 – Options to manage feral rabbits.

OPTIONS	ADVANTAGES	DISADVANTAGES
1). Introduce prohibition of sale of domestic rabbits in NSW pet shops. Rabbits only to be bought from registered breeders.	<ul style="list-style-type: none"> • Stop impulse buying • Cost of breeding permit to contribute to compliance and administration costs • Public education regarding rabbits as pests not pets 	<ul style="list-style-type: none"> • Rabbits still available for sale from breeders (un-desexed). • Opposition from pet industry. • Animals still sold un-desexed and capable of being lost into environment to breed.
2). Introduce prohibition of sale or the keeping of domestic rabbits in NSW.	<ul style="list-style-type: none"> • Halt the loss of animals into the environment. 	<ul style="list-style-type: none"> • May promote illegal trade and backyard breeding (prevalent in QLD). • Difficult to monitor and enforce. • Opposition from pet industry.

OPTIONS	ADVANTAGES	DISADVANTAGES
3). Introduce prohibition of sale of domestic rabbits in NSW unless animal is desexed i.e. over 4 months old. De-sexing being the responsibility of Pet Shop or Breeder	<ul style="list-style-type: none"> Any animal lost into the environment would be unable to breed. Halt impulse buying. 	<ul style="list-style-type: none"> Compliance and enforcement burden Does not stop animals being released into the wild via escape or abandonment. Opposition from pet industry-increased costs, decreased sales.
4). Introduce prohibition of sale of domestic rabbits in NSW unless animal desexed and micro-chipped	<ul style="list-style-type: none"> Any animal lost into the environment would be unable to breed. Halt impulse buying. Owners take more responsibility with the ability to apply fines if domestic rabbits are found on public land. 	<ul style="list-style-type: none"> Opposition from pet industry. Compliance and enforcement burden. Administration costs. Cost of de-sexing and micro-chipping.
5). Do nothing – status quo	<ul style="list-style-type: none"> No increases in compliance & enforcement costs. No negative repercussions from pet shop owners. 	<ul style="list-style-type: none"> Negative impact on control programs due to animals being lost into the environment. Community frustration about lack of ability of public authorities to effectively control rabbits of domestic origin. Burden to animal shelters continue from dumped/donated domestic rabbits that are then on-sold.

The following conclusions were developed during the forum:

- An integrated rabbit control program is vital to successful rabbit abatement.
- Pet rabbits are unlikely to ever be desexed as de-sexing is not possible before six months of age and is therefore not performed prior to sale and as this operation in rabbits comes with a high mortality rate ,it is not popular with pet owners or veterinary practitioners.
- As complete eradication of feral rabbits is not possible the AVA and the Royal Society for the Prevention of Cruelty to Animals (RSPCA) recommend localised control. They also recommend the micro-chipping of all pet rabbits. This would need to come about at a state level through changes to the Companion Animals Act. Obviously these changes cannot be made at a local level. Micro-chipping would decrease the likelihood of impulse buying and the number of animals lost/dumped into the environment. It also raises the responsibilities of the owners. Micro-chipping could promote responsible pet ownership and provide data on how many domestic rabbits are currently being held in private homes. This information is currently unknown. These organisations also recommend scientific research and also for community education regarding responsible pet ownership
- Currently there is no way of knowing where released rabbits are from and no penalty for releasing pet rabbits. It is Pittwater Council's opinion that if micro-chipping were introduced it may decrease the likelihood of impulse buying and the number of animals lost/dumped into the environment. However, a further deterrent would be a penalty notice and this would seek to recover management costs.

- The Department of Primary Industries (DPI) recommends engaging with representatives from the pet industry and breeding associations sooner rather than later should big legislative changes be the preferred direction as partnering with the pet food industry could be beneficial in marketing a message to the broader community.

The NPWS and the Division of Local Government (DLG) recommend that educational messages to the broader community and pet owners should be well-planned and coordinated. The DLG felt legislative change could provide the 'hard line' whilst education of the public was a softer approach. The DLG indicated that this should be at a local level. However, a cross government approach is required and involving the Research Centres to develop new controls and monitoring are required.

3.0 SUSTAINABILITY ASSESSMENT

3.1 Supporting & Connecting our Community (Social)

- 3.1.1 There is significant community concern about both the impacts of rabbits.

3.2 Valuing & Caring for our Natural Environment (Environmental)

- 3.2.1 This program assists in the protection of native flora in Pittwater and the efforts of contractors and volunteers during planting and regeneration programs. In turn the protection and enhancement of native vegetation protects native fauna.

3.3 Enhancing our Working & Learning (Economic)

- 3.3.1 The ongoing effectiveness of this program is necessary to the protection of Council active and passive recreation areas and facilities.

3.4 Leading an Effective & Collaborative Council (Governance)

- 3.4.1 This program recognises the important between stakeholders not only the community but state and federal government agencies.

3.5 Integrating our Built Environment (Infrastructure)

- 3.5.1 The ongoing effectiveness of this program is necessary for the protection of Council lands and facilities.

4.0 EXECUTIVE SUMMARY

- 4.1 The issue of feral rabbits within Pittwater LGA is ongoing with total eradication unlikely. The continued effort of Council staff (in conjunction with the community where possible) implementing an integrated control program is vital in minimising rabbit numbers and continuing to liaise with state agencies and the Urban Feral Animal Action Group in regards to developments in feral rabbit control. Improved control may be achieved from changes to legislation such as Companion Animals Act to include rabbits via control of their sale, de-sexing and keeping of rabbits.

RECOMMENDATION

1. That the report on rabbits in the Pittwater LGA be noted.
2. That Council continue at a local level to undertake an integrated control program for rabbits.
3. That Council continue to develop and implement with the Urban Feral Animal Action Group member agencies a regional Rabbit Management Plan to provide effective control of rabbits.

Report prepared by
Sonja Elwood – Bushland Management Officer

Mark Beharrell
Manager Natural Environment and Education

Meeting Minutes

Date:: WEDNESDAY 29TH FEBRUARY 2012, 10:00AM-1:00PM

Venue: Level 3, 5 Vuko Place, Warriewood NSW 2102

Present: **Pittwater Council Staff:**

Chairman: Mark Ferguson (General Manager)

Chris Hunt (Director Urban & Env Assets)

Steve Lawler (Principal Officer – Reserves, Recreation and Building Services)

Lavinia Schofield (Bushland Mgmt. Officer, Reserves and Recreation)

Sonja Elwood (Bushland Mgmt. Officer, Reserves and Recreation)

Guests:

Steve Orr – Division of Local Government (DLG)

Anthony Schofield - NSW Dept. Primary Industries (DPI)

Mel Hall – National Parks & Wildlife Service (NPWS) and Urban Feral Animal Action Group (UFAAG)

Donna Morgan - Royal Society for the Prevention of Cruelty to Animals (RSPCA)

Dr. Alex Rosenwax - Aust. Veterinary Association (AVA)

Dr. Tim White – Aust. Veterinary Association (AVA)

Marita Macrae – Pittwater Natural Heritage Association (PNHA)

Apologies:

Les Munn – Pittwater Council (Manager Reserves, Recreation and Building Services)

Tim Seers and Steve Parker - Cumberland Livestock Health and Pest Authority (LH&PA)

Flett Turner - Royal Society for the Prevention of Cruelty to Animals (RSPCA)

Meeting: Management / Control of Rabbit Populations in Pittwater / NSW

Agenda

1. Welcome and Introductions
2. Presentation by Mel Hall – National Parks and Wildlife Service
3. Presentation by Anthony Schofield – Dept. Primary Industries
4. Presentation by Sonja Elwood – Pittwater Council
5. Morning Tea Break
6. Open Discussions
7. Close and Lunch

1. **Welcome and Introductions**
Welcome and introductions by Chairperson and General Manager – Mark Ferguson.
2. **Presentation by Mel Hall – National Parks and Wildlife Service (and UFAAG)**
 - Since 2007 there has been a large increase in rabbit numbers. As a result of this the Cumberland Livestock Health & Pest Authority (LHPA) has initiated a Plan of Management.
 - Rabbits are listed as a Key Threatening Process (KTP) under the NSW Threatened Species Act 1995 and nationally under the Environmental Protection and Biodiversity Conservation Act. A Threat Abatement Program has been developed for the control of rabbits. Rabbits are declared under the Rural Lands Protection Act 1998 but only in rural constituencies.
 - Management and legislative issues also relate to the use of pesticides. Toxicity is evaluated by the Environmental Protection Agency on the basis of populations and not individuals. Poisons such as Pindone can affect both domestic and native animals including dogs and bandicoots.
 - Secondary controls include: 1) myxomatosis which now occurs naturally; 2) RHDV (Calicivirus) which is released on a regular basis but does not persist well in the Sydney basin; 3) Trapping (which under the Prevention of Cruelty to Animals Act means a caught animal must be euthanased within 24 hours of capture; 4) Warren tearing and/or fumigation; 5) Exclusion fencing; 6) Shooting.
 - The NPWS has a pest management strategy in for each of 14 regions across NSW. A planned approach ensures NPWS development and implement the most effective and efficient strategy for rabbit control.
 - The recently released Pest Management Strategy was tabled (this has recently been open for public comment). This may be viewed at: <http://www.environment.nsw.gov.au/pestsweeds/RegionPestManagement.htm>
 - The strategy comes in two Parts; Part A is common to all 14 regions and provides the broader planning framework for the management of pests by NPWS. Part B (see Metro North East Region) describes the local circumstances within each NPWS Region and applies the Part A framework to prioritise specific pest management programs. *The strategy to date is a draft and may well undergo further refinement.*
 - Widespread programs should be asset-based and may require the control of more than one species. They also require ongoing efforts. Prevention is far better than cure.
 - Outcomes of control programs must be clear, demonstrable and measurable. Programs must be based upon evidence-based decision making. Risk assessment is always necessary.
 - Partnerships are often necessary and should be applied wherever possible.
 - The NPWS strategy is asset-based and prioritises – Critical priority includes threatened species, human and animal health, economic enterprise and new and emerging pests. High priority includes Endangered Ecological Communities and world/cultural heritage sites. Medium priority includes recreational/aesthetic values and cooperative programs and Low priority includes localised impacts on common native species, ecosystems and agriculture.
 - Barriers to success include completing priorities, mixed levels of knowledge and skills, differing perceptions and opinions, and staff turnover.
 - Monitoring is extremely important in assessing the success of any management program.

3. **Presentation by Anthony Schofield – Dept. Primary Industries**

- The DPI is involved in three areas related to rabbit control. 1) Legislation and administrative support to the Minister 2) Developing Invasive Species Plans and 3) Vertebrate Pest Research.

1. Legislation:

- Rural Lands Protection Act provides for the control of pests by ways of Pest Control Orders.
- Private and public land owners and managers have a responsibility to control rabbits on their land.
- Sydney falls under the Cumberland region (Division A).
- The Cumberland Livestock Health and Pest Authority (LH&PA) income comes mainly from the landowners of properties >10ha (i.e. predominantly rural areas) although the LH&PA still has a role to play in the urban environment.
- At this stage the DPI has no formal role but provides administrative support from time to time e.g. in reviews of the Acts and Regulations.
- The Rural Lands Protection Act is currently being reviewed around the area of rates collection. This is conducted by an independent body. DPI has prepared an issues paper around this review.

2. Invasive Species Plans:

- DPI has developed an Invasive Species Plan (2008-2015) with an emphasis on assisting the agricultural industry.
- The LH&PA review submissions were due to close in November 2011 although there may still be opportunity to submit a response.
- The DPI also has a responsibility to provide responses to biosecurity threats and to develop Invasive Species Plans.

3. Research:

- Myxomatosis was developed for rabbit control in the 1940s and 1950s.
- Calicivirus (RHDV) was introduced in the 1990s.
- The resurgence of rabbit populations has seen a lacking in conventional controls as people rely on new biological controls and an increase in immunity within the rabbit population.
- RCV-A1 is a benign virus that offers some resistance to Calicivirus.
- DPI (Invasive Animals CRC) has undertaken an RHD-Boost project to counteract the RCV-A1 virus. Ten new strains of RHDV are currently in quarantine.
- An integrated plan of management will continue to be important.
- DPI has an overarching strategic responsibility.
- Research details can be obtained from Dr. Tarnya Cox of the Vertebrate Pest Research Unit and can be contacted at: tarnya.cox@dpi.nsw.gov.au.
- It is hoped these new strains will be available for use within a year or so.

4. **Presentation by Sonja Elwood – Pittwater Council**

- Pittwater Council do employ an integrated approach to rabbit control in the LGA including poison baiting, shooting, warren fumigation, Calicivirus and trapping.
- Management issues relating to rabbits and rabbit control include: Ongoing control programs – not proving effective; Community objections on animal welfare grounds; Effects of Pindone on non-target species both domestic and native; OH&S issues associated with shooting; Damage to private property and public lands; Damage to natural ecosystems and bushland; Increasing immunity to Calicivirus;
- Possible options for ongoing management include:
 1. Prohibition of sale of domestic rabbits in NSW pet shops. Rabbits only to be bought from registered breeders.
 2. Introduce prohibition of sale or the keeping of domestic rabbits in NSW.
 3. Introduce prohibition of sale of domestic rabbits in NSW unless animal is de-sexed i.e. over 4 months old. De-sexing being the responsibility of Pet Shop or Breeder.
 4. Introduce prohibition of sale of domestic rabbits in NSW unless animal de-sexed and micro-chipped.
 5. Do nothing – status quo

5. **Morning Tea**

6. **Open Discussions**

- Dr Alex Rosenwax remarked that the recent project removing rabbits from Centennial Park appears to have been extremely effective and that all rabbits appear to have been removed from this site.
- De-sexing prior to sale is not a suitable option as this operation in rabbits comes with a high mortality rate and is not popular with pet owners or veterinary practitioners. Consideration should be given to the requirement of micro-chipping pet rabbits. This would need to come about at a state level through changes to the Companion Animals Act and would require administration by local governments. This would likely decrease the likelihood of impulse buying and the number of animals lost/dumped into the environment. It also raises the responsibilities of the owners.
- Vets are generally poorly informed about Calicivirus. Advertising prior to releases has been inadequate and the information sheet distributed to vets was incorrect in that it did not state that two vaccinations were required for effective protection over a 9 month period.
- Steve Orr and Mark Ferguson agreed that changes would need to come through the Companion Animals Act. Donna Morgan of the RSPCA commented that in regards to the Companion Animals Act there are already problems with the definitions relating to cats.
- Mel Hall stated the Centennial Park project was quite unique in that this was an isolated population, the site was closed and secured every evening from public access and that a number of strategies were employed to eradicate the population excluding the use of Pindone due to a public outcry regarding the humaneness of this method and risks and impacts on dogs and dog walkers. This program was carefully developed, was well funded, and the management team aimed and committed to continue until complete eradication was achieved. Steve Parker of the LH&PA was a participant in this program.
- Steve Orr of the DLG agreed that public opinion was not in favour of the use of poisons, there are no new options at this stage and therefore the control of rabbits requires a long term commitment in terms of time and resources.
- Anthony Schofield commented that if bigger changes were to be made there is a need to engage representatives from the pet industry / breeding associations sooner rather than later. Partnering with the pet food industry for example could be beneficial in marketing a message to the broader community.

- Dr Tim White felt complete eradication of feral rabbit populations was not possible but that one could aim for localised control. Would a ban on the sale of domestic rabbits really make a difference to feral rabbit populations overall? Ongoing funding will be required for scientific research and also for community education regarding responsible pet ownership and micro-chipping.
- Mel Hall enquired as to whether the veterinary industry could assist UFAAG in communicating their messages in regards to feral rabbits. Dr Alex Rosenwax said this would be possible through the Veterinary Practitioner's Board Monthly Newsletter and through the AVA of which approximately 60% of vets are members.
- Marita Macrae enquired as to whether another domestic species such as guinea pigs could be promoted as an alternative to keeping rabbits. Dr Alex Rosenwax agreed that this was feasible and was already underway in QLD.
- Anthony Schofield warned not to become seen as punishing responsible pet owners. Donna Morgan agreed and commented the new legislation actually punishes the compliant whilst ignoring those that are non-compliant.
- Mel Hall felt educational messages to the broader community and pet owners should be well-planned...what should they be? Steve Orr felt legislative change would provide the 'hard line' whilst education of the public was a softer approach. Information must be made readily available. Steve suggested Council develop methods on how to approach residents and agreed that key messages should be clear and well planned. Council will need an integrate plan, must be clear of the issues within the LGA and the role it wants to play in these issues. Perhaps one of the key messages to residents could involve "how to help Council". There is a good opportunity for Councils to run with this issue and build momentum. Ultimately involving the Cooperative Research Centre (CRC) would also be beneficial, let them know the issues after building momentum first in a strategic framework.
- Chris Hunt felt micro-chipping could be a valuable option not only in promoting responsible pet ownership but also in providing data on how many domestic rabbits are currently being held in private homes. This information is currently unknown. In regards to community education employing a variety of different techniques to deliver the message would be beneficial.

7. Meeting Closed: - 12:45pm

Council Meeting

13.0 Adoption of Governance Committee Recommendations

14.0 Adoption of Planning an Integrated Built Environment Committee Recommendations
